

# PERAC

## Pension News

No.  
56

December  
2020

A Publication of the Public Employee Retirement Administration Commission

## Long-Time PERAC Commissioner to Retire

By John W. Parsons, Esq.  
Executive Director

**D**uring PERAC'S October Commission meeting, long-time Commissioner Robert McCarthy announced that he was retiring from the Commission upon appointment of his successor.

"Bob" has served as a PERAC of Massachusetts, Fitchburg State Commissioner off and on since its inception in 1996, serving as the designee of the President of the AFL-CIO, as appointed by the State Auditor.

Bob's entire professional career has been dedicated to serving his community, the Commonwealth, and his country. Bob has served in the U.S. Navy, as a career firefighter, as Chairman of the Watertown Retirement Board, and on the Boards of Trustees at the University

College, and Blue Cross Blue Shield. From 1987-2011 he served as the President of the Professional Fire Fighters of Massachusetts.

Throughout his over 50 years of public service, the common element of Bob's service has been an incomparable commitment to helping his fellow public employees. Bob's passion for improving the working conditions of his brethren is legendary, and his skills as an advocate for public employees have left an



Robert McCarthy  
PERAC Commissioner

indelible mark on the quality of life of those he has lobbied for. Anyone that worked in State Government from the 1980's to the present has witnessed and benefited from Bob's efforts.

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# PERAC legislative filings for 2021-2022

Eight bills will go before the Legislature this session

By Bill Keefe  
Assistant Deputy Director

**P**ERAC has filed with the Clerk of the House of Representatives eight bills for the 2021-22 legislative session which begins January 6, 2021. Six of these are refiled bills from the 2019-20 legislative session and two are newly filed:

## An Act to Protect Gender Equity

The Massachusetts Equal Pay Act, codified as MGL Ch. 149, Sec. 105A, prohibits wage discrimination based on gender. The law spells out a process by which an employer conducts a salary study to determine if there is inequity. A key provision of the law provides that the remedy to address gender pay inequity is to raise the pay of an affected person, rather than cut the pay of another.

The MWRA Retirement Board made PERAC aware of members who had their pay increased in relation to the Massachusetts Equal Pay Act, but are coming up against the anti-spiking pension provisions found in MGL Ch. 32, Sec. 5(2)(f).

There are exemptions to anti-spiking, but none apply to rectify this situation. As currently constituted, the anti-spiking law is causing an



unintended consequence of harming women who have benefited from the intended purpose of the Massachusetts Equal Pay Act, namely, that women are as fairly compensated as their male counterparts for comparable work.

PERAC's bill amends Ch. 32, Sec. 5(2)(f) to add an exemption from anti-spiking provisions for salary adjustments from actions related to the Equal Pay Act.

## An Act Providing for Statement of Financial Interests Flexibility

PERAC currently does not have any statutory discretion in MGL Ch. 32, Sec. 20C regarding non-compliance with the SFI.

PERAC faced a similar situation with board member education in Ch. 32, Sec. 20(7) and gained the ability to have a board member petition the Commission for a waiver due to

extenuating circumstances, provided that educational requirements are fulfilled, through the passage of Chapter 439 of the Acts of 2018.

Modeling that statute, PERAC's bill amends Ch. 32, Sec. 20C to create some statutory flexibility with the SFI. It would allow a board member to petition the Commission for a waiver from their removal from the board and future exclusion from board service due to extenuating circumstances, provided that the SFI is ultimately filed.

## Refiled bills

The six refiled bills, each of which had been reported favorably by the Joint Committee on Public Service in the 2019-20 session, are:

## An Act Relative to Pension Forfeiture

This bill is a result of the work of the Special Commission on Pension Forfeiture created by Chapter

## Legislation (continued from previous page)

133 of the Acts of 2016 following the Supreme Judicial Court decision in the *Bettencourt* case that pension forfeiture can constitute a violation of the 8th Amendment to the United States Constitution as an excessive fine. The bill would remove misdemeanors from crimes that trigger pension forfeiture. It also creates tiers of forfeiture ranging from full, to 2/3, to 1/3 to a minimum allowance equal to a group 1 member with 10 years of service at the minimum retirement age.

### An Act Relative to Veterans' Buyback

This bill would extend from 180 days to within one year following vesting the time which veterans working in public service have to purchase up to four years of military time as creditable service time. Additionally, it creates a one-year, one-time grace period for veterans to buy back their military service who missed their initial opportunity.

### An Act Relative to The Recovery of Overearnings

This bill would allow retirement boards to pursue recoupment of overearnings up to the amount of the retirement allowance paid.

