

MASSACHUSETTS
Public Employee Retirement Administration Commission
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M E M O R A N D U M

TO: All Retirement Boards
FROM: Robert F. Stalnaker, Executive Director
RE: Option (C) Pop-Up Date
DATE: December 9, 1998

We have received questions regarding from what date adjustments of pension allowance would occur after a system has properly accepted Section 288 of Chapter 194 of the Acts of 1998 (the so-called Option (C) Pop-Up provision). Regardless of the date the system accepts this provision, benefits are adjusted as of July 1, 1998. Boards may not make adjustments for time periods prior to July 1, 1998 or begin the adjustment period after July 1, 1998.

As an example, a member retired on October 1, 1985, and the date of their beneficiary's death is April 1, 1990. The member's system accepts Section 288 on November 1, 1998. Starting on November 1, 1998, the member's allowance would be increased to reflect the "Pop-Up" provision. The board would also owe the amount of the increase for the months of July, August, September and October, 1998.

Section 288 would allow for a pension adjustment for those members who retired before January 12, 1988, chose Option (C) and whose beneficiary predeceased them. It is important that boards send a certified copy of the legislative body's vote and the retirement board's minutes which show acceptance of this section to PERAC.