

# SENATE . . . . . No. 48

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Text of amendment number (5) relative to Cost benefit analysis offered by Mr. Donnelly to the Ways and Means amendment (Senate, No. 44)

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## The Commonwealth of Massachusetts

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In the One Hundred and Eighty-Ninth General Court

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1 Senator Donnelly moves that the bill be amended by striking out all after the enacting  
2 clause and inserting in place thereof the following:-

3 “SECTION 1. (a) On or before May 15, 2015, the secretary of administration and finance  
4 shall file with the house and senate committees on ways and means a report describing the costs  
5 and benefits of a retirement incentive program for eligible employees within the executive  
6 branch. For purposes of this act, an eligible employee shall : (i) be an employee of the executive  
7 department as of the effective date of this act; (ii) be a member in service of the state retirement  
8 system in accordance with paragraph (i) of clause (a) of subdivision (1) of section 3 of chapter  
9 32 of the General laws as of the effective date of this act; (iii) be classified in Group 1 of said  
10 retirement system in accordance with clause (g) of subdivision (2) of section 3 of said chapter 32  
11 as of the effective date of this act; and (iv) be eligible to receive a superannuation retirement  
12 allowance in the absence of this retirement incentive program in accordance with subdivision (1)  
13 of section 5 of said chapter 32 or subdivision (1) of section 10 of said chapter 32 as of the  
14 effective date of this act.

15 Included in this report, the secretary shall analyze the cost of a backfill program,  
16 whereby, the secretary of an executive office, with the approval of the secretary of administration

17 and finance, may fill an executive department position vacated as a result of participation by an  
18 eligible employee in the retirement incentive program included in the previous paragraph and the  
19 governor may fill a position in the office of the governor vacated by such participation; provided,  
20 however, that the total annualized cost of regular compensation paid out by the commonwealth  
21 in fiscal year 2016 for all refilled positions shall not exceed 20 per cent of the total annualized  
22 cost of regular compensation that would have been paid out by the commonwealth during fiscal  
23 year 2016 for positions vacated in the executive department pursuant to the retirement incentive  
24 program had the positions not been vacated; provided further, that the total annualized cost of  
25 regular compensation paid out by the commonwealth in fiscal year 2017 for all refilled positions  
26 shall not exceed 20 per cent of the total annualized cost of regular compensation which would  
27 have been paid out by the commonwealth during fiscal year 2017 for the positions vacated in the  
28 executive department pursuant to the retirement incentive program had the positions not been  
29 vacated.

30 (b) For the purposes of this act, an executive department employee is a person who is  
31 employed by the office of the Governor, or by an executive office of the commonwealth, as  
32 defined by section 2 of chapter 6A, or by an agency, bureau, department, office or division of the  
33 commonwealth within or under the control of the governor or a secretary of an executive office.  
34 Words used in this act shall have the same meaning as those in chapter 32 of the General Laws  
35 unless the context clearly provides otherwise.

36 (c) Notwithstanding the foregoing, the following employees would not be considered  
37 eligible for the purposes of this act: (i) employees whose compensation, in any part, is funded  
38 from a federal grant, trust, or capital appropriation, each as defined in section 1 of chapter 29 of  
39 the General Laws; (ii) elected officials; (iii) employees who are eligible for the retirement

40 incentive program established pursuant to section 40 of chapter 79 of the acts of 2014; and (iv)  
41 employees or members of the state retirement system who, as of the effective date of this act, are  
42 not contributing to the retirement system pursuant to section 90G3/4 of chapter 32 of the General  
43 Laws, or who have not completed reinstatement pursuant to section 105 of said chapter 32. The  
44 Massachusetts Transportation Trust Fund established pursuant to section 4 of chapter 6C of the  
45 General Laws shall not be deemed to be a “trust” for the purposes of this paragraph and  
46 employees whose compensation is paid from the Massachusetts Transportation Trust Fund shall  
47 be deemed members of the executive department as defined in subsection (b) if they otherwise  
48 satisfy the requirements for eligibility defined in subsection (a).

49 (d) The report shall detail the number of employees in each department of the executive  
50 branch that would be eligible to participate in the retirement incentive program as defined in  
51 subsection (a), the estimated salary savings from said program in fiscal years 2016 and 2017 as a  
52 result of such employees’ participation, the number of positions by department that have been or  
53 are expected to be refilled before June 30, 2016 under subsection (a), and the estimated salary  
54 and benefits cost in fiscal years 2016 and 2017 on account of such refilled positions. The  
55 secretary shall survey all eligible employees to determine the number of employees per  
56 department that would participate in a retirement incentive program as described in subsection  
57 (a). For each position being held by an employee that responds with interest in participating, the  
58 report shall detail the salary, benefits, increase in pension cost due the retirement incentive, and  
59 the duties and expertise associated with that position. The secretary shall also identify every  
60 position that will likely be vacated as indicated by the survey, determine if the position is critical  
61 to the functioning of the agency and make a determination on whether the position will be  
62 refilled as part of the backfill program described in subsection (a). For each position that will not

63 be refilled under subsection (a), the report shall also detail how the duties and expertise  
64 associated with the position have been or will be fulfilled or otherwise accounted for by the  
65 relevant agency, bureau, department, office, or division of the executive department.

66 SECTION 2. On or before July 1, 2015, the secretary of administration and finance shall  
67 file with the house and senate committees on ways and means a report listing any positions  
68 within the executive branch that based on published criteria by the secretary, do not contribute to  
69 directly or indirectly providing services to residents of the commonwealth or contribute to the  
70 smooth operation of agencies and departments within the executive branch. The report shall  
71 include by department the name of any such position, the salary, the job description and the  
72 rationale used in determining that the position meets the criteria as defined in this section.”