

HOUSE No. 4618

The Commonwealth of Massachusetts

In the Year Two Thousand Ten

An Act relative to municipal relief.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of chapter 32 of the General Laws, as appearing in the 2008
2 Official Edition, is hereby amended by striking out the word “may”, in line 488, and inserting in
3 place thereof the following word:- shall.

4 SECTION 2. Paragraph (f) of subdivision (3) of section 21 of said chapter 32, as so
5 appearing, is hereby amended by striking out the second paragraph and inserting in place thereof
6 the following paragraph:-

7 An actuarial valuation of each system shall be conducted biennially, and experience
8 investigations shall be conducted every 6 years. The first such valuation shall be completed as of
9 January 1, 2011 or as of January 1 of the third year following the last actuarial valuation of the
10 system, if earlier. Actuarial valuation reports and experience studies shall be conducted in such
11 manner as the commissioner of administration, upon advice of the actuary, shall consider
12 appropriate.

13 SECTION 3. Subdivision (1) of section 22D of said chapter 32, as amended by section 18
14 of chapter 21 of the acts of 2009, is hereby further amended by inserting after the first sentence
15 the following sentence:- A funding schedule established under this section shall provide that the
16 payment in any year of the schedule is no less than 95 per cent of the amount appropriated in the
17 previous fiscal year.

18 SECTION 4. Said chapter 32 is hereby further amended by inserting after section 22E the
19 following section:-

20 Section 22F. (a) Systems, other than the state employees' retirement system and the
21 teachers' retirement system, which conduct an actuarial valuation of the retirement system as of
22 January 1, 2009 or later, may establish a revised retirement system funding schedule, subject to
23 the approval of the actuary, which reduces the unfunded actuarial liability of the system to zero
24 on or before June 30, 2040 as long as it satisfies the following conditions:

25 (1) The payment in any year under the revised schedule or any subsequent schedule shall
26 not be less than the payment in any prior fiscal year under the then current schedule until the
27 system is fully funded.

28 (2) The increase in the amortization component of the appropriations required by the
29 schedule from year to year shall not exceed 4 per cent and shall be designed so that the funding
30 schedule and any updates to it shall reduce the unfunded actuarial liability of the system to zero
31 on or before June 30, 2040.

32 (b) If an updated actuarial valuation allows for the development of a revised schedule
33 with reduced payments, the revised schedule shall be adjusted to reduce the unfunded liability of
34 the system to zero by an earlier date to the extent required to ensure that the appropriation

35 required for a particular year under the new schedule shall not be less than the amount identified
36 for that year under the prior schedule established under this section.

37 (c) If a schedule established under this section would result in an appropriation in the first
38 fiscal year of the schedule that is greater than 8 per cent more than the appropriation in the
39 previous fiscal year, the requirement of paragraph (2) of subsection (a) may be adjusted with the
40 approval of the public employee retirement administration commission.

41 (d) In any year following the first 10 years of adoption of the revised schedule, additional
42 unfunded liability resulting from losses due to experience or assumption changes shall be
43 amortized over a fixed period not to exceed 20 years. In any schedule effective in a year
44 following a year in which the retirement system has an investment loss in excess of 20 per cent,
45 the actuary may extend the amortization period for losses resulting from investment experience
46 in that year by not more than 10 years.

47 SECTION 5. Section 3 of chapter 40 of the General Laws, as appearing in the 2008
48 Official Edition, is hereby amended by striking out, in line 4, the word "ten" and inserting in
49 place thereof the following figure:- 30.

50 SECTION 6. Said chapter 40 is hereby amended by inserting after section 4I the
51 following 2 sections:-

52 Section 4J. (a) As used in this section, the following words shall, unless the context
53 clearly requires otherwise, have the following meanings:-

54 "Agency", the Massachusetts emergency management agency.

55 "Agreement", the statewide public safety mutual aid agreement established in subsection
56 (b).

57 "Authorized representative", in the case of a city or town, the mayor, city manager, town
58 manager, town administrator, executive secretary, police chief or on-duty shift commander of the
59 police department, fire chief or on-duty shift commander of the fire department, health director
60 or chairperson of the board of health or the emergency management director. In the case of a
61 governmental unit that is not a city or town, the authorized representative shall be the chief
62 executive officer or his designee.

