

HOUSE No. 14

So much of the recommendations of the Public Employee Retirement Administration Commission (House, No. 9) as relates to modifications of retirement allowances. Public Service.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act relative to modifications of retirement allowances.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Subdivision (3) of Section 8 of Chapter 32 of the General Laws, as appearing in the 2016
2 Official Edition, is hereby amended by striking in line 30 subdivision (3) and inserting in its
3 place:

4 (3) Modifications of retirement allowances. If as a result of such medical report by a
5 regional medical panel, as a result of the submission of earnings information under section
6 ninety-one A, or as the result of the completion of a rehabilitation program as provided for under
7 subdivision (1), or under subdivision (5) of section twenty-one, the commission finds that such
8 retired member is engaged in gainful occupation and has excess earnings, for three or more
9 consecutive years, which result in the repayment of his or her entire retirement allowance
10 pursuant to section 91A, said member’s retirement allowance shall be modified prospectively.

11 When a determination is made that a retirement allowance shall be modified, the retiree
12 and the appropriate Retirement Board will be notified, and the retiree will be given the
13 opportunity to be heard by the Commission or its designee. When the determination is final, the
14 retiree and the appropriate Retirement Board will be advised. The retiree may appeal the
15 Commission’s determination to the Contributory Retirement Appeal Board pursuant to section
16 16. Such modification shall remain in effect, for at least one year, unless such medical report
17 finds that the mental or physical condition of such member has deteriorated. If the annual rate of
18 his earnings should later be changed, the yearly amount of his pension shall be further modified
19 by reinstating, increasing, reducing, or suspending it, as the case may be.

20 The applicable Retirement Board may pay over to a health insurance carrier that portion
21 of the allowance to maintain the disability retiree's health insurance coverage. A retiree whose
22 allowance is modified pursuant to this process will continue to be considered as a disability
23 retiree for purposes of chapter 32A, chapter 32B, chapter 34B, and section 100B of chapter 41.

24 The public employee retirement administration commission shall, subject to the
25 provisions of section fifty of chapter seven, promulgate regulations establishing, and providing a
26 system for annually adjusting for inflation and such other equitable factors as the commission
27 deems relevant, the fair amount of outside income that may be earned by a member retired
28 pursuant to section six or seven, and shall promulgate regulations for the determination of the
29 potential earnings of any such retired member based upon such member's functional capacity,
30 age, education, and experience.