

**HOUSE . . . . . No. 4618**

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**The Commonwealth of Massachusetts**

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By Mr. Murphy of Burlington, for the committee on Ways and Means, on House, No. 4526, a Bill relative to municipal relief (House, No. 4618). April 14, 2010.

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FOR THE COMMITTEE:

NAME:	DISTRICT/ADDRESS:
Charles Murphy	21st Middlesex

# The Commonwealth of Massachusetts

In the Year Two Thousand and Ten

An Act relative to municipal relief.

*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 1 of chapter 32 of the General Laws, as appearing in the 2008 Official  
2 Edition, is hereby amended by striking out the word “may”, in line 488, and inserting in place  
3 thereof the following word:- shall.

4 **SECTION 2.** Paragraph (f) of subdivision (3) of section 21 of said chapter 32, as so appearing,  
5 is hereby amended by striking out the second paragraph and inserting in place thereof the  
6 following paragraph:-

7 An actuarial valuation of each system shall be conducted biennially, and experience  
8 investigations shall be conducted every 6 years. The first such valuation shall be completed as of  
9 January 1, 2011 or as of January 1 of the third year following the last actuarial valuation of the  
10 system, if earlier. Actuarial valuation reports and experience studies shall be conducted in such  
11 manner as the commissioner of administration, upon advice of the actuary, shall consider  
12 appropriate.

13 **SECTION 3.** Subdivision (1) of section 22D of said chapter 32, as amended by section 18 of  
14 chapter 21 of the acts of 2009, is hereby further amended by inserting after the first sentence the  
15 following sentence:- A funding schedule established under this section shall provide that the  
16 payment in any year of the schedule is no less than 95 per cent of the amount appropriated in the  
17 previous fiscal year.

18 **SECTION 4.** Said chapter 32 is hereby further amended by inserting after section 22E the  
19 following section:-

20 Section 22F. (a) Systems, other than the state employees' retirement system and the teachers'  
21 retirement system, which conduct an actuarial valuation of the retirement system as of January 1,  
22 2009 or later, may establish a revised retirement system funding schedule, subject to the approval  
23 of the actuary, which reduces the unfunded actuarial liability of the system to zero on or before  
24 June 30, 2040 as long as it satisfies the following conditions:

25 (1) The payment in any year under the revised schedule or any subsequent schedule shall not be  
26 less than the payment in any prior fiscal year under the then current schedule until the system is  
27 fully funded.

28 (2) The increase in the amortization component of the appropriations required by the schedule  
29 from year to year shall not exceed 4 per cent and shall be designed so that the funding schedule  
30 and any updates to it shall reduce the unfunded actuarial liability of the system to zero on or  
31 before June 30, 2040.

32 (b) If an updated actuarial valuation allows for the development of a revised schedule with  
33 reduced payments, the revised schedule shall be adjusted to reduce the unfunded liability of the  
34 system to zero by an earlier date to the extent required to ensure that the appropriation required  
35 for a particular year under the new schedule shall not be less than the amount identified for that  
36 year under the prior schedule established under this section.

37 (c) If a schedule established under this section would result in an appropriation in the first fiscal  
38 year of the schedule that is greater than 8 per cent more than the appropriation in the previous  
39 fiscal year, the requirement of paragraph (2) of subsection (a) may be adjusted with the approval  
40 of the public employee retirement administration commission.

41 (d) In any year following the first 10 years of adoption of the revised schedule, additional  
42 unfunded liability resulting from losses due to experience or assumption changes shall be  
43 amortized over a fixed period not to exceed 20 years. In any schedule effective in a year  
44 following a year in which the retirement system has an investment loss in excess of 20 per cent,  
45 the actuary may extend the amortization period for losses resulting from investment experience  
46 in that year by not more than 10 years.

47 **SECTION 5.** Section 3 of chapter 40 of the General Laws, as appearing in the 2008 Official  
48 Edition, is hereby amended by striking out, in line 4, the word "ten" and inserting in place  
49 thereof the following figure:- 30.

50 **SECTION 6.** Said chapter 40 is hereby amended by inserting after section 4I the following 2  
51 sections:-

52 Section 4J. (a) As used in this section, the following words shall, unless the context clearly  
53 requires otherwise, have the following meanings:-

54 "Agency", the Massachusetts emergency management agency.

55 "Agreement", the statewide public safety mutual aid agreement established in subsection (b).

56 "Authorized representative", in the case of a city or town, the mayor, city manager, town  
57 manager, town administrator, executive secretary, police chief or on-duty shift commander of the  
58 police department, fire chief or on-duty shift commander of the fire department, health director  
59 or chairperson of the board of health or the emergency management director. In the case of a  
60 governmental unit that is not a city or town, the authorized representative shall be the chief  
61 executive officer or his designee.

62 "Employee", a person employed full time or part time by a governmental unit.

63 "Governmental unit", a city, town, county, regional transit authority established under chapter  
64 161B, water or sewer commission or district established under the provisions of chapter 40N or  
65 pursuant to a special law, fire district, regional health district established under the provisions of  
66 chapter 111, a regional school district or law enforcement council.

