

By Mr. McGee, a petition (accompanied by bill, Senate, No. 1517) of Thomas M. McGee, Kenneth Scanzio, James E. Timilty, James M. Machado and other members of the General Court for legislation to evaluate the cost of modifying pension benefits for police officers. Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT TO EVALUATE THE COST OF MODIFYING PENSION BENEFITS FOR POLICE OFFICERS.

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

1 The Public Employee Retirement Administration Commission
2 in consultation with the state retirement board shall analyze,
3 study, and evaluate the cost and actuarial liabilities attributable to
4 modifying the retirement benefit for police officers in group 4.
5 The study shall include the cost and the actuarial liability associ-
6 ated in modifying the retirement benefit to extend a 75% calcu-
7 lated benefit for 25 years of service for police officers in group 4.
8 In order to effectuate the funding for this change, the commission
9 shall prepare supplementary pension funding schedules, which
10 shall be designed to reduce the actuarial unfunded liability attrib-
11 uted to this change to 0 on or before June 30, 2028 and shall pro-
12 vide 3 alternative schedules, providing the option of reducing the
13 unfunded liability to 0 by June 30, 2034, June 30, 2038 and June
14 30, 2048, respectfully; provided, that in preparing such schedules
15 the commission shall consider the actuarial value and the market
16 value of the systems assets and liabilities, the long-term invest-
17 ment rate of return on the systems assets and the system's
18 unfunded actuarial liability. The commission shall file a study
19 together with its recommendations and proposed funding schedule
20 to the House and Senate Committees on Ways and Means along
21 with the Joint Committee on Public Service on December 31,

22 2005. The commission shall provided assistance in developing
23 funding schedules for the purpose of modifying the retirement
24 benefit to extend a 75% calculated benefit for 25 years of service
25 for police officers in group 4 to city, town, county, regional, dis-
26 trict and authority retirement systems at the request of the appro-
27 priate retirement board.