### An Act Relative to Wages

Sick and vacation leave taken in conjunction with workers' compensation would be included as wages and part of an employee's base compensation for retirement purposes under this bill.

### An Act Relative to Modifications of Retirement Allowances

This bill would alter PERAC's statutory directive to modify allowances of members with overearnings to make it more effective and efficient.

### An Act Relative to Accidental Disability and Group 1 Emotional Distress

Group 1 employees would be aligned with other groups in permitting the use of employer incident records to satisfy the injury report requirement when filing for disability based on emotional injury through this bill.

## Update on Post-Retirement Earnings Waiver

Both the House and the Senate adopted amendments in their budget bills to extend the pandemic post-retirement waiver from earnings and hours worked for superannuation retirees working in the public sector.

The provision will be included in the budget the Legislature sends to the governor for his approval, which would make the waiver language officially law.

As originally passed, Section 14 of Chapter 53 of the Acts of 2020 allows for the exemption during calendar year 2020 during the governor's March 10, 2020 emergency. With the state of emergency still in place and 2020 drawing to a close, the waiver would end on Dec. 31.

Both the House amendment, filed by Rep. Mark Cusack, and the Senate amendment, filed by Sen. Brendan Crighton, amend Chapter 53 to include calendar year 2021. In an identical manner as the current statute, the extended waiver, if approved by the governor, would end with the state of emergency being lifted, or the end of 2021, whichever comes first.

## *In Memoriam:*

### Remembering Kate Hogan, PERAC Disability Manager of Medical Services

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**I**t is with great sadness that we must report that our longtime Disability Unit Manager, Kate Hogan, has passed away after a short illness.

In addition to being a great employee who truly enjoyed her work and her colleagues, Kate was a good friend to many of us here at PERAC and this is difficult news to accept, made even more difficult by the suddenness of it. "Kate's sudden passing has left a huge professional and personal void here at PERAC, and throughout the retirement and medical community," said Executive Director John Parsons. "Kate was universally respected and appreciated throughout the MA retirement community."

In her tenure at PERAC, Kate assisted retirement boards, employers, applicants and physicians throughout the Disability Retirement Application Process.

Among the many heartfelt comments received by PERAC were the words of one long-time retirement board director: "Kate was truly the most wonderful person I had the honor of associating with over my 38-year CH. 32 career, on both a professional and personal level. The epitome of what every public servant and human being should be — kind, patient, funny, empathetic. I could go on and on..."

Prior to joining PERAC, she worked for many years at the Massachusetts Hospital School providing direct care to children with physical disabilities.

In addition to her work at PERAC, Kate was also a visual artist and attended Massachusetts College of Art, majoring in Sculpture and Art Education.



Kate's professionalism, warm personality, and friendship will be sorely missed by her colleagues at PERAC and throughout the retirement community. Please keep Kate and her family in your thoughts and prayers at this difficult time. ■

## *Commissioner McCarthy* (continued from page 1)

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At PERAC, Bob has played an integral role in the shaping of pension policy, committed to the integrity and full funding of our retirement systems, and protection of the pension benefits earned by the public employees of Massachusetts. The PERAC Commission and PERAC staff will miss the passion and camaraderie that Bob has brought to this agency.

As importantly, the public employees of Massachusetts are losing a true champion who always looked out for their best interests.

On behalf of the Commission, PERAC Staff, and public employees everywhere, we wish Commissioner McCarthy good fortune and health in his retirement from public service. ■





# PERAC Staff Updates

By Caroline Carcia  
Deputy Executive Director

## Jane Carritte Retires

**W**e would like to extend our congratulations to Clinical Case Manager Jane Carritte as she begins her retirement!

Jane began employment at PERAC in October 1999 as a Nurse Case Manager, where she oversaw the Quality Assurance Program (QA), the review of disability retirees' medical information as it relates to the restoration to service process. Jane also played an integral role in the PROSPER development and PERAC's educational program. Over the years, Jane has assisted many disability retirees regarding the restoration to service process and with comprehensive medical examinations.

Jane holds a Bachelor's Degree in Nursing from St. Anselm College. Before joining PERAC, Jane worked at Harvard Pilgrim Health and other private healthcare facilities coordinating and managing the QA programs.

