

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: The Repeal of G.L. c. 32, § 90G^{3/4}

DATE: July 25, 2017

This is to inform you that G.L. c. 32, § 90G^{3/4}, the section of the retirement law which required those members approaching age 70 to affirmatively decide whether to continue making contributions to the retirement system, has been repealed.

The repeal of this section of the retirement law was achieved through the budget process, and so the effective date of the repeal of Section 90G^{3/4} is July 1, 2017. Section 28 of the outside sections of the FY'18 Budget provides:

Section 90G^{3/4} of said chapter 32 is hereby repealed.

Therefore, no further notices need to be sent out to members approaching age 70, and no longer will members have the option of stopping contributions to the retirement systems. Prospectively, the repeal of the election makes clear that contributions for post age 70 members will be made on a picked-up, pre-tax basis.

If you have members approaching age 70 who are in the process of determining what they should do in regard to Section 90G^{3/4}, that process should now be stopped. The form associated with this portion of the law has already been removed from PERAC's website.

It is also important to note, however, that Section 141 of the outside sections of the FY'18 budget provides:

A member who made an election under section 90G^{3/4} of chapter 32 of the General Laws prior to the effective date of this act shall have the election maintained after the repeal of the section and no further action by the member or retirement board shall be necessary.



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Thus, this repeal provides for no retroactivity, and those making an election under G.L. c 32, § 90G³/₄ through June 30, 2017, either to continue in active service or to stop making contributions to the system, will have no change in their status and will be bound by their previous election.

PERAC regulations located at 840 CMR 11.00, *Service After Age 70*, have now been superseded in part by this repeal. We will revise these regulations in the near future, to assure that the rights of those who previously made an election under G.L. c. 32, § 90G³/₄ will be maintained.

If you have any questions about this, please contact Deputy General Counsel Judith Corrigan at Extension 904.