63 "Employee", a person employed full time or part time by a governmental unit.

64 "Governmental unit", a city, town, county, regional transit authority established under
65 chapter 161B, water or sewer commission or district established under the provisions of chapter
66 40N or pursuant to a special law, fire district, regional health district established under the
67 provisions of chapter 111, a regional school district or law enforcement council.

68 "Incident command system", the standardized national incident management system that
69 establishes an on-scene management system of procedures for controlling personnel, facilities,
70 equipment and communications from different agencies at the scene of an emergency or other
71 event for which mutual aid assistance is provided.

72 "Law enforcement council", a non-profit corporation comprised of municipal police
73 chiefs and other law enforcement agencies whose purpose is to provide: (i) mutual aid to its
74 members pursuant to mutual aid agreements; (ii) mutual aid or requisitions for aid to non-
75 members consistent with section 8G or section 99 of chapter 41; and (iii) enhanced public safety
76 by otherwise sharing resources and personnel.

77 "Mutual aid assistance", cross-jurisdictional provision of emergency services, materials
78 or facilities from one party to another when existing resources are, or may be, inadequate.

79 "Party", a governmental unit that has joined the agreement.

80 "Public safety incident", an event, emergency or natural or manmade disaster, that
81 threatens or causes harm to public health, safety or welfare and that exceeds, or reasonably may
82 be expected to exceed, the response or recovery capabilities of any governmental unit. An event
83 or emergency shall include, but not be limited to, technological hazards, planned events, civil
84 unrest, health related events and emergencies, acts of terrorism and trainings and exercises that
85 test and simulate the ability to manage, respond to or recover from any of these events.

86 "Requesting party", a party that requests aid or assistance from another party pursuant to
87 the agreement.

88 "Sending party", a party that renders aid or assistance to another party under the
89 agreement.

90 (b) There shall be a statewide public safety mutual aid agreement to create a framework
91 for the provision of mutual aid assistance among the parties to the agreement in the case of a
92 public safety incident. The assistance to be provided under the agreement shall include, but not
93 be limited to, fire service, law enforcement, emergency medical services, transportation,
94 communications, public works, engineering, building inspection, planning and information
95 assistance, resource support, public health, health and medical services, search and rescue and
96 any other resource, equipment or personnel that a party to the agreement may request or provide
97 in anticipation of, or in response to, a public safety incident.

98 (c) (1) (i) If a city or town wishes to join the agreement, the mayor in the case of a city,
99 the city manager in the case of a Plan D or Plan E city, or the town manager, town administrator
100 or chair of the board of selectmen upon approval by a majority vote of the board of selectmen,
101 may act on behalf of the city or town to join the agreement by notifying the director of the
102 agency in writing. The municipality shall be a party to the agreement 30 days after receipt by the
103 agency of the written notification.

104 (ii) If a city or town has joined the agreement but wishes to opt out of the agreement, the
105 mayor in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town
106 manager, town administrator or chair of the board of selectmen upon approval by a majority vote
107 of the board of selectmen in the case of a town, may act on behalf of the city or town to opt out
108 of the agreement by notifying the agency in writing. The removal of the municipality from the
109 agreement shall take effect 10 days after receipt by the agency of the written notification.

110 (2) (i) If a governmental unit that is not a city or town wishes to join the agreement, the
111 chief executive officer of the governmental unit may act on its behalf to join the agreement by
112 notifying the director of the agency in writing. The governmental unit shall be a party to the
113 agreement 30 days after receipt by the agency of the written notification.

114 (ii) If a governmental unit that is not a city or town has joined the agreement but wishes
115 to opt out of the agreement, the chief executive officer of the governmental unit may act on its
116 behalf to opt out of the agreement by notifying the agency in writing. The removal of the
117 municipality from the agreement shall take effect 10 days after receipt by the agency of the
118 written notification.