Jane is a native of Lynn who just recently moved to Swampscott. She retired on October 30, 2020. We thank Jane for her service and wish her the very best in retirement. ■



## The latest additions to the PERAC Team



**Stephen Forcucci**  
.Net Developer



**Felicia McGinnis**  
Associate General Counsel



**Kathleen Smolak**  
Actuarial Assistant

# PERAC Education

## 2020 has brought more than a few changes!

By Natacha Dunker  
Communications Director

**The pandemic has caused us to reassess how we offer board member education. Prior to the pandemic, education was a mix of both in-person and online training.**

Now, in order to comply with social distancing guidelines, we have shifted all training to online only. Luckily, we had already been preparing for online offerings prior to COVID-19, and had some experience in this realm. We are still learning as we go!

PERAC hosted what would have been the 16th Emerging Issues Forum virtually on September 17, 2020. Despite the global pandemic, we had over 200 attendees to this event.

This year's Forum featured J. Robert Brown, a board member with the Public Company Accounting Oversight Board. He provided a first introduction to many about this public agency and gave an overview of what their role is in improving oversight and accountability. His presentation was followed by Attorney Katherine Brady and myself presenting information and guidelines for retirees seeking post-retirement employment. This presentation provided answers to

frequently asked questions on post-retirement employment.

In addition to the Emerging Issues Forum, we have offered several other webinars on a variety of topics. General Counsel Judith Corrigan and Actuary John Boorack presented on Beneficiary Selection over the summer, and just this month presented on Buyback Interest calculations. In October, Assistant Deputy Director Ken Hill and Nurse Case Manager Patrice Looby presented on Disability Medical Panels and Remands.

Judith Corrigan also participated in a legal panel in September presented by the Massachusetts Association of Contributory Retirement Systems.

Board members who attended the above presentations live earned three educational credits for each session attended. All the sessions were recorded and most have been posted to the website. If you were unable to attend the live session, you can view the recording and submit a Training Affidavit in PROSPER to receive your credits.

We also offered training sessions related to the PROSPER application. A new Benefit Calculation feature was released on November 16, 2020 and

the developers did an overview of the new capabilities and walked board staff through all of the steps. The webinar was recorded and will be made available on our website, however, this recording is not eligible for board credit.

We appreciate all of your feedback, patience, and suggestions as we continually work to improve the quality of the courses we offer. We especially would like to thank you for your time and participation as we all go through these unprecedented times together! ■

# New & Noteworthy

## Did you know?

Board members can earn educational credit by watching pre-recorded webinars!

Links to previously recorded webinars can be found in the *PERAC Education* section of our website by clicking the *View Online Training* button. Submit a Training Affidavit in PROSPER upon completion to receive your credits.

## Memos released since previous newsletter:

- #25: Mandatory Retirement Board Member Training**  
Remote learning schedule announced - 3rd Qtr
- #26: Reinstatement to Service under G.L. c. 32 § 105**  
New form released for 2020-2021
- #27: Regular Compensation and Creditable Service Status of Certain Leaves**  
Expands on information from Memo #20/2020
- #28: Tobacco Company List**
- #29: Mandatory Retirement Board Member Training**  
Remote learning schedule announced - 4th Qtr
- #30: Compliance with the 2019 91A Process**  
Advisory regarding terminations
- #31: Appropriation Data Due October 31, 2020**  
Reminder to boards to submit your data
- #32: Allowable Earnings Determination, pursuant to G.L. c. 32, § 91A**  
Advisory to boards regarding salary verification
- #33: PROSPER Benefit Calculation Submission is almost here!**  
Announcement of new PROSPER feature



## COLA

The Governor's revised budget, the House and the Senate, all included a **3% cost of living adjustment (COLA)** on the first \$13,000 of the pension for both the State and Teachers' Retirement Boards.

The COLA will become official when the budget bill is formally signed into law.

**It would be retroactive to July 1.**

After the COLA becomes law, PERAC will be issuing its annual memo with the amounts for the cost of living increase for the supplemental dependent allowance paid to accidental disability retirees and accidental death survivors.

## Upcoming Meetings

December 9, 11:00 a.m.  
Commission Meeting

**Note:** We will post the 2021 meeting schedule to the website later this month.

Meetings are being held remotely unless otherwise noted and are open to the public.

(See our website for information on how to join the meetings remotely)

# PERAC

## 2020 Education Schedule

### *fourth quarter*

Credits  
board members  
must earn

**18**  
per term

**3**  
Minimum  
per term year

**9**  
Maximum  
per term year

Below are the remaining 4th quarter webinars

Date: Topics for Upcoming Webinars

December 3 Conflict of Interest Seminar

December 10 Recent Cases of Interest

We are planning some great sessions as

we look ahead to 2021, including a virtual

**Administrators Roundtable!!**

See our website for additional educational opportunities and registration information.

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