

HOUSE No. 395

By Mr. Marr of Lynn, petition of the Massachusetts Teachers Association for the establishment of a simplified standard formula to determine the superannuation retirement allowance for members of the contributory retirement system classified in Groups A and B. Pensions and Old Age Assistance.

The Commonwealth of Massachusetts

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

AN ACT TO ESTABLISH A SIMPLIFIED STANDARD FORMULA TO DETERMINE THE SUPERANNUATION RETIREMENT ALLOWANCE FOR ALL MEMBERS OF THE CONTRIBUTORY RETIREMENT SYSTEM CLASSIFIED IN GROUPS A AND B.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 32 of the General Laws is hereby amended by
2 striking out the first part of subdivision (2) of section 5 and
3 inserting the following in place thereof:—

4 (2) Upon retirement under the provisions of this section
5 a member shall receive a superannuation retirement allow-
6 ance to become effective on the date of his retirement. Pay-
7 ments under such allowance shall be made as provided in
8 sections twelve and thirteen.

9 (a) The normal yearly amount of the retirement allow-
10 ance for any member classified in either Group A or Group
11 B, who has paid the full amount of regular deductions on
12 the total amount of regular compensation, including deduc-
13 tions specified in subdivision (3A) of section three and in
14 paragraph (d) of subdivision (1) of section twenty-two, or
15 the amount specified in any other provisions of law in effect

16 on the date he became a member, shall, subject to the limita-
 17 tions set forth in this section, be based on the average annual
 18 rate of regular compensation not exceeding seven thousand
 19 dollars received by such member during any period of two
 20 consecutive years of creditable service or creditable prior
 21 service for which such rate of compensation was the highest,
 22 and shall be computed according to the following table based
 23 on the age of such member and his number of years of cred-
 24 itable service and creditable prior service, if any, at the time
 25 of his retirement. Any fraction of a year shall be computed
 26 on the number of full months of actual service.

Table showing Percentage of the Amount of Average Annual Rate of Regular Compensation to be multiplied by the Number of Years of Creditable Service.

PER CENT.	AGE LAST BIRTHDAY AT DATE OF RETIREMENT.	
	Group A.	Group B.
2.5	65 or over	60 or over
2.4	64	59
2.3	63	58
2.2	62	57
2.1	61	56
2.0	60	55
1.9	59	—
1.8	58	—
1.7	57	—
1.6	56	—
1.5	55	—

27 If any such member has any years of creditable prior serv-
 28 ice as defined in section one, or any years of creditable mem-
 29 bership service for which the full deductions as specified
 30 herein, have not been paid into the annuity savings fund
 31 together with interest, if any, on the date of his retirement,
 32 the formula set forth in the table herein, shall be reduced
 33 for each such year by one half of one per cent and the total
 34 amount of his retirement allowance shall be computed and
 35 reduced accordingly.

36 (b) Any member whose regular annual compensation has
37 been in excess of seven thousand dollars during any year or
38 years of his creditable service shall receive an additional
39 yearly retirement allowance equal to two fifths of the regular
40 deductions paid into the annuity savings fund by such mem-
41 ber on that part of his regular compensation which has been
42 in excess of seven thousand dollars in any such year or years.

