

# SENATE . . . . . No. 3032

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## The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court  
(2021-2022)

SENATE, July 25, 2022.

The committee on Senate Ways and Means to whom was referred the House Bill relative to regular compensation for certain retirees and active retirement system members (House, No. 4338); reports, recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 3032.

For the committee,  
Michael J. Rodrigues

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(2021-2022)  
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1           SECTION 1. (a) Notwithstanding any general or special law to the contrary, a retirement  
2 allowance, as defined in section 1 of chapter 32 of the General Laws, to a member inactive, as  
3 defined in section 3 of said chapter 32, that included in its calculation the annual amounts paid in  
4 lieu of vacation leave upon which contributions or deductions were made to the applicable  
5 retirement system shall not be reduced, modified or changed because of the inclusion of such  
6 contributions or deductions.

7           (b) Notwithstanding any general or special law to the contrary, any amount paid annually  
8 in lieu of vacation leave to a member in service as of May 1, 2018 pursuant to any applicable  
9 collective bargaining agreement, individual contract for employment, written benefits or  
10 personnel policy or municipal plan or ordinance in effect on May 1, 2018 and for which the  
11 applicable retirement system was accepting regular contributions or deductions as of May 1,  
12 2018 shall be considered regular compensation as defined in said section 1 of said chapter 32.

13 Any such annual payment in lieu of vacation leave subsequent to May 1, 2018 shall continue to  
14 qualify as regular compensation only for members who were in service as of May 1, 2018, as  
15 long as the payment in lieu of vacation leave is permitted under an applicable collective  
16 bargaining agreement, individual contract for employment, written benefits or personnel policy  
17 or municipal plan or ordinance; provided, however, that such an annual payment in lieu of

vacation leave shall be to a member who consistently participates in a program that is available to all similarly situated employees and shall not have been made: (i) only in the final 3 years of employment for a member who joined the retirement system prior to April 2, 2012; (ii) only in the final 5 years of employment for a member who joined the retirement system on or after April 2, 2012; or (iii) as a result of providing retirement notice.

(c) Notwithstanding any general or special law to the contrary, a retirement system subject to the requirements of subsections (a) and (b) shall regard as regular compensation any payment in lieu of vacation leave made subsequent to May 1, 2018 to a member who was in service as of May 1, 2018 and the systems shall take appropriate measures to effectuate this section.

(d) Subsections (b) and (c) shall apply only to members who: (i) were in service as of May 1, 2018; and (ii) began receiving payment in lieu of vacation leave prior to May 1, 2018.