

By Mr. Kulik of Worthington, petition of Stephen Kulik and other members of the General Court for an investigation by a special commission (including members of the General Court) relative to the Massachusetts contributory retirement systems. Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand and One.

AN ACT ESTABLISHING A SPECIAL STUDY COMMISSION FOR THE MASSACHUSETTS CONTRIBUTORY RETIREMENT SYSTEMS.

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

1 There is hereby created a special study commission of the
2 Massachusetts Contributory Retirement Systems. Said study com-
3 mission shall consist of 15 members appointed as follows: 3 mem-
4 bers appointed by the Governor, one of whom shall be a private
5 citizen who shall serve as chair of the commission and shall not
6 be a member of any of the 106 Contributory Retirement Systems,
7 one of whom shall have professional experience in employee ben-
8 efits or in actuarial science, and one of whom shall be the Secre-
9 tary of Administration and Finance; the Treasurer of the
10 Commonwealth; the Auditor of the Commonwealth; 2 members
11 nominated by the Massachusetts Municipal Association one of
12 whom is appointed by the Treasurer and one appointed by the
13 Auditor, 2 members representing public employees one of whom
14 shall be a teacher and appointed by the Treasurer, and one of
15 whom shall be nominated by the Massachusetts AFL-CIO and
16 appointed by the Auditor; 3 members of the House, two appointed
17 by the Speaker of the House and one appointed by the Minority
18 Leader; and 3 members of the Senate, two appointed by the
19 Senate President and one appointed by the Senate Minority
20 Leader.

21 Said commission shall make a comprehensive study of the
22 Massachusetts Contributory Retirement Systems. The study shall

23 include but not be limited to: contribution rates paid by
24 employees, vesting periods, the weight given to age versus years
25 of service in the current system, the lack of portability of the cur-
26 rent system, Cost-Of-Living-Adjustments, the cost to the
27 employer of changing any of the items listed above or any other
28 benefit change that the commission may recommend. The Com-
29 mission shall also conduct a study of the advantages and disad-
30 vantages of changing the current pension system from a defined
31 benefit system to a defined contribution system.

32 Said commission shall order that an independent actuarial
33 analysis shall be made to determine the costs of any benefit
34 changes recommended by the commission. Said commission shall
35 have a budget of \$500,000 to complete its task. Said commission
36 shall complete its study and review and publish its findings and
37 make any legislative recommendations by December 31, 2001.