

HOUSE No. 3937

The Commonwealth of Massachusetts

PRESENTED BY:

Karyn E. Polito

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act providing for pension reform.

PETITION OF:

NAME:

Karyn E. Polito

DISTRICT/ADDRESS:

11th Worcester

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT PROVIDING FOR PENSION REFORM.

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 1. Section 10 of chapter 32 of the General Las, as appearing in the 2006 Official Edition, is
2 hereby amended by striking out in line 4 the words “or fails of nomination or re-election”.

3 SECTION 2. Said chapter 32 is hereby further amended by inserting after section 22 the following
4 section:-

5 Section 23. The provisions of this chapter relating to defined benefit plans shall not apply to any
6 employee hired after October 1, 2009. They shall be covered by 401 (K) coverage with the state, county,
7 city or town providing a 7 per cent match. Any employee not vested as of October 2, 3009 may elect to
8 participate in 401 (K) coverage and associated accrued defined benefits may be transferred to 401 (K)
9 coverage with state, county, city, or municipal 7 per cent match. Disability pensions shall continue for
10 such employees who sustain job related injuries that prohibit them from performing work in any gainful
11 capacity. Disability pensions shall be based on the regular salary of the employee and not that of any
12 employee he is filling in for. All pension funds shall be managed by the PRIM board.

13 SECTION 3. Said chapter 32 is hereby further amended by adding the following 2 sections:-

14 Section 106. Any person who knowingly provides false information to obtain pension benefits or accepts
15 unearned benefits shall be punished by imprisonment in a prison for not more than 5 years.

16 Section 107. Employees shall not automatically be allowed to inflate their pensions with raises and
17 additional compensation during their final year of service.