

SENATE No. 1222

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act relative to the cost of living adjustment for public retirees..

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 (1) of section 22C of chapter 32 of the General Laws, as
2 amended by section 1 of chapter 377 of the acts of 2008, is hereby further amended by striking
3 out, in the first sentence of the second paragraph thereof, the words “June 30, 2025” and
4 inserting in place thereof the following words, June 30, 2028.

5 SECTION 2. Section 22D of said chapter 32, as appearing in the 2006 Official
6 Edition, is amended by inserting in line 29 after the word “approve” the following
7 words: - provided further, however, that in the event that a system has accepted
8 the provisions of paragraph (j) of Section 103, the funding schedule, and any
9 updates thereto, shall be designed to reduce the unfunded actuarial liability of
10 said system to zero as of such year, that may be subsequent to June 30, 2028,
11 as the commission shall approve.

SECTION 3. Paragraph (c) of section 102 of said chapter 32, as appearing in the 2006 Official Edition, is amended by striking out in lines 32, 36 and 43 the dollar amount “\$12,000” and inserting in place thereof the following dollar amount: - \$16,000.

SECTION 4. Section 103 of said chapter 32 is amended by inserting the following new paragraph: -

(j) Notwithstanding the provisions of paragraph (a) to the contrary, the board of any system may, by accepting the provisions of this paragraph as hereinafter provided, elect to pay a cost-of-living adjustment on a base amount greater than \$12,000. Acceptance of this paragraph shall be by a majority vote of the board of such system, subject to the approval of the legislative body. For the purpose of this paragraph, “legislative body” shall mean, the city council in accordance with its charter, in the

case of a town, the town meeting, in the case of a county or region, the county or regional retirement board advisory council, in the case of a district, the district members,

and, in the case of an authority, the governing body. Acceptance of this paragraph shall be deemed to have occurred upon the filing of the certification of such vote

with the commission. A decision to accept the provisions of this paragraph may not be revoked.

Notwithstanding the provisions of subdivision (6A) of Section 22 or

31 Section 22D to the contrary, for each system that has accepted the provisions of
32 this paragraph, the board, in consultation with the commission, shall prepare a
33 funding schedule which shall reflect the costs and the actuarial liabilities attributable
34 to the cost of living allowance that may be paid in accordance with the provisions
35 of this paragraph and said schedule shall be designed to reduce the applicable
36 retirement system's pension liability to zero by such year, that may be subsequent
37 to June 30, 2028, as approved by the commission. The board shall file revised
38 funding schedules triennially with the joint committee on public service until such
39 costs and liabilities are reduced to zero.

40 SECTION 5. The provisions of sections one and three of this act shall take effect
41 for cost of living adjustments to be made, in accordance with the provisions of
42 section 102 of said chapter 32, commencing July 1, 2009.