

# HOUSE . . . . No. 2155

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## **The Commonwealth of Massachusetts**

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HOUSE OF REPRESENTATIVES, March 4, 1952.

The committee on Pensions and Old Age Assistance, to whom was referred the petition (accompanied by bill, Senate, No. 314) of the County Treasurer's Association, by Bruce K. Jerauld, president, for legislation to authorize certain employees, a part of whose compensation is derived from federal grants, to become members of a retirement system, with certain restrictions, report the accompanying bill (House, No. 2155).

For the committee,

JOSEPH D. WARD.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Two.

AN ACT TO PERMIT EMPLOYEES, A PART OF WHOSE COMPENSATION IS DERIVED FROM FEDERAL GRANTS, TO BECOME MEMBERS OF A RETIREMENT SYSTEM WITH BENEFITS BASED ON THEIR ENTIRE COMPENSATION; BUT TO PREVENT EMPLOYEES FROM BEING MEMBERS OF BOTH A FEDERAL RETIREMENT SYSTEM AND A SYSTEM ESTABLISHED UNDER THE GENERAL LAWS.

*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 (a) of subdivision (2) of sec-  
2 tion 3 of chapter 32 of the General Laws, as amended,  
3 is hereby further amended by adding at the end the  
4 following clause: —  
5 (xi) Any employee, any part of whose salary, wages  
6 or other compensation is derived from federal grants  
7 and who as a result thereof is eligible for membership  
8 in the United States civil service retirement system,  
9 or who otherwise is eligible for such membership, and  
10 who also is eligible for membership in any retirement  
11 system established under this act, may have such por-  
12 tion of his salary, wages or other compensation as is  
13 derived from federal grants included in his regular  
14 compensation as defined by section one, but as a con-  
15 dition precedent to membership, he shall file an affi-

16 davit with the retirement board certifying that he is  
17 not a member of the United States civil service re-  
18 tirement system, eligible to make contributions thereto  
19 based upon his current salary. If the employee certi-  
20 fies that he is a member of the United States civil  
21 service retirement system, eligible to make contribu-  
22 tions thereto based upon his current salary, he thereby  
23 waives all rights to membership in any retirement sys-  
24 tem established under this chapter, and no deductions  
25 shall be made from his compensation for any retire-  
26 ment system established under this chapter. If, when  
27 becoming a member of a retirement system established  
28 under this chapter, he is not a member of the United  
29 States civil service retirement system, eligible to make  
30 contributions thereto based upon his current salary,  
31 but later at any time before retirement becomes a  
32 member of the United States civil service retirement  
33 system, except after resignation or discharge from the  
34 service which makes him eligible to membership in a  
35 retirement system established under this chapter, he  
36 shall cease to be a member of any retirement system  
37 established under this chapter, and his accumulated  
38 deductions shall be returned to him. When he or any  
39 beneficiary of his becomes eligible to receive any bene-  
40 fit under this chapter, he or his beneficiary, as a con-  
41 dition precedent to the receipt of such benefit, shall  
42 file an affidavit stating that the member is not or was  
43 not at his death a member of or eligible to receive any  
44 benefits under the United States civil service retire-  
45 ment system. Eligibility for membership in a retire-  
46 ment system established under this chapter and the  
47 right to receive a retirement allowance or benefit  
48 thereunder shall not be affected by the receipt of a  
49 federal pension or retirement allowance by a "vet-

50 eran," for federal service, as defined in section one as  
51 amended, or by any potential right thereto. Any  
52 employee who on January first, nineteen hundred and  
53 fifty-two, was a member of the United States civil  
54 service retirement system, and also a member of a  
55 retirement system established under this chapter, and  
56 any employee who was a member of the United States  
57 civil service retirement system and thereafter ceased  
58 to be a federal employee and became eligible for mem-  
59 bership in a retirement system established under this  
60 chapter, and any employee who was a member under  
61 this chapter and thereafter resigned or was discharged  
62 and became a federal employee, may continue his  
63 membership in both systems on the condition that he  
64 shall at his retirement, or his beneficiary shall at his  
65 death, present to the retirement board established  
66 under this chapter proof of the amount of the retire-  
67 ment or survivorship allowance to be received from  
68 the United States civil service retirement system, and  
69 the retirement or survivorship allowance from the  
70 system established under this chapter shall be fixed  
71 at an amount which shall not exceed the difference  
72 between the annual federal retirement or survivorship  
73 allowance and the largest annual salary received by  
74 the employee during a calendar year of the employ-  
75 ment which made him eligible for membership in the  
76 retirement system established under this chapter.

1 SECTION 2. Section 1 of said chapter 32, as  
2 amended, is hereby further amended by striking out  
3 the paragraph defining "Regular compensation," as  
4 amended by chapter 606 of the acts of 1948, and in-  
5 serting in place thereof the following paragraph: —  
6 "Regular compensation", during any period prior

7 to January first, nineteen hundred and forty-six,  
8 shall mean the full salary, wages or other compen-  
9 sation in whatever form, lawfully determined for the  
10 individual service of the employee by the employing  
11 authority, from which regular deductions were made  
12 pursuant to the provisions of chapter thirty-two  
13 applicable from time to time prior to such date;  
14 provided, that if the amount of such salary, wages  
15 or other compensation has been reduced or increased  
16 during any such period as a general temporary adjust-  
17 ment due to the cost of living or to other economic  
18 conditions, and if the board has received from the  
19 appropriate authority a written notice of such fact  
20 or if the board is satisfied of such fact after an in-  
21 vestigation which it shall make prior to July first,  
22 nineteen hundred and forty-six, or which it shall  
23 make thereafter and not later than six months after  
24 a system becomes operative for the employees of any  
25 governmental unit, such amount shall, for the pur-  
26 pose of any computations made under the provisions  
27 of sections one to twenty-eight, inclusive, involving  
28 the use of an annual or an average annual rate of  
29 regular compensation during any such period, but not  
30 for the purpose of affecting any regular deductions  
31 already made, remain unaffected by such general  
32 temporary adjustment. "Regular compensation",  
33 during any period subsequent to December thirty-  
34 first, nineteen hundred and forty-five, shall mean  
35 the salary, wages or other compensation in whatever  
36 form, lawfully determined for the individual service  
37 of the employee by the employing authority, not  
38 including bonus or overtime, but including evaluated  
39 maintenance as provided for in paragraph (1) (c) of  
40 section twenty-two, and including any part of such

41 salary, wages or other compensation derived from  
42 federal grants except as provided in section three  
43 (2) (a) (xi); provided, that during any period sub-  
44 sequent to June thirtieth, nineteen hundred and  
45 forty-eight, salary, wages or other compensation  
46 payable in the form of cost of living bonuses and  
47 cost of living pay adjustments shall be included in  
48 such term.



