

MEMORANDUM #16, 2007

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission
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Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: AN ACT FURTHER REGULATING THE RIGHTS OF CERTAIN
FIREFIGHTERS OR POLICE OFFICERS WHO WERE LAID OFF
IN THE YEAR NINETEEN HUNDRED AND EIGHTY-ONE AND
NINETEEN HUNDRED AND EIGHTY-TWO, CHAPTER 324 OF
THE ACTS OF 1983

AN ACT FURTHER REGULATION THE RIGHTS OF CERTAIN
FIREFIGHTERS AND POLICE OFFICERS, CHAPTER 235 OF
THE ACTS OF 1994

DATE: February 12, 2007

The Commission has recently received inquires regarding PERA MEMO #1/1995 which discusses the application of local options, Chapter 324 of the Acts of 1983 and Chapter 235 of the Acts of 1994. This memorandum is intended to address the implementation of these local options.

CHAPTER 324 OF THE ACTS OF 1983

On July 26, 1983, Chapter 324 of the Acts of 1983 was approved by the Legislature as a local option for acceptance by cities or towns at their own discretion. The Commission does not possess records of the cities and towns who have accepted this act. The Commission respectfully requests that if your retirement board's city or town accepted such act, please inform us by letter at your earliest convenience.

Chapter 324 of the Acts of 1983 provides an award of creditable service to certain police officers and firefighters who were terminated by a reduction in force in 1981 and 1982, and who returned to service prior to July 1, 1983. This act credits a qualifying member with active service for such period of time that such member was unemployed pursuant to the conditions of the act. A retirement board implementing this act shall not charge any amount to a qualifying member for the period of unemployment for which the member is entitled to active service. The member is only required to pay an amount equal to the accumulated regular deductions withdrawn by the member, if any, with the regular interest to the member's date of reinstatement.

CHAPTER 235 OF THE ACTS OF 1994

On December 27, 1994, Chapter 235 of the Acts of 1994 was approved by the

Legislature as a local option for acceptance by cities or towns at their own discretion. Since the passage of this act, eleven retirement boards have implemented the act's provisions. For more information on which retirement boards have implemented this act, please visit the following link on the Commission's website:
<http://www.mass.gov/perac/local/boardopt6.htm>.

Chapter 235 of the Acts of 1994 provides an award of creditable service to certain police officers and firefighters who were terminated by a reduction in force and subsequently reinstated to their former positions within three years of such termination. This act credits a qualifying member with active service for such period of time that such member was unemployed pursuant to the conditions of the act. A retirement board implementing this act shall charge the member an amount equal to the accumulated regular deductions otherwise payable by the member during the period of unemployment at the rate of compensation the member was receiving at the time of termination plus regular interest to the date of reinstatement. The member is also required to pay an amount equal to the accumulated regular deductions withdrawn by the member, if any, with the regular interest to the member's date of reinstatement.

INTERPLAY BETWEEN CHAPTER 235 OF THE ACTS OF 1994 AND CHAPTER 324 OF THE ACTS OF 1983

Please note that under Section 2 of Chapter 235 of the Acts of 1994, a member who was terminated by a reduction in force in 1981 and 1982, and who returned to service prior to July 1, 1983 is entitled to active service for such period of time that such member was unemployed without any amount charged to the member provided that a city or town accepted Chapter 324 of the Acts of 1983 prior to October 8, 1985. Accordingly, if the city or town did not accept Chapter 324 of the Acts of 1983 before October 8, 1985, then in order for a member to receive creditable service for the time while the member was unemployed, the city or town must adopt Chapter 235 of the Acts of 1994, and such member shall purchase creditable service under the terms set forth in Chapter 235 of the Acts of 1994.

Attachments

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