

SENATE NO. 1636

AN ACT RELATIVE TO THE MIDDLESEX RETIREMENT SYSTEM

*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 2 of chapter 32 of the General Laws is hereby amended by adding the
2 following new paragraph at the end:
3 “Notwithstanding the provisions of chapter thirty-two, chapter thirty-four B, or any other
4 general or special law to the contrary, any city or town may by majority vote of its legislative
5 body with the concurrence of its chief executive officer in a city or board in a town terminate its
6 membership in the Middlesex Retirement System (the “System”). Said vote shall specify that
7 all assets, reserves, rights, interests, annuities, pensions, retirement allowances, and other
8 property or things of value (the “Assets”) held or administered by the System on behalf of the
9 city or town and its present or former employees, beneficiaries or members (the “Members”)
10 shall be transferred to the PRIT Fund established under subdivision (8) of section twenty-two of
11 chapter thirty-two or such other pension fund as may be authorized by any general or special
12 law applicable to the city or town and administered by a public retirement board (“Alternate
13 Fund”). In the event of a transfer to the PRIT Fund or an Alternate Fund administered by a

14 public retirement board other than a retirement board established by the city or town, said vote
15 shall also establish a local retirement board for the city or town and shall specify the authority,
16 powers and duties of the local retirement board as related to the board of the PRIT Fund or the
17 Alternate Fund as applicable. Upon receipt of notification by the city's or town's chief
18 executive officer of the legislative body's vote to terminate membership in the System and to
19 participate in the PRIT Fund or Alternate Fund, the System shall within thirty days transfer the
20 Assets to the PRIT Fund or Alternate Fund as designated in the vote, and the governing board of
21 the PRIT Fund or Alternate Fund as the case may be shall thereupon accept, hold, invest,
22 manage, distribute and otherwise administer such Assets in trust for the Members pursuant to
23 the general or special laws, rules and regulations governing said fund. Said transfer shall be
24 accompanied by an audited financial report prepared by the System in accordance with
25 generally accepted accounting principles which shall account for all Assets and liabilities of the
26 Members as of the date of transfer. Ten copies of the report shall be contemporaneously
27 delivered to the chief executive officer of the city or town as applicable. The System shall
28 forthwith furnish to the governing board of the PRIT Fund or Alternate Fund, any and all other
29 documents, in written and electronic form, as the governing board may from time to time
30 request in order to carry out its fiduciary responsibilities to hold, invest, manage, distribute and
31 otherwise administer such Assets as part of its public retirement system.”

32 SECTION 2.

33 This act shall take effect upon its passage.