

HOUSE No. 2218

The Commonwealth of Massachusetts

PRESENTED BY:

John J. Binienda

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to purchasing power protection for retiree benefits.

PETITION OF:

NAME:

John J. Binienda

DISTRICT/ADDRESS:

17th Worcester

DATE ADDED:

HOUSE No. 2218

By Mr. Binienda of Worcester, a petition (accompanied by bill, House, No. 2218) of John J. Binienda for legislation to provide purchasing power protection for certain benefits for retired teachers. Public Service.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 675 OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to purchasing power protection for retiree benefits.

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

1 The teachers’ retirement board is hereby authorized and directed to analyze, study and
2 evaluate the costs and the actuarial liabilities attributable to providing seventy-five percent
3 purchasing power protection for annuitants of the teachers’ retirement system. The teachers’
4 retirement board shall also make recommendations on implementing said purchasing power
5 protection incrementally in order to secure seventy-five percent purchasing power protection for
6 annuitants of the teachers’ retirement system. In order to effectuate the funding for the change in
7 benefits for the annuitants of the teachers’ retirement system, the board shall prepare a
8 supplemental pension funding schedule which shall be designed to reduce the actuarial pension
9 liability attributed to the seventy-five percent purchasing power protection to zero on or before
10 June thirtieth, two thousand and thirty-four; provided that in preparing such schedule the board
11 shall consider the actuarial value and the market value of the systems assets and liabilities, the
12 long term investment rate of return on the systems assets and the systems unfunded actuarial
13 liability, and provided further, that the board shall triennially update such supplemental schedule
14 until said June thirtieth, two thousand and thirty-four. The teachers’ retirement board shall file
15 said report together with its recommendations and draft legislation necessary to carry out such
16 recommendations into effect by filing the same with the clerk of the house of representatives, the
17 joint committee on public service and the house and senate committees on ways and means on or
18 before December 31, 2013.