

Pension-Related Changes: Massachusetts & Federal Law Since January 1, 2002

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Commonwealth of Massachusetts
Public Employee Retirement Administration Commission

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SECTION OF CHAPTER 32 IMPACTED/ OTHER LAW	DATE	CHANGE/ADDITION	PERAC MEMO NO.
1	2/28/02	Brought MA into compliance with federal law on the maximum dollar amounts of retirement allowances. Affects only the highest paid public employees or those highly compensated employees who retire quite young.	9/2008; 9/2007; 10/2006; 11/2005; 11/2004; 17/2003; 45/2002; 27/2002
10(2)	7/1/02	Requires the employer of any employee applying for a termination allowance to certify in writing under the penalties of perjury that one of four circumstances apply: 1) failed of nomination or re-election; 2) failed of reappointment; 3) office or position abolished; 4) removed or discharged without moral turpitude.	3/2003; 33/2002
21(1)(d)	7/1/02	PERAC review of all termination allowances required.	3/2003; 33/2002
4(1)(o)	12/5/02	Allows certain unpaid town moderators to purchase creditable service for their moderator service.	47/2002
4(1)(h)	4/1/2003	Removes the requirement that a member in service have ten years in order to purchase military service credit. Board to notify all new members and all eligible members of their right to purchase service.	11/2003
5(1)(e)	7/1/03	Elimination of the spousal retirement provision.	21/2003
5(1)(e)	7/1/03	Any member who has applied for retirement using the spousal retirement provision prior to July 1, 2003 with a retirement date after July 1, 2003 will be eligible to use provision despite its repeal.	27/2003
5(1)(e)	11/1/03	Any member who is married to a retiree may retire under the spousal provision if they do so by October 31, 2003.	36/2003
5(1)(e)	11/1/03	Any member who applies for the spousal provision before November 1, 2003 with a retirement date up to or after November 1, 2003, will be allowed to retire under this provision.	37/2003
C. 32	5/17/04	The Supreme Judicial Court of Massachusetts legalizes same-sex marriage in <u>Goodridge v. Dep't of Health</u> , 440 Mass. 309 (2003.)	19/2004

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5(1)(e)	7/1/04	Reinstates the spousal retirement provision with respect to spouses married to each other and members in the same or different systems on or before November 1, 2003.	31/2004
	7/31/03	"Pension Holiday" Allows a city, town, district or authority to reduce their pension appropriation for fiscal years 2004 and 2005.	26/2003
G.L. c. 4, § 7, cl. 26(o) and (p)	7/1/04	Home addresses and home telephone numbers of public employees are no longer public records and subject to release.	25/2004
1	7/1/04	Adds definition for "accumulated assumed actuarial deductions" to retirement law.	25/2004
1	7/1/04	Adds definition for "actuarial assumed interest" to retirement law.	25/2004
1	7/1/04	Definition of actuarial equivalent amended to allow the PERAC actuary to select a new mortality table, etc.	25/2004
15	7/1/04	Attorney General and District Attorneys will be required to advise PERAC if a member is convicted of a crime. Also notice from employer to retirement board if employee under indictment.	30/2004; 25/2004
§§ 7,9,12B, 26 and 100	7/1/04	Amended to make references to ages of eligibility for dependents' benefits uniform ending upon attaining age 22 for full time students. Also inserts language in section 7 to make clear even children over 18 at time of parent's death eligible for benefits	25/2004
12(1)	7/1/04	One individual cannot receive both an Accidental Death Benefit and an Option C benefit as the result of the death of a member. Members who retired and selected Option C between November 7, 1996 and June 30, 2004 will not be affected.	25/2004
105	7/1/04	Adds provision for reinstatement after retirement via Section 5 or 10.	34/2004; 25/2004
4(1)(h), 5(2)(b)	8/30/04	Changes definition of "veteran" to allow non-wartime service to qualify. Also allows national guard service of not less than 90 days with one day of wartime service to qualify. Not retroactive.	28/2004; 21/2004