119 (d) A request by a party to receive mutual aid assistance under the agreement shall be
120 made by an authorized representative of the requesting party and must be communicated to an
121 authorized representative of the sending party or to the agency. A request may be communicated
122 orally or in writing. If communicated orally, the requesting party shall reduce the request to
123 writing and deliver it to the sending party or to the agency at the earliest possible date, but no
124 later than 72 hours after making the oral request.

125 A party to the agreement may request mutual aid assistance during, in anticipation of or
126 as a result of a public safety incident.

127 An oral or written request for mutual aid assistance under the agreement shall include the
128 following information: (i) a description of the public safety incident; (ii) the nature, type and
129 amount of personnel, equipment, materials, supplies or other resources being requested; (iii) the
130 manner in which the resources will be used and deployed; (iv) a reasonable estimate of the length
131 of time the resources will be needed; (v) the location to which the resources should be deployed;
132 and (vi) the requesting party's point of contact.

133 A party that receives a request for mutual aid assistance shall, to the extent reasonable
134 and practicable under the circumstances, provide and make available the resources requested by
135 the requesting party; provided, however, that a party may withhold requested resources to the
136 extent necessary to provide reasonable protection and coverage for its own jurisdiction.

137 (e) The requesting party shall be responsible for the overall operation, assignment and
138 deployment of resources and personnel provided by a sending party consistent with the incident
139 command system. The sending party shall retain direct supervision and command and control of

140 personnel, equipment and resources provided by the sending party unless otherwise agreed to by
141 the requesting party and sending party.

142 During the course of rendering mutual aid assistance under the agreement, the sending
143 party shall be responsible for the operation of its equipment and for any damage thereto unless
144 the sending party and the requesting party agree otherwise.

145 (f) All expenses incurred by the sending party in rendering mutual aid assistance pursuant
146 to the agreement shall be paid by the sending party; provided, however, that a requesting party
147 and a sending party may enter into supplementary agreements for reimbursement of costs
148 associated with providing mutual aid assistance incurred by a sending party.

149 A sending party shall document its costs of providing mutual aid assistance under the
150 agreement, including direct and indirect payroll and employee benefit costs, travel costs, repair
151 costs and the costs of materials and supplies. A sending party shall also document the use of its
152 equipment, and the quantities of materials and supplies used while providing mutual aid
153 assistance under the agreement.

154 Except as otherwise agreed to by the requesting and sending parties, the requesting party
155 shall seek reimbursement under any applicable federal and state disaster assistance programs for
156 the costs of responding to the public safety incident. The requesting party and each sending
157 party shall receive, based on the documented costs of providing mutual aid assistance, its pro rata
158 share of the disaster assistance compensation and reimbursement provided to the requesting
159 party.

160 (g) While providing mutual aid assistance under the agreement, employees of a sending
161 party shall: (i) be afforded the same powers, duties, rights and privileges as they are afforded in

162 the sending party's geographical jurisdiction or location; and (ii) receive the same salary,
163 including overtime, that they would be entitled to receive if they were operating in their own
164 governmental unit. In the absence of an agreement to the contrary, the sending party shall be
165 responsible for all such salary expenses, including overtime.

166 (h) While in transit to, returning from and providing mutual aid assistance under the
167 agreement, employees of a sending party shall have the same rights of defense, immunity and
168 indemnification that they otherwise would have under the law if they were acting within the
169 scope of their employment under the direction of their employer. A sending party shall provide
170 to, and maintain for, each of its employees who provide mutual aid assistance under the
171 agreement the same indemnification, defense, right to immunity, employee benefits, death
172 benefits, worker's compensation or similar protection and insurance coverage that would be
173 provided to such employees if they were performing similar services in the sending party's
174 jurisdiction.

175 Each party to the agreement shall waive all claims and causes of action against all other
176 parties that may arise out of their activities while rendering or receiving mutual aid assistance
177 under the agreement, including travel outside of its jurisdiction.

178 Each requesting party shall defend, indemnify and hold harmless each sending party from
179 all claims by third parties for property damage or personal injury which may arise out of the
180 activities of the sending party or its employees, including travel, while providing mutual aid
181 assistance under the agreement.

