

By Mr. Timilty, a petition (accompanied by bill, Senate, No. 1222) of Joseph F. Timilty and the Massachusetts Teachers Retirement Association, by Eleanor M. McDonough legislative chairperson, for legislation to determine the amount of cost-of-living adjustments in retirement allowances, pensions and annuities of retired public employees and certain beneficiary. Public Service.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-nine.

AN ACT DETERMINING THE AMOUNT OF COST-OF-LIVING ADJUSTMENTS IN RETIREMENT ALLOWANCES, PENSIONS AND ANNUITIES OF RETIRED PUBLIC EMPLOYEES AND CERTAIN BENEFICIARY.

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 102 of chapter 32 of the General Laws, as most re-
 2 cently amended by section 1 of chapter 126 of the Acts of
 3 1976, is hereby further amended by striking out paragraph
 4 (a) and inserting in place thereof the following paragraph: —
 5 (a) Beginning in the year nineteen hundred and seventy-
 6 nine, the actuary in the division of insurance shall annually
 7 in the month of January determine the percentum of change
 8 in the average cost of living for the previous year as shown
 9 by the United States consumer price index for such year, as
 10 compared with the average as shown by said index for the
 11 year nineteen hundred and seventy-seven or for the last pre-
 12 vious year which was the basis for an increase or decrease as
 13 provided herein, or in any case where a retirement allowance,
 14 pension, or annuity became effective subsequent to the last
 15 previous year in which an increase or decrease as provided
 16 herein became effective, for the year in which such retire-
 17 ment allowance, pension, or annuity became effective. In the
 18 event that such comparison indicates an increase in the cost
 19 of living of at least three per cent, the retirement allowance
 20 pension, or annuity of every former employee of the common-
 21 wealth, or of any county, city, town, district, housing or re-
 22 development authority, or of the Massachusetts Turnpike

23 Authority, or of the spouse or other beneficiary of any such
24 former employee who is receiving a retirement allowance,
25 pension, or annuity shall be increased by such percentum.
26 In the event that such comparison indicates a decrease in the
27 cost of living of at least three per cent, the retirement allow-
28 ance, pension, or annuity of every former employee of the
29 commonwealth or of any county, city, town, district, housing
30 or redevelopment authority, or of the Massachusetts Turn-
31 pike Authority, or of the spouse or other beneficiary of any
32 such former employee who is receiving a retirement allow-
33 ance, pension, or annuity shall be decreased by such percen-
34 tum; provided that no decrease shall be made which would
35 reduce any retirement allowance, pension or annuity to an
36 amount less than the amount fixed for such retirement
37 allowance, pension or annuity as of December thirty-first,
38 nineteen hundred and seventy-five. The sum of the dollar
39 amount of each cost-of-living increase or decrease together
40 with the amount of retirement allowance, pension, or annuity
41 to which the cost-of-living percentum factor is applied shall
42 become the fixed retirement allowance, pension, or annuity
43 for all future purposes including the application of subsequent
44 cost-of-living adjustments in future years; provided, that
45 whenever the amount of any pension, retirement allowance
46 or annuity is increased under any general or special law
47 other than through a cost-of-living adjustment pursuant to
48 this section, the fixed retirement allowance, pension or
49 annuity shall be determined by adding either the increase
50 under any general or special law, or the cost-of-living ad-
51 justment, whichever is greater, but not both.