

HOUSE No. 31

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to reducing delinquent pension reporting.

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. Section 18 of Chapter 32 of the general laws is hereby amended by striking
2 out subdivision (1A) and inserting in place thereof the following subdivision:

3 (1A) Filing of Reports and Penalties for Failure to File. — The treasurer or other
4 disbursing officer in charge of payroll in any governmental unit or agency to which a system
5 pertains, upon request from the board or the commission shall submit such written information as
6 shall be required by the provisions of section one to twenty-eight, inclusive, or by rules and
7 regulations of the board or the commission consistent with the law, including but not limited to
8 employment status forms, service and salary verifications, and information necessary to perform
9 employer data audits and process record corrections arising therefrom. If the board or the
10 commission determines that there has been unreasonable delay in filing of any such required
11 information, the board or the commission shall so notify in writing such treasurer or other
12 disbursing officer and the chief executive officer for the governmental unit that if such required
13 information is not received within 30 days, the governmental unit is subject to a noncompliance
14 penalty of \$100 per day. If within thirty days thereafter, the board or the commission has not

15 received such required information, it may impose all or any portion of the penalty provided in
16 this paragraph for as many days as the employer remains noncompliant. Any such penalties
17 collected shall be deposited in the commonwealth pension liability fund or the applicable board's
18 pension fund and used to offset the operating expenses of the board or commission imposing the
19 penalty. The board or the commission may petition the superior court to compel compliance
20 with this section and enforce the penalty thereunder.

21 SECTION 2. Subdivision (1) of Section 22 of Chapter 32 of the general laws is hereby
22 amended by striking out clause (i) and inserting the following three clauses:

23 (1)(i) In the case of employers whose employees include members of the teachers'
24 retirement system, the various amounts withheld for any month for deposit in the annuity savings
25 fund of such system shall, together with accurate and complete data reports therefor in a format
26 prescribed by the teachers' retirement board, be transmitted by the employer's disbursing
27 authorities to the board on or before the tenth day of the next succeeding month. The board shall
28 thereupon credit the accounts of such members with their respective deductions and pay all such
29 sums received to the state treasurer for deposit in the annuity savings fund of such system.

30 (ii) Notwithstanding any other provision of section one to twenty-eight, inclusive, any
31 such withholdings not remitted by the tenth day of the next succeeding month shall be subject to
32 an interest penalty, which shall accrue on a monthly basis at the rate of the system's then
33 effective actuarial assumed rate of return for each month or fraction thereof that they remain
34 unpaid. The board may abate all or any part of the interest upon its determination that the
35 employer had not willfully, intentionally, through gross negligence, or through a pattern of
36 negligence failed to timely or accurately remit contributions. All such interest payments received

37 by the board shall be deposited in the expense fund of the teachers' retirement system. The board
38 may petition the superior court to compel compliance with this provision and enforce the penalty
39 thereunder.

40 (iii) Notwithstanding any other provision of section one to twenty-eight, inclusive, said
41 employers are subject to a penalty of \$100 per day for noncompliance with the data reporting
42 requirements of subparagraph (i), including data that was not timely remitted or data that cannot
43 be posted to members' accounts at the times designated by the board due to data reporting errors
44 by the employer. Before said penalty is assessed, the board shall notify the disbursing officer and
45 chief executive officer of the employer in writing of the noncompliance, identifying the reasons
46 for the finding of noncompliance, and shall request the employer to resolve the noncompliance
47 within 30 days. Upon expiration of the 30-day period, if said data reporting requirements are not
48 satisfied, the employer is subject to said penalty for each subsequent day the employer remains
49 noncompliant. The board may abate all or part of the penalties upon its determination that the
50 employer had not willfully, intentionally, through gross negligence, or through a pattern of
51 negligence failed to timely or accurately remit the data reports. All such penalties collected by
52 the board shall be deposited in the expense fund of the teachers' retirement system. The board
53 may petition the superior court to compel compliance with this provision and enforce the penalty
54 thereunder.

55 SECTION 3. Sections 1 and 2 shall take effect as of January 1, 2022.