182 (i) This section shall not affect, supersede or invalidate any other statutory or contractual
183 mutual aid or assistance agreements involving parties to the agreement, including, but not limited

184 to, those established pursuant to section 4A or 8G. A party may enter into supplementary mutual
185 aid agreements with other parties or jurisdictions.

186 Section 4K. (a) As used in this section, the following words shall, unless the context
187 clearly requires otherwise, have the following meanings:-

188 “Advisory committee”, the statewide public works municipal mutual aid advisory
189 committee established in subsection (d).

190 “Agreement”, the statewide public works municipal mutual aid agreement established in
191 subsection (b).

192 “Employee”, a person employed full or part time by a governmental unit.

193 “Governmental unit”, a city, town, county or district, however constituted, or water or
194 sewer commission established under the provisions of chapter 40N or any other general or
195 special law.

196 “Mutual aid assistance”, cross-jurisdictional provision of services, materials or facilities
197 from one party to another when existing resources are, or may be, inadequate.

198 “Party”, a governmental unit that has joined the agreement.

199 “Public works incident”, a foreseeable or unforeseeable event, emergency or natural or
200 manmade disaster that affects or threatens to affect the public works operations of a
201 governmental unit.

202 "Requesting party", a party that requests aid or assistance from another party pursuant to
203 the agreement.

204 "Sending party", a party that renders aid or assistance to another party under the
205 agreement.

206 (b) There shall be a statewide public works municipal mutual aid agreement to facilitate
207 the provision of public works resources across jurisdictional lines in the case of a public works
208 incident that requires mutual aid assistance from 1 or more municipalities. The mutual aid
209 assistance to be provided under the agreement shall include, but not be limited to, services
210 related to public works, personnel, equipment, supplies and facilities to prepare for, prevent,
211 mitigate, respond to and recover from public works incidents.

212 (c) (1) (i) If a city or town wishes to join the agreement, the mayor in the case of a city,
213 the city manager in the case of a Plan D or Plan E city, or the town manager, town administrator
214 or chair of the board of selectmen upon approval by a majority vote of the board of selectmen,
215 may act on behalf of the city or town to join the agreement by notifying the advisory committee
216 in writing. The municipality shall be a party to the agreement 30 days after receipt by the
217 advisory committee of the written notification.

218 (ii) If a city or town has joined the agreement but wishes to opt out of the agreement, the
219 mayor in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town
220 manager, town administrator or chair of the board of selectmen upon approval by a majority vote
221 of the board of selectmen in the case of a town, may act on behalf of the city or town to opt out
222 of the agreement by notifying the advisory committee in writing. The removal of the
223 municipality from the agreement shall take effect 10 days after receipt by the advisory committee
224 of the written notification.

225 (2) (i) If a governmental unit that is not a city or town wishes to join the agreement, the
226 chief executive officer of the governmental unit may act on its behalf to join the agreement by
227 notifying the advisory committee in writing. The governmental unit shall be a party to the
228 agreement 30 days after receipt by the advisory committee of the written notification.

229 (ii) If a governmental unit that is not a city or town has joined the agreement but wishes
230 to opt out of the agreement, the chief executive officer of the governmental unit may act on its
231 behalf to opt out of the agreement by notifying the advisory committee in writing. The removal
232 of the governmental unit that is not a city or town from the agreement shall take effect 10 days
233 after receipt by the advisory committee of the written notification.

234 (3) (i) If a governmental unit in a state contiguous to the commonwealth wishes to join
235 the agreement, the governmental unit may join the agreement by notifying the advisory
236 committee in writing. The governmental unit shall be a party to the agreement 30 days after
237 receipt by the advisory committee of the written notification.

238 (ii) If a governmental unit in a state contiguous to the commonwealth has joined the
239 agreement but wishes to opt out of the agreement, the governmental unit may opt out of the
240 agreement by notifying the advisory committee in writing. The removal of the governmental
241 unit from the agreement shall take effect 10 days after receipt by the advisory committee of the
242 written notification.

