

HOUSE No. 2709

By Mr. Rice of Gardner, petition of Robert L. Rice, Jr., and Anne M. Gobi relative to creditable service. Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO CREDITABLE SERVICE.

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. Subdivision (1) of section 4 of chapter 32 of the
2 General Laws, as appearing in the 2004 Official Edition, is hereby
3 amended by adding the following paragraph:—

4 (t) Any member in service of the state employees’ retirement
5 system who because of privatization of state services and who then
6 performed similar services for a contractor who contracted to
7 provide the same or similar services to the state, whether or not such
8 member withdrew contributions to the retirement system, may
9 establish as creditable service up to 4 years of that service if the
10 member has 10 years of creditable service with the state employees’
11 retirement system.

12 No credit shall be allowed until the member has paid into the
13 Annuity Savings Fund of the state employees’ retirement system
14 before any retirement allowance becomes effective for the member,
15 in a lump sum or in installments, upon the terms and conditions that
16 the state board of retirement prescribes, makeup payments of an
17 amount equal to that which would have been withheld as regular
18 deductions for the service as a contracted employee if the service
19 had been rendered as a state employee and the member had been a
20 member of the state employees’ retirement system during the period
21 the service was rendered, plus buyback interest on that amount. Eli-
22 gible members who worked part-time as contract employees shall be
23 eligible for creditable service proportionately equal to their part-time
24 state service.

25 Upon completion of the payments, the member shall receive the
26 same credit for the period of ensuing service as a contract employee
27 would have been allowed if the service had been rendered by the
28 member as a state employee. Members in service of the state retire-
29 ment system who make application for this creditable service shall,
30 subject to the rules and regulations of the state board of retirement,
31 be notified by the state board of retirement of their eligibility for
32 creditable service and, if they are eligible, shall also be notified by
33 the state board of retirement that they have the following options:
34 (1) to purchase the service in a lump sum within 180 days after the
35 date of the notice; or (2) to enter into an installment agreement
36 within 180 days after the date of the notice to pay for the service.
37 No creditable service shall be allowed under this section unless the
38 member provides documentation of the member's contracted service
39 satisfying the state board of retirement's requirements.

1 SECTION 2. As used in this paragraph, the words "contacted
2 service" shall mean a person who has performed service as defined
3 in Section 29A of Chapter 29 of the General Laws.