

SENATE No. 1689

The Commonwealth of Massachusetts

PRESENTED BY:

Anne M. Gobi

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 non-Commonwealth entities within the state employees' retirement system.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Anne M. Gobi</i>	<i>Worcester and Hampshire</i>	
<i>Deborah B. Goldberg, Treasurer and Receiver General</i>	<i>Treasurer</i>	
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>3/30/2023</i>
<i>Ryan C. Fattman</i>	<i>Worcester and Hampden</i>	<i>5/8/2023</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>5/8/2023</i>

SENATE No. 1689

By Ms. Gobi, a petition (accompanied by bill, Senate, No. 1689) of Anne M. Gobi and Deborah B. Goldberg, Treasurer and Receiver General for legislation relative to non-Commonwealth entities within the state employees' retirement system. Public Service.

The Commonwealth of Massachusetts

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

An Act relative to non-Commonwealth entities within the state employees' retirement system.

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 (c) of sub-section 4 of section 28 of chapter 32 of the General
2 Laws, as appearing in the 2020 Official Edition, is hereby amended to read as follows:

3 (c) Notwithstanding any general or special law to the contrary, each district, non-
4 commonwealth governmental unit, or educational collaborative as authorized by the provisions
5 of section four E of chapter forty, the employees of which have become, or which become
6 members of the state employees retirement system under the provisions of this subdivision or
7 any other previous act, shall remit to the state board of retirement as the employer's normal cost
8 as determined by the actuary, of benefits earned during each year by such employees who are
9 members of the state employees' retirement system.

10 The actuary shall determine such cost as a percentage of the payroll of the district, non-
11 commonwealth entity and collaborative for such employees based upon the most recent actuarial
12 valuation of the state retirement system. The actuary may consider factors including types of

13 governmental unit, employee demographic information, and employee group classification to
14 help in the determination of said percentage. Said cost shall be paid monthly and deposited in
15 the pension reserve fund of the state employees' retirement system. The actuary shall review the
16 percentage determined in this paragraph at least every three years.

17 SECTION 2. Sub-section (4) of section 28 of chapter 32 is hereby amended by adding
18 the following paragraph:

19 (d) The state retirement board upon terms and conditions it may establish, may require a
20 participating employer governed by this sub-section, who fails to remit either its normal cost
21 amount as determined in paragraph (c), or the contributions made on behalf of employees who
22 are members of the Massachusetts State Employees Retirement System as required by section 22
23 of Chapter 32, by the first day of the second month following the work month, to pay an
24 additional amount equal to 10% of the total amount of delinquent contributions. The state
25 retirement board shall have the right to commence an action in contract for payment of
26 outstanding amounts determined to be due in accordance with the provisions of this chapter.

27 SECTION 3. Reimbursements currently outstanding to the state retirement board under
28 paragraph (c) of sub-section (4) of section 28 of chapter 32 for calendar years 2013, 2014, and
29 2015 shall not be required.

30 Reimbursements currently outstanding to the state retirement board under paragraph (c)
31 of sub-section (4) of section 28 of chapter 32 for calendar years 2016, 2017 and 2018 shall be
32 required and remitted under terms and conditions as may be prescribed by the board.

33 SECTION 4. For purposes of section 28 of chapter 32, “non-commonwealth
34 governmental unit” shall mean an employer as defined in section one of chapter 32 whose

35 employees are not employees of the commonwealth or an agency thereof, employed in a position
36 in the service of the commonwealth, and whose regular compensation is not paid by the
37 commonwealth, eligible for membership in the state employees retirement system and the
38 requirements in connection therewith.

39 SECTION 5. Sections 1 and 2 of this act shall take effect on July 1, 2024.