243 (d) There shall be a statewide public works municipal mutual aid advisory committee to
244 consist of the secretary of public safety and security or his designee, who shall serve as chair of
245 the committee; and 1 member appointed from each of the following: the Massachusetts Highway
246 Association; the New England Chapter of the American Public Works Association, who shall be

247 a resident of the commonwealth; the New England Water Environment Association, who shall be
248 a resident of the commonwealth; the Massachusetts Tree Wardens Association; the
249 Massachusetts Water Works Association; and the Massachusetts Municipal Association.

250 The advisory committee shall develop procedural plans, protocols and programs for
251 intrastate and interstate cooperation to be used by public works agencies in response to a public
252 works incident. The administration and coordination of the statewide mutual aid agreement shall
253 be the responsibility of the advisory committee. The advisory committee shall develop and make
254 available to parties forms to facilitate requests for aid, including a form to track the movement of
255 public works equipment and personnel.

256 (e) Each party shall identify no less than 1, but no more than 3 points of contact to serve
257 as the primary liaison for all issues relating to the agreement.

258 (f) A request by a party to receive mutual aid assistance shall be made by the chief
259 executive officer of the requesting party or 1 of its 3 designated points of contact and shall be
260 communicated to the chief executive officer or 1 of its 3 designated points of contact from the
261 sending party. A request may be communicated orally or in writing. If communicated orally,
262 the requesting party shall reduce the request to writing and deliver it to the sending party at the
263 earliest possible date, but no later than 72 hours after making the oral request.

264 A requesting party may request the assistance of 1 or more parties to assist with or
265 manage a public works incident, including recovery related exercises, testing or training.

266 An oral or written request for mutual aid assistance under the agreement shall include the
267 following information: (i) a description of the public works incident response and recovery
268 functions for which assistance is needed; (ii) the nature, type and amount of public works

269 services, personnel, equipment, materials, supplies or other resources being requested; (iii) the
270 manner in which the resources will be used and deployed; (vi) a reasonable estimate of the length
271 of time the resources will be needed; (v) the location to which the resources should be deployed;
272 and (vi) the requesting party's point of contact.

273 A party that receives a request for mutual aid assistance shall, to the extent reasonable
274 and practicable under the circumstances, provide and make available the resources requested by
275 the requesting party; provided, however, that a party may withhold requested resources to the
276 extent necessary to provide reasonable protection and coverage for its own jurisdiction.

277 (g) The requesting party shall be responsible for the overall operation, assignment and
278 deployment of resources, equipment and personnel provided by a sending party. The sending
279 party shall retain direct supervision, command and control of personnel, equipment and resources
280 provided by the sending party unless otherwise agreed to in a supplemental agreement.

281 During the course of rendering mutual aid assistance under the agreement, the sending
282 party shall be responsible for the operation of its equipment and for any damage thereto unless
283 the sending party and the requesting party agree otherwise.

284 (h) All expenses incurred by the sending party in rendering mutual aid assistance
285 pursuant to the agreement shall be paid by the sending party; provided, however, that a
286 requesting party and a sending party may enter into supplementary agreements for
287 reimbursement of costs associated with providing mutual aid assistance incurred by a sending
288 party.

289 A sending party shall document its costs of providing mutual aid assistance under the
290 agreement, including direct and indirect payroll and employee benefit costs, travel costs, repair

291 costs and the costs of materials and supplies. A sending party shall also document the use of its
292 equipment, and the quantities of materials and supplies used while providing mutual aid
293 assistance under the agreement.

294 Except as otherwise agreed to by the requesting and sending parties, the requesting party
295 shall seek reimbursement under any applicable federal and state disaster assistance programs for
296 the costs of responding to the public works incident. The requesting party and each sending
297 party shall receive, based on the documented costs of providing mutual aid assistance, its pro rata
298 share of the disaster assistance compensation and reimbursement provided to the requesting
299 party.

300 (i) While providing mutual aid assistance under the agreement, employees of a sending
301 party shall: (i) be afforded the same powers, duties, rights and privileges as they are afforded in
302 the sending party's geographical jurisdiction or location; (ii) be considered similarly licensed,
303 certified or permitted in the requesting party's jurisdiction if the employee holds a valid license,
304 certificate or permit issued by the employee's governmental unit; and (iii) receive the same
305 salary, including overtime, that they would be entitled to receive if they were operating in their
306 own governmental unit. In the absence of an agreement to the contrary, the sending party shall
307 be responsible for all such salary expenses, including overtime.

