

HOUSE No. 2420

By Mr. Binienda of Worcester, petition of John J. Binienda and others for legislation to provide purchasing power protection for certain retiree benefits. Public Service.

The Commonwealth of Massachusetts

PETITION OF:

John J. Binienda
John P. Fresolo

Thomas M. Stanley
Karyn E. Polito

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO PURCHASING POWER PROTECTION FOR RETIREE BENEFITS.

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 teachers' retirement board is hereby authorized and directed
2 to analyze, study and evaluate the costs and the actuarial liabilities
3 attributable to providing seventy-five percent purchasing power pro-
4 tection for annuitants of the teachers' retirement system. The
5 teachers' retirement board shall also make recommendations on
6 implementing said purchasing power protection incrementally in
7 order to secure seventy-five percent purchasing power protection for
8 annuitants of the teachers' retirement system. In order to effectuate
9 the funding for the change in benefits for the annuitants of the
10 teachers' retirement system, the board shall prepare a supplemental
11 pension funding schedule which shall be designed to reduce the
12 actuarial pension liability attributed to the seventy-five percent pur-
13 chasing power protection to zero on or before June thirtieth, two
14 thousand and thirty-four; provided that in preparing such schedule
15 the board shall consider the actuarial value and the market value of
16 the systems assets and liabilities, the long term investment rate of
17 return on the systems assets and the systems unfunded actuarial lia-
18 bility, and provided further, that the board shall triennially update
19 such supplemental schedule until said June thirtieth, two thousand

20 and thirty-four. The teachers' retirement board shall file said report
21 together with its recommendations and draft legislation necessary to
22 carry out such recommendations into effect by filing the same with
23 the clerk of the house of representatives, the joint committee on
24 public service and the house and senate committees on ways and
25 means on or before December 31, 2010.