

By Mr. Drew of Boston, petition of the Boston Retirement Board relative to certain amendments of the law providing retirement allowances for employees in the city of Boston. Social Welfare. Dec. 15, 1923.

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**The Commonwealth of Massachusetts.**

In the Year One Thousand Nine Hundred and Twenty-Four.

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An Act amending the Act providing for Annuities and Pensions for Employees of the City of Boston and County of Suffolk.

*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 six of chapter five hundred  
2 and twenty-one of the acts of nineteen hundred and  
3 twenty-two is hereby amended by inserting after  
4 the word "account," in the thirty-fifth line, the  
5 following words:— The sums payable by the com-  
6 monwealth to the city of Boston on account of  
7 teachers retired under the provisions of this act  
8 shall be paid into the pension accumulation fund and  
9 used to reduce the amount which would otherwise  
10 be required for the normal contributions from the  
11 city of Boston for the years in which such payments  
12 are made,— so as to read:— *Section 6.* The  
13 funds hereby created are the annuity savings fund,  
14 the pension accumulation fund and the retirement  
15 reserve fund.

16 The annuity savings fund shall be the fund to

17 which shall be paid the deductions from the compen-  
18 sation of members. The treasurer of the city of  
19 Boston shall withhold four per cent of the regular  
20 compensation due on each pay day to all employees  
21 who are members of this retirement system; pro-  
22 vided, that a member who is a contributing member  
23 of the teachers' retirement fund, as established by  
24 chapter two hundred and thirty-seven of the acts  
25 of nineteen hundred, if he shall so request in writ-  
26 ing, to the treasurer, shall have his contributions  
27 to this retirement system reduced by the amount  
28 deducted from his salary under the provisions of  
29 said chapter two hundred and thirty-seven. The  
30 amounts so withheld shall be transferred immedi-  
31 ately thereafter to the retirement board and  
32 credited to the account of each member so contrib-  
33 uting and shall be paid into and become a part of  
34 said annuity savings fund.

35 The pension accumulation fund shall be the fund  
36 in which shall be accumulated the annual contribu-  
37 tions which shall be made by the city. These annual  
38 contributions shall be such as shall be determined  
39 by actuarial computations on the basis of mortality  
40 and service tables approved by the retirement board  
41 as necessary to provide all pension payments on ac-  
42 count of members of the retirement system and shall  
43 be paid by the treasurer of the city of Boston to  
44 the retirement board in such installments and at  
45 such times as the retirement board shall require.  
46 These annual contributions shall consist of a nor-  
47 mal and an accumulated liability contribution.

48 The normal contribution shall be equal to such  
49 per centum of the annual compensation of all mem-  
50 bers as is computed to be sufficient to provide dur-

51 ing the active service of the average new entrant  
52 for all pensions for which the city may be liable on  
53 his account. The sums payable by the common-  
54 wealth to the city of Boston on account of teachers  
55 retired under the provisions of this act shall be  
56 paid into the pension accumulation fund and used  
57 to reduce the amount which would otherwise be re-  
58 quired for the normal contributions from the city  
59 of Boston for the years in which such payments are  
60 made.

61 The accumulated liability contribution shall be  
62 computed as a constant percentage of the total pay-  
63 roll of all members and shall be sufficient to provide  
64 during the thirty year period immediately follow-  
65 ing the establishment of this system for all pensions  
66 to be paid on account of members who are entitled  
67 to credit for prior service when this system is estab-  
68 lished which are not provided by the normal con-  
69 tributions made on their account. The accumulated  
70 liability contributions shall be at least equal to  
71 regular interest on the amount of the accumulated  
72 liability and shall be at least three per cent greater  
73 in amount each year than the amount for the pre-  
74 ceding year. The accumulated liability contribution  
75 shall be discontinued as soon as the accumulated  
76 liability has been liquidated.

77 The retirement reserve fund shall be the fund to  
78 which upon the retirement of any member shall be  
79 transferred:

80 (a) From the annuity savings fund the accumu-  
81 lated deductions of the member, and

82 (b) From the pension accumulation fund an  
83 amount equal to his accumulated deductions, and

84 (c) From the pension accumulation fund in the

85 case of the accidental death or the retirement of a  
86 new entrant an amount sufficient to provide the pen-  
87 sion payable on his account not covered by para-  
88 graph (b).

1 SECTION 2. Section nine of said chapter five  
2 hundred and twenty-one is hereby amended by in-  
3 serting after the word “ judiciary ” in the fifteenth  
4 line the words:— heads of departments and mem-  
5 bers of boards in charge of departments,— so as to  
6 read:— *Section 9.* A member of this retirement  
7 system who shall have attained age sixty shall, upon  
8 his own application, be retired for superannuation  
9 within thirty days after the filing of such applica-  
10 tion, or he may, and if he is a member of the police  
11 force, he shall, upon the application of the head of  
12 his department, be retired for superannuation by  
13 the retirement board. A member, other than a  
14 member of the police force, whose retirement is ap-  
15 plied for by the head of his department shall be en-  
16 titled to a notice of such application and to a hear-  
17 ing before the retirement board provided he re-  
18 quests such hearing in writing within ten days of  
19 the receipt of such notice.

20 A member of this retirement system who shall  
21 have attained age seventy shall be retired for super-  
22 annuation within thirty days, except members of  
23 the judiciary, heads of departments and members  
24 of boards in charge of departments, and except  
25 that a school teacher shall be retired on the thirty-  
26 first day of August following his attaining the age  
27 of seventy.

1 SECTION 3. Section ten of said chapter five hun-  
2 dred and twenty-one, as amended by chapter four  
3 hundred and twenty-six of the acts of nineteen hun-

4 dred and twenty-three, is hereby further amended  
5 by striking out, in the twenty-second and twenty-  
6 third lines, the words "the average annual com-  
7 pensation received by him" and inserting in place  
8 thereof the words:— his average annual regular  
9 compensation, — so as to read:— *Section 10.* Upon  
10 retirement for superannuation a member of the re-  
11 tirement system shall receive a retirement allow-  
12 ance consisting of:—

13 (a) An annuity which shall be the actuarial  
14 equivalent of his accumulated deductions at the time  
15 of his retirement, and

16 (b) A pension equal to the annuity, and

17 (c) If a member was an employee at the time the  
18 system was established and became a member with-  
19 in one year thereafter and has not since become a  
20 new entrant, an additional pension having an actu-  
21 arial value equivalent to twice the contributions  
22 which he would have made during his prior service  
23 had the system been in operation together with  
24 regular interest thereon, and

25 (d) If the retirement allowance provided under  
26 the foregoing clauses of this section for a member  
27 who has been an employee for fifteen years or more  
28 would otherwise be less than four hundred and  
29 eighty dollars a year, an additional pension suffi-  
30 cient to make a total retirement allowance of four  
31 hundred and eighty dollars a year.

32 The total pension of any member payable under  
33 the provisions of this section, shall not, except as  
34 provided in paragraph (d) exceed one half of his  
35 average annual regular compensation during the  
36 five years immediately preceding his retirement.

1 SECTION 4. This act shall take effect upon its  
2 passage.

