

town of Shrewsbury may be appropriated for garage facilities at the next special town meeting following the nineteen hundred and seventy-six annual town meeting by a two-thirds vote.

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

*Approved May 24, 1976.*

**Chap. 126.** AN ACT RELATIVE TO THE COST-OF-LIVING ADJUSTMENT IN RETIREMENT ALLOWANCES, PENSIONS AND ANNUITIES OF RETIRED EMPLOYEES AND OTHER BENEFICIARIES.

*Whereas,* The deferred operation of this act would tend to defeat its purpose, which is, in part, to regulate forthwith cost-of-living adjustments in pensions, retirement allowances and annuities, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

*Be it enacted, etc., as follows:*

SECTION 1. Chapter 32 of the General Laws is hereby amended by striking out section 102, as most recently amended by section 25A of chapter 684 of the acts of 1975, and inserting in place thereof the following section:-

*Section 102.* (a) The life actuary in the division of insurance shall annually in the month of January determine the percentum of change in the average cost-of-living for the previous year as shown by the United States Consumer Price Index for such year, as compared with the average as shown by said index for the year nineteen hundred and seventy-three, or for the last previous year which was the basis for an increase or decrease as provided herein, or in any case where a retirement allowance, pension, or annuity became effective subsequent to the last previous year in which an increase or decrease as provided herein became effective, for the year in which such retirement allowance, pension, or annuity became effective and shall submit such determination to the general court by filing a report with the clerk of the house of representatives. In the event that such comparison indicates an increase in the cost-of-living of at least three per cent, the retirement allowance, pension, or annuity of every former employee of the commonwealth or of any county, city, town, district, housing or redevelopment authority, or of the Massachusetts Turnpike Authority, or of the spouse or other beneficiary of any such former employee who is receiving a retirement allowance, pension, or annuity shall, beginning July first of said year, be increased by such percentum as the general court shall determine. In the event that such comparison indicates a decrease in the cost-of-living of at least three per cent, the retirement allowance, pension, or annuity of every former employee of the commonwealth or of any

count, city, town, district, housing or redevelopment authority, or of the Massachusetts Turnpike Authority, or of the spouse or other beneficiary of any such former employee who is receiving a retirement allowance, pension, or annuity shall be decreased by such percentum; provided, that no decrease shall be made which would reduce any retirement allowance, pension, or annuity to an amount less than the amount fixed for such retirement allowance, pension, or annuity as of December thirty-first, nineteen hundred and seventy-three. The sum of the dollar amount of each cost-of-living increase or decrease together with the amount of retirement allowance, pension, or annuity to which the cost-of-living percentum factor is applied shall become the fixed retirement allowance, pension, or annuity for all future purposes including the application of subsequent cost-of-living adjustments in future years; provided, that whenever the amount of any pension, retirement allowance or annuity is increased under any general or special law other than through a cost-of-living adjustment pursuant to this section, the fixed retirement allowance, pension or annuity shall be determined by adding either the increase under any general or special law, or the cost-of-living adjustment, whichever is greater, but not both.

(b) Whenever the amount of any retirement allowance, pension, or annuity is revised in accordance with the provisions of this section, the monthly payment provided for in section thirteen shall be recomputed on the basis of such revised retirement allowance, pension, or annuity, and one twelfth of such new figure shall be due and payable each month. In any case where such revised retirement allowance, pension, or annuity cannot be administratively determined in time for adjusting the monthly payment for July pursuant to said section thirteen, such cost-of-living adjustment shall be added to or deducted from the monthly retirement allowance, pension or annuity in August or September, as the case may be.

(c) In any case where such former employee, spouse or other beneficiary is receiving an annual retirement allowance, pension or annuity which is six thousand dollars or more, exclusive of additional annuity obtained by special purchase under paragraph (g) of subdivision (1) of section twenty-two, or any similar law, the cost-of-living adjustment, shall be in an amount as determined by applying the percentum of change determined by the general court to the sum of six thousand dollars. Beginning annually in July, nineteen hundred and seventy-six, whenever the cost-of-living adjustment pursuant to paragraph (a) of this section indicates an increase or decrease in the cost-of-living of at least three per cent, the dollar amount of such increase or decrease as determined in the first sentence of this paragraph shall be added to or deducted from each retirement allowance, pension or annuity which is in excess of

six thousand dollars. The sum of the dollar amount of such cost-of-living adjustments, together with the amount of retirement allowance, pension, or annuity to which the cost-of-living percentage factor is applied and any amounts in excess of said six thousand dollars shall become the fixed retirement allowance, pension or annuity for all future purposes including the application of subsequent cost-of-living adjustments in future years; provided, however, that the limitations of this paragraph shall continue to apply.

