

SENATE No. 1107

The Commonwealth of Massachusetts

PRESENTED BY:

Thomas M. McGee

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 to evaluate the cost of modifying pension benefits for police officers.

PETITION OF:

NAME:

Thomas M. McGee

DISTRICT/ADDRESS:

Third Essex and Middlesex

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. S01539 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

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 SECTION 1. The Public Employee Retirement Administration Commission in consultation with
2 the state retirement board shall analyze, study, and evaluate the cost and actuarial liabilities attributable to
3 modifying the retirement benefit for police officers in group 4. The study shall include the cost and the
4 actuarial liability associated in modifying the retirement benefit to extend a 75% calculated benefit for 25
5 years of service for police officers in group 4. In order to effectuate the funding for this change, the
6 commission shall prepare supplementary pension funding schedules, which shall be designed to reduce
7 the actuarial unfunded liability attributed to this change to 0 on or before June 30, 2028 and shall provide
8 3 alternative schedules, providing the option of reducing the unfunded liability to 0 by June 30, 2034,
9 June 30, 2038 and June 30, 2048, respectfully; provided, that in preparing such schedules the commission
10 shall consider the actuarial value and the market value of the systems assets and liabilities, the long-term
11 investment rate of return on the systems assets and the system's unfunded actuarial liability. The
12 commission shall file a study together with its recommendations and proposed funding schedule to the
13 House and Senate Committee on Ways and Means along with the Joint Committee on Public Service on
14 October 1, 2009. The commission shall provided assistance in developing funding schedules for the

15 purpose of modifying the retirement benefit to extend a 75% calculated benefit for 25 years of service for
16 police officers in group 4 to city, town, county, regional, district and authority retirement systems at the
17 request of the appropriate retirement board.