

SENATE No. 1316

The Commonwealth of Massachusetts

PRESENTED BY:

Patrick M. O'Connor

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 authorizing the county of Plymouth to issue pension obligation bonds or notes.

PETITION OF:

NAME:

Patrick M. O'Connor

DISTRICT/ADDRESS:

First Plymouth and Norfolk

SENATE No. 1316

By Mr. O'Connor, a petition (accompanied by bill, Senate, No. 1316) of Patrick M. O'Connor for legislation to authorize the county of Plymouth to issue pension obligation bonds or notes. Municipalities and Regional Government.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 2539 OF 2021-2022.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act authorizing the county of Plymouth to issue pension obligation bonds or notes.

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. The county of Plymouth may issue bonds or notes from time to time for the
2 purpose of funding all or a portion of its unfunded pension liability to the Plymouth County
3 Contributory Retirement System. The proceeds of any such issuance, other than amounts to be
4 applied to issuance costs and expenses, shall be transferred by the county to the retirement
5 system. The term of any such bonds or notes shall not exceed 10 years from the date of issuance.
6 No such bonds or notes shall be issued without, for each issuance, a 2/3 vote of the advisory
7 board on county expenditures of the county of Plymouth upon a recommendation by the county
8 commissioners. Upon the authorization of the issuance of pension obligation bonds by the
9 advisory board on county expenditures, the county shall submit the vote and a plan
10 demonstrating how the county will finance and allocate the debt service associated with the

11 bonds or notes to the executive office for administration and finance, and no bonds or notes
12 authorized to be issued by this act shall be issued until the secretary for administration and
13 finance has approved the plan and the issuance of such bonds or notes. Except as otherwise
14 provided in this act, such bonds or notes shall be subject to the provisions of chapter 35.

15 SECTION 2. The aggregate principal amount of the bonds or notes issued under this act
16 shall not be greater than the amount sufficient to extinguish the county's unfunded pension
17 liability to the Plymouth County Contributory Retirement System as determined in accordance
18 with this section, plus an amount to provide for issuance costs and other expenses necessary or
19 incidental thereto. The retirement board of the Plymouth County Contributory Retirement
20 System shall first determine the amount sufficient to extinguish the unfunded pension liability of
21 the county in accordance with the report of a nationally recognized independent consulting firm,
22 which may be the consulting actuary generally retained by the retirement board, and with the
23 approval of the public employee retirement administration commission. Such report shall also set
24 forth the present value savings to the county reasonably expected to be achieved as a result of the
25 issuance of such bonds or notes.

26 SECTION 3. The maturities of the bonds or notes issued under this act shall be scheduled
27 such that the annual combined payments of principal and interest for each issue shall be as nearly
28 equal as practicable in the opinion of the county commissioners; provided, however, that the
29 maturities of such bonds or notes may be scheduled so as to provide a more rapid amortization of
30 principal, or in accordance with any other manner consistent with the county's approved funding
31 schedule, as the secretary for administration and finance shall approve.

32 SECTION 4. This act shall take effect upon its passage.