

HOUSE No. 3812

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act authorizing the board of commissioners of the Franklin County Regional Housing and Redevelopment Authority to offer a limited early retirement incentive.

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. Notwithstanding chapter 32 of the General Laws or any other general or
2 special law to the contrary, the board of commissioners of the Franklin County Regional
3 Housing and Redevelopment Authority, hereinafter referred to as FCRHRA, may establish an
4 early retirement incentive program for employees of the agency subject to the following
5 provisions:

6 (1) The program shall apply to active employees of the FCRHRA who are active members
7 of the Franklin regional retirement system with at least 20 years of creditable service on the
8 effective date of this act, and who are eligible to receive a superannuation retirement allowance
9 in accordance with paragraph (a) of subdivision (1) of section 5 of said chapter 32 upon the
10 effective retirement date specified in his written application to the retirement system.

11 (2) Notwithstanding said chapter 32 to the contrary, the normal yearly amount of the
12 retirement allowance for an eligible employee shall be based on the average annual rate of
13 regular compensation as determined under paragraph (a) of subdivision (2) of said section 5 of

said chapter 32 and shall be computed according to the table contained in said paragraph (a) based on the age of such member and his number of years and full months of creditable service at the time of his retirement increased either by adding up to 3 years of age or by adding up to 3 years of creditable service or by a combination of additional years of age and service the sum of which shall not be greater than 3.

(3) The board of commissioners of the FCRHRA may limit the total number of employees for whom it will approve a retirement calculated under this act or the total number of employees within each functional department of the agency for whom it will approve a retirement calculated under this act; provided, however, that if participation is limited, the retirement of employees with greater years of creditable service shall be approved before approval shall be given to employees with lesser years of creditable service.

(4) The total normal yearly amount of the retirement allowance, as determined in accordance with section 5 of said chapter 32, of an eligible employee who retires and receives an additional benefit under the early retirement incentive program in accordance with this section shall not exceed 80 per cent of the average annual rate of his regular compensation received during any period of 3 consecutive years of creditable service for which the rate of compensation was the highest or of the average annual rate of his regular compensation received during the periods, whether or not consecutive, constituting his last 3 years of creditable service preceding retirement, whichever is greater.

(5) Words used in this act shall have the same meaning as they are used in said chapter 32 unless otherwise expressly provided or unless the context clearly requires otherwise.

SECTION 2. (1) The executive director of the FCRHRA shall submit a draft plan to the board of commissioners of the FCRHRA within 10 days of the effective date of this act, with a copy to the public employee retirement administration commission. The plan shall include limits, if any, on the total number of employees that will be permitted to participate in the plan, or the number of employees in each functional department, as well as an estimate of the additional pension cost liability that the agency will incur as a result of employee participation in the plan.

(2) Within 14 days of receiving the executive director's recommendation, the board of commissioners of the FCRHRA may approve an early retirement incentive plan, and shall make the approved plan available to eligible employees immediately.

(3) Eligible employees may make written application for retirement to Franklin regional retirement system under the FCRHRA early retirement incentive plan within 14 days of approval of said plan.

(4) The board of commissioners of the FCRHRA shall require that participating employees shall retire within 30 days of notification of acceptance, or by December 31, 2011, whichever is sooner.

SECTION 3. The board of commissioners of the FCRHRA shall pay the costs associated with revisions to the Franklin regional retirement system's retirement funding schedule to reflect the costs and the actuarial liabilities attributable to the additional benefits payable under the early retirement incentive program in accordance with this section. Increased pension liability resulting from participation in the FCRHRA early retirement program established under this act shall be amortized over a period not longer than 15 years, starting in the first fiscal year after all participating employees retire, in equal installments, and shall be separately identified in the

57 Franklin Regional Retirement System pension funding schedule. It shall be an obligation of the
58 FCRHRA to pay in each such fiscal year the amount required by the funding schedule and the
59 updates applicable thereto.

60 SECTION 4. The executive director of the FCRHRA shall submit a report to the public
61 employee retirement administration commission by December 31, 2012. The report shall include
62 the salaries and positions of participants, the salaries and positions of those being hired as
63 replacements, and whether the positions of participants have been permanently eliminated.

64 SECTION 5. This act shall take effect upon its passage.