

**SENATE . . . . . No. 1123**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

**Thomas M. McGee**

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to provide accountability, efficiency, and equity to retirement systems.

PETITION OF:

NAME:

Thomas M. McGee

DISTRICT/ADDRESS:

Third Essex and Middlesex

# The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

## AN ACT TO PROVIDE ACCOUNTABILITY, EFFICIENCY, AND EQUITY TO RETIREMENT SYSTEMS.

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

1           SECTION 1. Section 11 of Chapter 32 of the General Laws is hereby amended by  
2     inserting the following subparagraph on paragraph (1):- (d) If a member is entitled to a return of  
3     his accumulated total deductions and requests such a return from the board on the proscribed  
4     form, prior to the return of such accumulated total deductions, the board shall contact such  
5     member's employer to determine whether such member owes an obligation to the employer  
6     under the terms of any employee benefit plan, including a cafeteria plan established pursuant to  
7     section 125 of Title 26 of the United States Code. If it is determined that the member owes the  
8     employer under the terms of any such plan, the board shall not return the accumulated total  
9     deductions until it has received notice from the employer that the obligation has been satisfied.

10           SECTION 2. Section 13 of chapter 32 of the general laws is hereby amended by inserting after  
11     the second paragraph, the following: (c) A retirement board may require any member entitled to receive  
12     a retirement allowance to designate a financial institution to which shall be directly deposited any  
13     payments under any annuity, pension or retirement allowance.

14 SECTION 3. Section 19A of Chapter 32 is hereby amended by striking the first  
15 paragraph thereof and inserting in its place the following: Section 19A. Any employee of the  
16 commonwealth, a city, town, district or other member unit of a retirement system who is retired  
17 under this chapter shall, upon the request of the retiring authority paying such pension or  
18 retirement allowance, or otherwise may, by assignment made in writing authorize the retiring  
19 authority paying such pension or retirement allowance to withhold each month such amount as  
20 he may designate for the payment of subscriber premiums applicable to any hospitalization,  
21 medical or surgical insurance in effect with a non-profit hospital and medical service corporation  
22 or insurance company at the time of his retirement. In the event that the amount of a retiree's  
23 pension check is insufficient to accommodate the entire deduction and upon notice from the  
24 retirement board, the employer for whom the retiree last worked and from whom he is retired  
25 shall bill the retiree for the employee share of the premiums.

26 SECTION 4. Paragraph (5) of Section 20 of Chapter 32 of the General Laws is hereby  
27 amended by inserting at the end thereof the following: (m) A retirement board may create,  
28 designate, or approve agencies or instrumentalities to provide members with information about  
29 retirement planning and options and to provide retirees with information about benefits and to do  
30 all other things necessary and desirable to support the purposes of the retirement system.

31 SECTION 5. Paragraph (6) of said section 20 of Chapter 32 of the General Laws is  
32 hereby amended by striking, each time they appear, the words "three thousand" and inserting in  
33 place thereof the following:- up to seven thousand five hundred.

34 SECTION 6. Said section 20 of Chapter 32 of the general laws is hereby amended by  
35 inserting at the end thereof the following:- Notwithstanding the provisions of any general or

36 special law to the contrary, a member of a retirement board may participate in a meeting of the  
37 board and may cast votes on matters considered at such meetings via telephone.

38 SECTION 7. Section 9 of Chapter 32B of the general laws is hereby amended by  
39 inserting at the end thereof the following:- No municipality shall deny a retiree the right to enroll  
40 in such municipality's group health insurance plan by reason of the fact that such retiree had not  
41 enrolled in such plan prior to retirement.

42 SECTION 8. Section 9E of Chapter 32B is hereby amended by inserting at the end  
43 thereof the following: No city, town, district, regional school district, veterans service district,  
44 welfare district or health district shall reduce a subsidiary or additional rate paid for the group  
45 life, hospital, surgical, medical, dental or other health insurance for employees retired from such,  
46 city, town, district, regional school district, veterans service district, welfare district or health  
47 district until a hearing has been held for the specific purpose of reducing the subsidiary or  
48 additional rate and for which all retirees affected by such action have been notified in writing at  
49 least 30 days in advance of said hearing.

50 Notwithstanding the provisions of any general or special law to the contrary a retiree or spouse  
51 of a retiree shall qualify for health insurance benefits pursuant to this chapter at any time said  
52 retiree or spouse continues to collect a pension or retirement benefit pursuant to chapter 32.

53 SECTION 9. Section 16 of Chapter 32B of the general laws is hereby amended by  
54 inserting at the end thereof the following:- No municipality shall deny a retiree the right to enroll  
55 in such municipality's group health insurance plan by reason of the fact that such retiree had not  
56 enrolled in such plan prior to retirement.

57 SECTION 10. Chapter 32B of the general laws is hereby amended by inserting at the  
58 end thereof a new section.

59 Section 17. Any rights provided pursuant to Chapter 32B to an employee retired from service or  
60 the surviving spouse or dependant of such retired employee may be enforced by the retirement  
61 board from which said retired employee, surviving spouse or dependant receives a pension or  
62 retirement allowance. Any retirement board may vote, by a majority of its members, to enforce  
63 the rights granted pursuant to Chapter 32B.

64 SECTION 11. Section 19 of Chapter 34B of the General laws is hereby amended by  
65 striking in paragraph (6) (h) the word “five” each time it appears and inserting in place thereof  
66 the following:- twenty-five

67 SECTION 12. Said section 19 of Chapter 34B of the general laws is hereby further  
68 amended by inserting at the end thereof the following:- (m) Notwithstanding the provisions of  
69 any general or special law to the contrary, a member of a regional retirement board may  
70 participate in a meeting of the board and may cast votes on matters considered at such meetings  
71 via telephone.

72 SECTION 13. Notwithstanding the provisions of any general or special law to the  
73 contrary, no provisions of this act shall be applicable until they have been adopted by a majority  
74 vote of a retirement board.