308 (j) While in transit to, returning from and providing mutual aid assistance under the
309 agreement, employees of a sending party shall have the same rights of defense, immunity and
310 indemnification that they otherwise would have under the law if they were acting within the
311 scope of their employment under the direction of their employer. A sending party shall provide
312 to, and maintain for, each of its employees who provide mutual aid assistance under the

313 agreement the same indemnification, defense, right to immunity, employee benefits, death
314 benefits, worker's compensation or similar protection and insurance coverage that would be
315 provided to such employees if they were performing similar services in the sending party's
316 jurisdiction.

317 Each party to the agreement shall waive all claims and causes of action against all other
318 parties that may arise out of their activities while rendering or receiving mutual aid assistance
319 under the agreement, including travel outside of its jurisdiction.

320 Each requesting party shall defend, indemnify and hold harmless each sending party from
321 all claims by third parties for property damage or personal injury which may arise out of the
322 activities of the sending party or its employees, including travel, while providing mutual aid
323 assistance under the agreement.

324 All equipment requested and deployed pursuant to the statewide municipal mutual
325 assistance agreement shall be insured by the sending party.

326 (k) This section shall not affect, supersede or invalidate any other statutory or contractual
327 mutual aid or assistance agreements involving parties to the agreement, including, but not limited
328 to, those established pursuant to section 4A. A party may enter into supplementary mutual aid
329 agreements with other parties or jurisdictions.

330 SECTION 7. Section 23 of chapter 59, as appearing in the 2008 Official Edition, is
331 hereby amended by striking out, in line 9, the words “of that year”.

332 SECTION 8. Said chapter 59 is hereby further amended by striking out section 25, as so
333 appearing, and inserting in place thereof the following section:-

334 Section 25. The assessors of each city, town and district shall annually raise by taxation
335 such reasonable amount of overlay as the commissioner may approve. The overlay account shall
336 be used only for avoiding fractional divisions of the amount to be assessed and to fund
337 abatements granted on account of taxes assessed for any fiscal year. The amount of such overlay
338 approved by the commissioner shall not be included in calculating the "total taxes assessed" in
339 paragraph (a) of section 21C or the maximum levy limit in paragraph (f) of said section 21C.

340 SECTION 9. Section 70A of said chapter 59, as appearing in the 2008 Official Edition,
341 is hereby amended by striking out, in line 28, the words "of the year of such tax".

342 SECTION 10. Section 8 of chapter 71B of the General Laws, as so appearing, is hereby
343 amended by adding the following paragraph:-

344 A school committee may adopt a program to reimburse parents who voluntarily choose to
345 transport their disabled child to a school approved by the department that is located outside of the
346 city or town of residence of the parent or guardian. The reimbursement program may utilize rates
347 in excess of the standard state mileage reimbursement amounts and may be based on a mileage,
348 daily or weekly rate. Committees choosing to utilize this option shall be able to demonstrate that
349 parental reimbursements represent a cost savings compared to other modes of available
350 transportation. An eligible parent shall not be required to participate in the program.

351 SECTION 11. (a) Notwithstanding chapter 32 of the General Laws or any other general
352 or special law to the contrary, a municipality which accepts this section may establish and
353 implement an early retirement incentive program for its employees in accordance with this
354 section. Teachers, as defined by section 1 of chapter 32, who are members of the teachers'
355 retirement system, as well as teachers who are members of the State-Boston retirement system,

356 shall not be considered “employees” for purposes of this section and shall not be eligible to
357 participate in the municipal early retirement incentive program established under this section.

358 (b) The chief executive officer of the municipality shall limit the total number of
359 participating employees, with preference given to those with greater years of creditable service,
360 and shall have the authority to determine which eligible municipal employees may participate
361 and to approve early retirement benefits for each employee in order to avoid adverse impacts on
362 municipal operations and services.

