

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: All Retirement Boards

FROM: Bill Keefe, Executive Director

RE: G.L. c. 32, § 100 Benefits and Cost-of-Living Adjustments

DATE: October 23, 2025

PERAC has recently received several inquiries concerning whether cost-of-living adjustments (“COLAs”) should be applied to G.L. c. 32, § 100 benefits. PERAC’s guidance concerning the application of COLAs on Section 100 benefits was presented at the 2024 Massachusetts Association of Contributory Retirement System’s Fall Conference. As outlined during that presentation, a COLA should be applied to a Section 100 benefit.

Pursuant to G.L. c. 32, § 103(c), retirement boards are permitted to vote to grant a COLA each year. If a COLA is granted, Section 103(c) specifically provides, in part:

In the event that the board votes to adopt the cost of living increase recommended by said report, it shall file notice of its election to pay with the commission within 30 days of its action and the retirement allowance, pension or annuity of every member of the system who has received a retirement allowance, pension or annuity on June 30 of the prior fiscal year, or of a spouse or other beneficiary of such member who has received a retirement allowance, pension or annuity on June 30 of the prior fiscal year, shall be increased by the percentage as recommended by said report. (Emphases added.)

It has been PERAC’s longstanding position that if a COLA is awarded, it must be applied to any benefit that is categorized as a “retirement allowance, pension, or annuity” paid to any former employee, spouse, or beneficiary.



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Massachusetts General Laws Chapter 32, Section 100 provides a special benefit to the beneficiaries of members who are killed in the line of duty. Specifically, Section 100 provides that the beneficiary receives “an annual amount of pension which shall be equal to the amount of salary which would have been paid....” (Emphasis added.) Therefore, as the statute classifies a Section 100 beneficiary as receiving a pension, they should also receive a COLA pursuant to Section 103(c).

This may appear to be counterintuitive given the language of Section 100 that the beneficiary is to receive an amount equal to “the amount of salary which would have been paid to such firefighter, police officer or corrections officer had he continued in service in the position held by him at the time of his death.” However, Section 100 and Section 103 must be read together.

Section 100 provides the beneficiary with a pension based on the amount the member would have received had they continued working. The pension that the beneficiary receives is that set amount, which satisfies the language of Section 100. Then, if a COLA is awarded by the retirement board, it would then be applied to the Section 100 benefit, thus satisfying the language of Section 103.

The application of a COLA to a Section 100 benefit closely mirrors a COLA being applied to a standard superannuation retirement allowance. Upon retirement, retirees are guaranteed to receive a set amount each year based on a calculation for their age, years of service, and option selection. But, if the retirement board decides to grant a COLA, the retiree then receives an added benefit on top of their set allowance pursuant to Section 103(c). This is the same as a Section 100 beneficiary receiving a specified benefit, but then still being eligible for a COLA on top of that. A key point to remember is that a COLA is an added benefit applied on top of an established pension amount and not statutorily guaranteed every year unless voted on by the retirement board.

If a retirement board has not been awarding COLAs on Section 100 benefits, this error must be immediately corrected. COLAs should have been paid on each Section 100 benefit since the date the beneficiary first became eligible to receive a COLA pursuant to Section 103(c). Retirement boards should calculate any COLA amounts that should have been due to the Section 100 beneficiaries and remit payment plus corrections of errors interest. Moving forward, all Section 100 benefits should have the COLA applied.

We trust the foregoing will be of assistance. If you have any further questions, please feel free to contact General Counsel Judith Corrigan at (617) 591-8904 or at judith.a.corrigan@mass.gov.