

HOUSE No. 13

The Commonwealth of Massachusetts

November 5, 2012

Mr. Steven T. James, House Clerk

Office of the Clerk of the House

State House, Room 145

Boston, MA 02133

Dear Mr. James:

Pursuant to the provisions of Section 33 of Chapter 30 of the General Laws, I hereby submit the attached legislative recommendations from the Public Employee Retirement Administration Commission for consideration during the 2013-2014 legislative session.

The attachments to this letter contain summaries of three proposed recommendations and the actual legislative drafts incorporating the recommendations. The three proposed bills are:

- 1. AN ACT REGARDING POST RETIREMENT EARNINGS AND UNEMPLOYMENT BENEFITS;
- 2. AN ACT AUTHORIZING THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION TO HOLD HEARINGS;
- 3. AN ACT AUTHORIZING THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION TO PERFORM TRIENNIAL AUDITS OF CERTAIN OPEB TRUST FUNDS.

Please feel free to contact me should you have any questions about the content of these recommendations or need any additional information. Thank you for your assistance.

Sincerely,
Joseph E. Connarton
Executive Director

Attachments

JEC/keb

Clerk's letter for 2013-2014.doc

LEGISLATIVE RECOMMENDATIONS OF THE
PUBLIC EMPLOYEE RETIREMENT
ADMINISTRATION COMMISSION

2013-2014 Legislative Session

1. AN ACT REGARDING POST RETIREMENT EARNINGS AND UNEMPLOYMENT
BENEFITS

Chapter 32, Sections 91(b) and 91A of the General Laws limit the amount of earned income a Massachusetts superannuation or disability retiree may earn from Massachusetts public entities, in the case of a superannuation retiree, and from any source, in the case of a disability retiree. This bill would consider any unemployment insurance income earned after the member reaches the earnings limitations of Chapter 32, Section 91(b) and/or 91A as “earned income”.

2. AN ACT AUTHORIZING THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION
COMMISSION TO HOLD HEARINGS

Section 9 of Chapter 36 of the Acts of 2012 says that, "In no event shall any member be entitled to a retirement allowance under sections 1 to 28 inclusive, which is based upon a salary that was intentionally concealed from or intentionally misreported to the commonwealth, or any political subdivision, district or authority of the commonwealth, as determined by the commission."

This bill further clarifies PERAC's ability to conduct hearings and investigations related to Chapter 32, Section 15(7) and to provide guidance related to said matters.

3. AN ACT AUTHORIZING THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION
COMMISSION TO PERFORM TRIENNIAL AUDITS OF CERTAIN OPEB TRUST FUNDS

This bill provides express authority to the Public Employee Retirement Administration Commission to conduct audits of methods of accounting and record keeping of Other Postemployment Benefit Trusts every three years, as otherwise required by general or special law.