



COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: All Retirement Boards, State, County and Municipal Officials

FROM: John W. Parsons, Esq., Executive Director

RE: Reintroduction of Earning and Hour Limitations for All Retirees in the Public Sector

DATE: January 3, 2023

Since the beginning of the pandemic, the Massachusetts Legislature has waived the post-retirement earnings limitations for superannuation retirees in the public sector. (This waiver was never extended to disability retirees.) This waiver expired on December 31, 2022. As a result, the hour and earnings limitations on post-retirement work in Massachusetts, as described at Massachusetts General Laws, Chapter 32, Sections 91 (b) and (c) will again be in full force and effect for calendar year 2023 and thereafter.

Post-retirement employment cannot exceed service in excess of 1,200 hours in a calendar year, nor can any compensation from a city, town, the Commonwealth, or any of its subdivisions, when added to a retiree's retirement allowance, exceed the salary currently being paid for the position from which he/she retired, plus \$15,000. For new superannuation retirees, a full calendar year of retirement must have passed prior to the \$15,000 being added into the formula calculation. For disability retirees, the \$15,000 is added to the formula immediately upon retirement.

Adherence to the post-retirement restrictions in any calendar year is the statutory responsibility of the employee and the employer.

We urge all retirement boards and public employers to ensure that the hours of employment and earnings being paid to public sector retirees are thoroughly scrutinized. Retirement Boards should share this memorandum with the employers who make up the governmental units in their Retirement Systems to make certain that the information is accurately conveyed and widely distributed.

If you have any questions about this, please contact PERAC Associate General Counsel Felicia McGinniss at felicia.m.mcginiss@mass.gov.