363 (c) In order to be eligible to participate in a program established under this section, in
364 addition to any other requirements imposed by the municipality, an employee must be an active
365 member of a municipal, regional or county retirement system with at least 20 years of service
366 whose salary is paid from the operating budget and not from federal, trust or other capital funds.

367 (d) An employee who is eligible for the early retirement incentive program may request
368 in an application for retirement that the retirement board credit the employee with an additional
369 retirement benefit of a combination of years of creditable service and years of age, in full year
370 increments, the sum of which shall not be greater than 3 years, or a lesser amount established by
371 the municipality, for the purposes of determining the employee’s superannuation retirement
372 allowance under paragraph (a) of subdivision (2) of section 5 of chapter 32 of the General Laws.
373 Notwithstanding the credit, the total normal yearly amount of the retirement allowance, as
374 determined in accordance with said section 5 of said chapter 32, of any employee who retires and
375 receives the retirement incentive program benefit shall not exceed 80 per cent of the average
376 annual rate of the employee’s regular compensation as determined in accordance with said
377 section 5 of said chapter 32. All participants must forego the right to accrued sick and vacation

378 time, and the amount that would have been paid to a retiree for accrued sick and vacation time
379 shall be paid into the municipal, regional or county retirement system to reduce the additional
380 pension liability resulting from this program.

381 (e) In filling positions which have been vacated by employees who participate in an early
382 retirement incentive program under this section, the chief executive officer of the municipality
383 shall be limited to paying compensation, contract and professional services in an amount that
384 does not exceed the following percentage of the total annual salary of all participants in the
385 program calculated as of their respective retirement dates: 30 per cent in fiscal year 2011, 45 per
386 cent in fiscal year 2012 and 60 per cent in fiscal year 2013.

387 (f) A municipality that establishes an early retirement incentive program under this
388 section shall provide the public employee retirement administration commission with
389 information demonstrating the value of the plan and any information requested by the public
390 employee retirement administration commission in order to allow it to evaluate the plan and
391 confirm the analysis, including historic data upon which the plan is based, the elements of the
392 municipal plan including the total number of participants, the types of eligible employees, the
393 salaries of participating employees, the benefits to be received and the limits on refilling vacated
394 positions. In addition, the municipality shall certify to the public employee retirement
395 administration commission that the present value cost of its plan is estimated to be less than the
396 present value savings and provide the commission with all information it requests to evaluate the
397 plan and confirm a cost analysis.

398 (g) In order to establish an early retirement incentive program under this section, a
399 municipality shall comply with the following procedures:

400 (i) Within 2 months after the effective date of this act, the chief executive officer of a
401 municipality that chooses to participate shall submit its plan to the public employee retirement
402 administration commission for approval.

403 (ii) Once the plan has been approved, it shall be submitted to the legislative body of the
404 municipality for acceptance not later than the next regular meeting of the legislative body at
405 which the plan can practicably be submitted.

406 (iii) The approved plan shall be published and made available to employees within 1
407 month after it is accepted.

408 (iv) Employees must apply to participate within 2 months of the plan's publication.

409 (v) The municipality shall determine which applicants shall be allowed to participate in
410 the program and notify them within 1 month of the application deadline.

411 (vi) Participating employees must retire within 2 months of notification of acceptance.

412 (h) The chief executive officer of a municipality that establishes a program under this
413 section shall submit an annual report to the public employee retirement administration
414 commission, the executive office for administration and finance and the municipal legislative
415 body. The report shall include the salaries and positions of participants, the amount of sick and
416 vacation time being contributed by participants, the salaries and positions of those being hired as
417 replacements and whether the positions of participants have been permanently eliminated.

418 (i) A municipality's increased pension liability resulting from participation in a program
419 established under this section shall be amortized over 10 years, starting in the next fiscal year

420 after all participating employees retire, in equal installments, and shall be separately identified in
421 the municipal, regional or county retirement system's pension funding schedule.

422 SECTION 12. Any overlay amounts raised under the provisions of section 25 of chapter
423 59 of the General Laws in effect before the effective date of this act shall continue to be subject
424 to those provisions and the provisions of section 70A of said chapter 59 in effect before the
425 effective date of this act.