

SENATE No. 2592

The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court
(2017-2018)

SENATE, July 9, 2018

The committee on Ways and Means to whom was referred the Senate Bill relative to the Massachusetts teachers retirement system (Senate, No. 2209),-- reports, recommending that the same ought to pass with an amendment substituting a new draft with the same title (Senate, No. 2592).

For the committee,
Karen E. Spilka

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to the Massachusetts teachers retirement system.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to clarify the mandatory participation in the alternative superannuation retirement benefit program through the teachers' retirement system or the Boston retirement system, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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. Paragraph (i) of subdivision (4) of section 5 of chapter 32 of the General
2 Laws, as appearing in the 2016 Official Edition, is hereby amended by striking out the fourth
3 through eighth sentences, inclusive, and inserting in place thereof the following 2 sentences:-

4 A member of a contributory retirement system who transfers as a teacher into either the
5 teachers' retirement system or the Boston retirement system and begins contributing to the
6 teachers' retirement system or the Boston retirement system shall be a mandatory participant in
7 the alternative superannuation retirement benefit program. A member who participates in the
8 alternative superannuation retirement benefit program shall contribute not less than 5 years of
9 retirement contributions at the rate of 11 per cent of regular compensation pursuant to section 22.

10 SECTION 2. Said paragraph (i) of said subdivision (4) of said section 5 of said chapter
11 32 is hereby further amended by striking out the last sentence, as so appearing.

12 SECTION 3. (a) Notwithstanding paragraph (i) of subdivision (4) of section 5 of chapter
13 32 of the General Laws, an active or inactive member of the teachers' retirement system or of the
14 Boston retirement system who: (i) is a teacher; (ii) transferred from another contributory
15 retirement system pursuant to paragraph (a) of subdivision (8) of section 3 of said chapter 32 to
16 either the teachers' retirement system or the Boston retirement system; (iii) became eligible for
17 membership in either the teachers' retirement system or the Boston retirement system on or after
18 July 1, 2001 and not later than July 31, 2018, inclusive; (iv) began contributing to either the
19 teachers' retirement system or the Boston retirement system on or after July 1, 2001 and not later
20 than July 31, 2018; and (v) did not provide a written election to participate in the alternative
21 superannuation retirement benefit program to such retirement system on or before December 31,
22 2018 shall have a new, 1 time opportunity to elect to participate in the alternative superannuation
23 retirement benefit program.

24 (b) A qualifying member shall make the election provided under subsection (a) on or
25 after January 1, 2019 but not later than July 1, 2019; provided, however, that a member entitled
26 to make an election under this section who applies for retirement prior to the foregoing election
27 period shall be given a 1 time opportunity to participate in the alternative superannuation
28 retirement benefit program prior to retirement; provided further, that if the teachers' retirement
29 system or the Boston retirement system receives the transfer of the member's account on or after
30 August 1, 2018, the member shall have 180 days from the date that the teachers' retirement
31 system or the Boston retirement system receives the transfer of the member's account from the
32 prior retirement system to elect out of the alternative superannuation retirement benefit program.

33 (c) A member who participates in the alternative superannuation retirement benefit
34 program under this section shall make contributions at the rate of 11 per cent pursuant to section

35 22 of chapter 32 of the General Laws and may be required to provide make-up contributions at
36 the rate of 11 per cent, upon such terms and conditions as the relevant retirement system may
37 require, from the date that such member established membership in the teachers' retirement
38 system or the Boston retirement system.

39 (d) An election made pursuant to this section shall be irrevocable. If the member has the
40 opportunity to elect to participate in the alternative superannuation retirement benefit program
41 and does not elect to participate within the prescribed period, the member shall be considered to
42 have affirmatively elected not to participate in the alternative superannuation retirement benefit
43 program. If the member has the opportunity to elect not to participate in the alternative
44 superannuation retirement benefit program and does not elect not to participate within the
45 prescribed period, the member shall be deemed to have affirmatively elected to participate in the
46 alternative superannuation retirement benefit program. A member who participates in the
47 alternative superannuation retirement benefit program after having had the opportunity to elect to
48 participate or not to participate in the alternative superannuation retirement benefit program and
49 who pays additional contributions, but does not complete the creditable service or teaching
50 service requirements of this subdivision, shall, upon termination from membership in or
51 retirement from the system, be reimbursed for any additional contributions, plus regular interest,
52 as determined by the teachers' retirement board or the Boston retirement board.

53 SECTION 4. Notwithstanding any general or special law to the contrary, the fourth and
54 fifth sentences of paragraph (i) of subdivision (4) of section 5 of the General Laws, as appearing
55 in section 1, shall apply to a member of a contributory retirement system who transfers as a
56 teacher into either the teachers' retirement system or the Boston retirement system and begins
57 contributing to the teachers' retirement system or the Boston retirement system on or after

58 August 1, 2018; provided, however, that if the prior membership transferred includes service
59 rendered prior to August 1, 2018, the member shall have 180 days from the date that the
60 teachers' retirement system or the Boston retirement system receives the transfer of the
61 member's account from the prior contributory retirement system to elect out of the alternative
62 superannuation retirement benefit program.