

By Mr. Fitzgerald of Boston, petition of Kevin W. Fitzgerald for legislation to provide for an early retirement incentive program for certain employees of cities, towns and counties. Public Service.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Three.

AN ACT PROVIDING FOR AN EARLY RETIREMENT INCENTIVE PROGRAM FOR CERTAIN EMPLOYEES.

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 133 of the acts of 1992 is hereby amended by adding
2 the following new section 48A.
3 Section 48A. Notwithstanding the provisions of chapter thirty-
4 two of the General Laws or any other general or special law to
5 the contrary, and upon acceptance of this section by the legislative
6 and executive authority within a city, town or county, the provi-
7 sions of this section providing for a retirement program for
8 municipal hospital or municipal department of health employees
9 who are a Group 1, Group 2, or Group 4 employee as defined in
10 section three of said chapter thirty-two, who is a member of the
11 appropriate municipal or county retirement system and (i) who
12 shall be an employee of the municipality on the effective date of
13 this section, (ii) shall be eligible to receive a superannuation
14 retirement allowance in accordance with the provisions of
15 subdivision (1) of section five or subdivision (1) of section ten
16 of said chapter thirty-two upon effective date specified in his/her
17 written application to said board and (iii) shall have filed a
18 written application after February first, nineteen hundred and
19 ninety-three, but no later than December thirty first, nineteen
20 hundred and ninety-three to retire for superannuation as of the
21 date which shall be specified in such application; provided,
22 however, that said date for retirement shall be no earlier than
23 February fifteen, nineteen hundred and ninety-three and no later

24 than one hundred and twenty days after acceptance of this act
25 by the city, town, county or executive authority. For the purposes
26 of this section the legislative authority shall mean a town meeting
27 in a town, the city council in a city, the county advisory board
28 in a county other than the counties of Suffolk and Nantucket in
29 which cases the county commissioners shall serve as the legislative
30 authority; and executive authority shall mean the board of
31 selectman in a town, the mayor in a city, and the county commis-
32 sioners in a county. Said program shall be administered by the
33 appropriate municipal or county retirement system, which shall
34 also promulgate regulations to implement the provisions of said
35 program. Notwithstanding the foregoing, no city, town or county
36 may adopt the provisions of this section unless said city, town or
37 county has established a retirement system funding schedule
38 pursuant to the provisions of section twenty-two D of Chapter
39 thirty-two of the General Laws or subdivision six A of section
40 twenty-two of said chapter thirty-two prior to the effective date
41 of this act or adopts the provisions of section of twenty-two D
42 of said Chapter thirty-two after the effective date of this act.

43 Notwithstanding any provisions of said chapter thirty-two to
44 the contrary, the normal yearly amount of the retirement
45 allowance for an eligible employee who is employed by a city, town
46 or county hospital or department of health which accepts the
47 applicable provisions of this act and who has paid the full amount
48 of regular deductions on the total amount of regular compensa-
49 tion as determined under paragraph (a) of subdivision (2) of
50 section five of said chapter thirty-two, shall be based on the
51 average annual rate of regular compensation as determined under
52 said paragraph (a) shall be computed according to the table
53 contained in said paragraph (a) based on the age of such member
54 and his/her number of years and full months of creditable service
55 at the time of his/her retirement increased by up to five years of
56 age or by up to five years of creditable service or by a combination
57 of additional years of age and service the sum of which shall not
58 be greater than five, provided however that the executive authority
59 in a city or town may limit the amount of additional credit for
60 service or age or a combination of service and age offered and
61 the number of employees for whom it will approve a retirement
62 calculated under the provisions of this section; provided further

63 that if participation is limited, the retirement of employees with
64 greater creditable service shall be approved before approval is
65 given to employees with lesser creditable service.

66 For the purpose of this section words shall have the same
67 meanings as in chapter thirty-two of the General Laws, unless
68 otherwise expressly provided or unless the context clearly requires
69 otherwise. An employee who retires and receives an additional
70 benefit in accordance with the provisions of this section shall be
71 deemed to be retired for superannuation under the provisions of
72 said chapter thirty-two and shall be so subject to any and all provi-
73 sions of said chapter thirty-two.

74 The total normal yearly amount of the retirement allowance,
75 as determined in accordance with the provisions of section five
76 of said chapter thirty-two, of any employee who retires and
77 receives additional benefit under the retirement incentive program
78 for employees of municipal departments of health and municipal
79 hospitals in accordance with the provisions of this section shall
80 not exceed four-fifths of the average annual rate of his/her regular
81 compensation received during any periods of three consecutive
82 years of creditable service for which the rate of compensation was
83 the highest or of the average annual rate of his/her regular
84 compensation received during the periods, whether or not
85 consecutive, constituting his last three years of creditable service
86 preceding retirement, which ever is greater.

87 The commissioner of the public employee retirement adminis-
88 tration shall analyze, study, and value the costs and the actuarial
89 liabilities attributable to the additional benefits payable in
90 accordance with the provisions of this section of the retirement
91 incentive program for municipal and county employees, DHH
92 established by this section for each retirement system, provided,
93 that said commissioner shall file a report in writing of his findings
94 to the board on or before June thirtieth, nineteen hundred and
95 ninety-four, and shall send a copy thereof to the county commis-
96 sioners, the mayor, or the board of selectmen, as the case may
97 be; provide further, that said reports shall be filed with the joint
98 committee on public service on or before June thirtieth, nineteen
99 hundred and ninety-four.

100 The applicable retirement board shall prepare a funding
101 schedule which shall reflect the costs and the actuarial liabilities

102 attributable to the additional benefits payable under the
103 retirement incentive program in accordance with the provisions
104 of this section and said schedule shall be designed to reduce the
105 applicable retirement system's additional pension liability
106 attributable to such costs and liabilities to zero on or before June
107 thirtieth, two thousand and nine; provided, that in preparing such
108 schedule, the board shall consider the analysis of the commis-
109 sioner of public employee retirement administration filed in
110 accordance with the provisions of this section; and provided
111 further, that said board shall triennially update such schedule until
112 said June thirtieth, two thousand and nine. Said board shall file
113 such funding schedule with the joint committee on public service
114 and the house and senate committees on ways and means on or
115 before September first, nineteen hundred and ninety-four, and
116 shall file updates thereto triennially on or before September first
117 of each year. In each of the fiscal years until the actuarial liability
118 determined under this section shall be reduced to zero, it shall be
119 deemed an obligation of the applicable city, town or county to
120 fund such liability there shall be appropriated to the applicable
121 pension reserve fund in such fiscal year the amount required by
122 the funding schedule and the update thereto.