HOUSE DOCKET, NO. 3575 FILED ON: 2/12/2015

HOUSE . . . . . No. 54

Annual report of the Public Employee Retirement Administration Commission (under sections 21, 102 and 103 of Chapter 32 of the General Laws) relative to the percentum change in the average cost-of-living as shown by the United States consumer price index for the year 2014 compared with such index for the year 2013

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

An Act Annual report of the Public Employee Retirement Administration Commission (under sections 21, 102 and 103 of Chapter 32 of the General Laws) relative to the percentum change in the average cost-of-living as shown by the United States consumer price index for the year 2014 compared with such index for the year 2013.

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

PERAC

COMMONWEALTH OF MASSACHUSETTS

PUBLIC EMPLOYEE

RETIREMENT ADMINISTRATION COMMISSION

January 5, 2015.

Mr. Steven T. James, House Clerk

House of Representatives

State House, Room 145

Boston, MA 02133

Dear Mr. James:

In accordance with the provisions of Chapter 32, Section 21(3)(f), I am pleased to file this report pertaining to Cost of Living Adjustments for retirees and beneficiaries as set forth in Chapter 17 of the Acts of 1997.

Under this statute, this report consists of informing the General Court of the computation of the increase in the United States Consumer Price Index in the previous year set by the Commissioner of Social Security. Any such increase is based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). This index is used annually to adjust benefits paid to Social Security retirees and beneficiaries.

The Social Security Administration has announced that the latest Cost of Living Adjustment (COLA) is 1.7%.

A similar report will be filed with the retirement board of each system that has accepted Chapter 17. The COLA, which any such system may grant pursuant to Chapter 32, Section 103(c) and effective July 1, 2015, will thus be 1.7%. Pursuant to Section 103(i), a Retirement Board, with proper notice to the legislative body, may elect to increase this percentage up to 3%, at a duly called meeting.

I hope this information is of assistance to the members of the legislature in implementing the provisions of Chapter 17.

Sincerely,

JOSEPH E. CONNARTON,

30 Executive Director