

MEMORANDUM

TO: All Retirement Boards

FROM: William T. Keefe, Executive Director

RE: Cost of Living Increase for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors

DATE: July 16, 2025

On July 4, 2025, Governor Healey signed the FY26 budget into law. Included in the budget was a 3% COLA for eligible retirees of the State and Mass Teachers' Retirement Systems effective July 1, 2025. As a result, the supplemental dependent allowances under §§ 7(2)(a)(iii) and 9(2)(d)(ii) will be increased as of July 1, 2025.

Any retirement system which has accepted the supplemental dependent allowance provided for in G.L. c. 32 § 7(2)(a)(iii), or which has accepted the provisions of G.L. c. 32, § 22D (under which the supplemental dependent allowance is also deemed to have been accepted), shall pay an annual amount of \$1,159.08 beginning July 1, 2025 for each eligible child as defined in G.L. c. 32, § 7(2)(a)(iii).

Also, any retirement system which has accepted the additional pension for dependent children provided for in G.L. c. 32, § 9(2)(d)(ii), shall pay an annual amount of \$1,159.08 beginning July 1, 2025 for each eligible child as defined in G.L. c. 32, § 9(2)(d).

Please contact PERAC's actuary, John Boorack, if you have any questions on this issue.

WTK/jfb

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