(d) Whenever the amount of any retirement allowance, pension or annuity is revised in accordance with the provisions of paragraph (c), the monthly payment provided for in section thirteen shall be recomputed on the basis of such revised retirement allowance, pension or annuity and one twelfth of such new figure shall be due and payable each month. In any case where such revised retirement allowance, pension or annuity cannot be administratively determined in time for adjusting the monthly payment for July pursuant to said section thirteen, such cost-of-living adjustment shall be added to or deducted from the monthly retirement allowance, pension or annuity in August or September, as the case may be.

(e) Whenever the cost-of-living comparison pursuant to paragraph (a) indicates an increase or decrease in the cost-of-living of at least three per cent, the minimum allowance due and payable to a spouse under the provisions of option (d) of subdivision (2) of section twelve, or under the provisions of chapter five hundred and twenty-six of the acts of nineteen hundred and sixty-three, or to any spouse, child or children under the provisions of section twelve B shall be recomputed and adjusted by such percentage as the General Court shall determine. Such revised total shall become the fixed allowable payable under said section twelve B for all future purposes, including the application of subsequent cost-of-living adjustments in future years. The monthly payments pursuant to section thirteen shall be recomputed on the basis of such revised total, and one twelfth of such revised total shall be due and payable each month. In any case where such revised total cannot be administratively determined in time for adjusting the monthly payment for July pursuant to said section thirteen, such cost-of-living adjustment shall be added to or deducted from the monthly allowance in August or September, as the case may be.

(f) On January first, nineteen hundred and seventy-five, the cost-of-living percentage used as a basis for determining the nineteen hundred and seventy-four cost-of-living adjustments paid in March, July, September and December of nineteen hundred and seventy-four, pursuant to section one hundred and two of chapter thirty-two, shall be applied to and added to the retirement allowance, pension or annuity of every former employee of the

commonwealth or of any county, city, town, district, housing or redevelopment authority or of the Massachusetts Turnpike Authority, or of the spouse or other beneficiary of any such former employee who is receiving a retirement allowance, pension or annuity, and such revised total shall become the fixed retirement allowance, pension or annuity for all future purposes, including the application of subsequent cost-of-living adjustments in nineteen hundred and seventy-five, or any future years.

SECTION 2. Chapter 684 of the acts of 1975 is hereby amended by striking out section 25B and inserting in place thereof the following section:-

*Section 25B.* Notwithstanding the provisions of section two of chapter one hundred and eighteen A of the General Laws, no state supplementary payment shall be increased during fiscal year nineteen hundred and seventy-six because of an increase in the cost-of-living, unless a specific appropriation is made therefor.

SECTION 3. The provisions of section one hundred and two of chapter thirty-two of the General Laws, as amended by section one of this act, shall not reduce the amount of increase voted by any city, town, district, housing or redevelopment authority to a retired employee or to the spouse or beneficiary of a former employee under the provisions of said section one hundred and two in effect prior to the effective date of this act. Such increased amount shall be paid to such retiree, spouse or beneficiary until July first, nineteen hundred and seventy-seven and shall be the amount of retirement allowance, pension or annuity to which any cost-of-living adjustment voted for the fiscal year beginning July first, nineteen hundred and seventy-seven, as provided in said section one hundred and two as amended by section one of this act, shall be added.

The provisions of said section one hundred and two, as amended by said section one, shall apply to cost-of-living increases voted for such retired employee, spouse or beneficiary for fiscal years subsequent to the fiscal year nineteen hundred and seventy-six.

*Approved May 24, 1976.*

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**Chap. 127.** AN ACT RELATIVE TO THE DEPOSIT ACCOUNTS OF CERTAIN BUSINESS ENTITIES IN SAVINGS BANKS AND SAVINGS DEPARTMENTS OF TRUST COMPANIES.

*Whereas,* The deferred operation of this act would tend to defeat its purpose which is, in part, to make the laws of the commonwealth conform with certain federal laws and regulations relative to savings deposits, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the

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