

SENATE No. 1124

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to establish a service based public retirement benefit..

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. Subdivision (2) of section 10 of chapter 32, as so appearing, is hereby
2 further amended by inserting after paragraph (a) the following paragraph:-

3 (a 1/2) Any member of the state retirement system or any member of any other system
4 established under sections 1 through 28 inclusive, except the teachers' retirement system and
5 teachers who are members of the State-Boston retirement system, whose legislative body accepts
6 this section, who has completed 30 or more years of creditable service and whose resignation
7 becomes effective after he attains age 50 but prior to attaining age 60, shall receive a normal
8 yearly amount of retirement allowance which shall be based on 2 2/10 of the annual rate of
9 regular compensation received during any period of 3 consecutive years of creditable service for
10 which such rate of compensation was the highest multiplied by the total years of creditable
11 service; provided however, such allowance shall be reduced at the time of retirement by 3 per
12 cent for each year before attaining the age of 62 and by an additional 5 percent for each year
13 before attaining the age of 58, provided further, that such member has paid the full amount of
14 regular deductions on the total income of regular compensation, including deductions specified

15 in subdivision (3A) of section 3 and in paragraph (d) of subdivision (1) of section 22. The total
16 normal yearly amount of the retirement allowance of any member as determined in accordance
17 with this section, shall not exceed 4/5 of the average annual rate of his regular compensation
18 used in determining a retirement allowance under this paragraph. Any member who is a veteran
19 as defined in section 1, shall receive an additional yearly retirement allowance of \$15 for each
20 year of creditable service or fraction thereof; provided, however, that the total amount of said
21 additional retirement allowance shall not exceed \$300 in any case. This paragraph shall apply to
22 any such member who became a member on or after January 1, 2009 and any other member who
23 elects to participate in the retirement option under this paragraph. –

24 (i) the election to participate in the retirement option under this paragraph, shall
25 be made on or after January 1, 2009 and before January 1, 2010 in writing to the state retirement
26 board or the respective board of the member, on a form prescribed by the board. Any member of
27 a contributory retirement system who transfers into the state retirement system may elect to
28 participate in the retirement option; provided, that the election shall occur within 180 days of
29 establishing membership in the state retirement system. Any member who elects to participate in
30 the retirement option and pays additional contributions pursuant to this paragraph and does not
31 complete 30 years of creditable service shall upon termination from membership in or retirement
32 from the system be reimbursed such additional contributions, plus regular interest, as determined
33 by the state retirement board.

34 SECTION 2. Paragraph (b) of subdivision (1) of section 22 of said chapter 32, as so
35 appearing, is hereby amended by adding the following paragraph:-

36 vii) withhold on each pay day 9 per cent of the regular compensation of each employee
37 who elects to participate in the retirement option under paragraph (a1/2) of subdivision (2) of
38 section 10, on account of such service rendered by him on or after January 1, 2010.