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2005 budget	12/27/04	PERAC may establish new actuarial equivalent factors to be used in the calculation of retirement allowances (Option A annuity, Option B annuity and Option C adjustment.) Retirements effective July 1, 2004 to December 27, 2004 will be calculated based on existing factors.	23/2004
C. 137 of the Acts of 2003	9/11/01- 9/11/05	Authorizes counties, cities and towns to pay any employee who has been granted a military leave of absence because the employee has been called to active duty his base salary less any amount received for his or her military service. Requires local approval; Difference paid by public employer is regular compensation, deductions taken out.	41/2003
91A	Fiscal 2005	Amended so that the disability retirement allowance of a retiree who fails without good cause and following a number of notices to submit the annual statement of earnings will be terminated rather than withheld until the retiree complies with the filing requirement.	25/2004
2005 budget		Authorizes PERAC actuary to analyze ramifications of increasing the base upon which COLAs are granted. A funding schedule analysis is also authorized.	31/2004
Social Security Protection Act of 2004	1/1/2005	Social Security Notice regarding impact of government pensions upon receipt of Social Security.	05/2006; 45/2004
Sections 3(2)(a)(vii); 3(3); 3(4); 3(4A); 3(5); 3(6)(c); 3(6)(d); 3(8)(b)	7/1/05	Cost of buying back certain creditable service increases.	13/2005; 41/2004
	9/11/05	Section 1 of Military Pay Act (Chapter 77 of the Acts of 2005) extended from September 11, 2005 to September 11, 2008. (See PERAC Memo # 39/2001 for full discussion of Military Pay Act.)	15/2006; 29/2006

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Section 7	11/23/05	Section 1 of Chapter 157 of the Acts of 2005 allows for veterans who are retired for Accidental Disability to receive an additional allowance of \$15 per year of creditable service, not to exceed \$300 in total. Requires local acceptance.	14/2006; 29/2006; 36/2005
Section 7	11/23/05	Section 2 of Chapter 157 of the Acts of 2005 makes additional allowance for Accidental Disability retirees who are veterans retroactive to date of retirement. Requires local acceptance.	14/2006; 29/2006; 36/2005
Pension Protection Act of 2006	2006	Public safety officers may exclude from their gross income an amount up to \$3,000 that is deducted from a taxable retirement allowance for health insurance premiums.	37/2007; 43/2007
Pension Protection Act of 2006	2006	Adds non-spouse beneficiaries to the individuals who can make a direct trust-to-trust rollover without income tax withholding.	37/2007
Pension Protection Act of 2006	2006	Allows defined benefit plans to accept direct rollovers of after tax dollars to qualified retirement plans. (Regulation to permit our retirement systems to do this was pending at press time, but is likely to have been passed by the August 2008 Public Pension Institute.)	37/2007
	2/10/06	PERAC directed to select a new mortality table on or before January 1, 2014, and thereafter every ten years.	2/2006
840 CMR 15.03	4/7/06	PERAC regulations amended to clarify that ad hoc or temporary payments to members of retirement systems which will not recur or which will recur only for a limited or definite term are not regular compensation for purposes of making contributions to the retirement system or for calculating retirement allowances.	12/2006; 25/2006; 34/2005; 35/2005
Section 9(2)(d)(ii)	7/5/06	Increase in Accidental Death Benefit for surviving children to an amount equal to that provided for children under Section 7. Requires local acceptance.	27/2006; 34/2006

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Section 5 (1)(e)	10/10/07	CRAB issues decision in <u>Lacey & Cintron v. State Board of Retirement</u> , CR-06-896 (2007) determining that Section 5(1)(e) is applicable to individuals who were members of a retirement system on or before November 1, 2003, regardless of whether or not they were married on that date.	
Section 94	11/14/07	The Heart Law Presumption extended to "any employee of a county correctional facility whose regular or incidental duties require the care, supervision or custody of prisoners, criminally insane persons, or defective delinquents."	45/2007
G.L. c. 4, § 7, cl. 26	12/11/07	Supervisor of Public Records determines an individual's date of birth may be withheld from disclosure.	46/2007
G.L. c. 4, § 7, cl. 26	12/11/07	Supervisor of Public Records determines that mandatory contributions to a member's annuity account and the interest credited to the account are akin to payroll records and are public records. However, voluntary additional contributions are not a public record.	46/2007
	3/10/08	The Chief Justice of the Probate and Family Court issues Standing Order 3-08 requiring Domestic Relations Orders involving public employees to be impounded.	15/2008

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