67 "Incident command system", the standardized national incident management system that  
68 establishes an on-scene management system of procedures for controlling personnel, facilities,  
69 equipment and communications from different agencies at the scene of an emergency or other  
70 event for which mutual aid assistance is provided.

71 "Law enforcement council", a non-profit corporation comprised of municipal police chiefs and  
72 other law enforcement agencies whose purpose is to provide: (i) mutual aid to its members  
73 pursuant to mutual aid agreements; (ii) mutual aid or requisitions for aid to non-members  
74 consistent with section 8G or section 99 of chapter 41; and (iii) enhanced public safety by  
75 otherwise sharing resources and personnel.

76 "Mutual aid assistance", cross-jurisdictional provision of emergency services, materials or  
77 facilities from one party to another when existing resources are, or may be, inadequate.

78 "Party", a governmental unit that has joined the agreement.

79 "Public safety incident", an event, emergency or natural or manmade disaster, that threatens or  
80 causes harm to public health, safety or welfare and that exceeds, or reasonably may be expected  
81 to exceed, the response or recovery capabilities of any governmental unit. An event or  
82 emergency shall include, but not be limited to, technological hazards, planned events, civil  
83 unrest, health related events and emergencies, acts of terrorism and trainings and exercises that  
84 test and simulate the ability to manage, respond to or recover from any of these events.

85 "Requesting party", a party that requests aid or assistance from another party pursuant to the  
86 agreement.

87 "Sending party", a party that renders aid or assistance to another party under the agreement.

88 (b) There shall be a statewide public safety mutual aid agreement to create a framework for the  
89 provision of mutual aid assistance among the parties to the agreement in the case of a public  
90 safety incident. The assistance to be provided under the agreement shall include, but not be  
91 limited to, fire service, law enforcement, emergency medical services, transportation,  
92 communications, public works, engineering, building inspection, planning and information  
93 assistance, resource support, public health, health and medical services, search and rescue and  
94 any other resource, equipment or personnel that a party to the agreement may request or provide  
95 in anticipation of, or in response to, a public safety incident.

96 (c) (1) (i) If a city or town wishes to join the agreement, the mayor in the case of a city, the city  
97 manager in the case of a Plan D or Plan E city, or the town manager, town administrator or chair  
98 of the board of selectmen upon approval by a majority vote of the board of selectmen, may act  
99 on behalf of the city or town to join the agreement by notifying the director of the agency in  
100 writing. The municipality shall be a party to the agreement 30 days after receipt by the agency  
101 of the written notification.

102 (ii) If a city or town has joined the agreement but wishes to opt out of the agreement, the mayor  
103 in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town manager,  
104 town administrator or chair of the board of selectmen upon approval by a majority vote of the  
105 board of selectmen in the case of a town, may act on behalf of the city or town to opt out of the  
106 agreement by notifying the agency in writing. The removal of the municipality from the  
107 agreement shall take effect 10 days after receipt by the agency of the written notification.

108 (2) (i) If a governmental unit that is not a city or town wishes to join the agreement, the chief  
109 executive officer of the governmental unit may act on its behalf to join the agreement by  
110 notifying the director of the agency in writing. The governmental unit shall be a party to the  
111 agreement 30 days after receipt by the agency of the written notification.

112 (ii) If a governmental unit that is not a city or town has joined the agreement but wishes to opt  
113 out of the agreement, the chief executive officer of the governmental unit may act on its behalf to  
114 opt out of the agreement by notifying the agency in writing. The removal of the municipality  
115 from the agreement shall take effect 10 days after receipt by the agency of the written  
116 notification.

117 (d) A request by a party to receive mutual aid assistance under the agreement shall be made by  
118 an authorized representative of the requesting party and must be communicated to an authorized  
119 representative of the sending party or to the agency. A request may be communicated orally or  
120 in writing. If communicated orally, the requesting party shall reduce the request to writing and  
121 deliver it to the sending party or to the agency at the earliest possible date, but no later than 72  
122 hours after making the oral request.

123 A party to the agreement may request mutual aid assistance during, in anticipation of or as a  
124 result of a public safety incident.

125 An oral or written request for mutual aid assistance under the agreement shall include the  
126 following information: (i) a description of the public safety incident; (ii) the nature, type and  
127 amount of personnel, equipment, materials, supplies or other resources being requested; (iii) the  
128 manner in which the resources will be used and deployed; (vi) a reasonable estimate of the length  
129 of time the resources will be needed; (v) the location to which the resources should be deployed;  
130 and (vi) the requesting party's point of contact.

131 A party that receives a request for mutual aid assistance shall, to the extent reasonable and  
132 practicable under the circumstances, provide and make available the resources requested by the  
133 requesting party; provided, however, that a party may withhold requested resources to the extent  
134 necessary to provide reasonable protection and coverage for its own jurisdiction.

135 (e) The requesting party shall be responsible for the overall operation, assignment and  
136 deployment of resources and personnel provided by a sending party consistent with the incident  
137 command system. The sending party shall retain direct supervision and command and control of  
138 personnel, equipment and resources provided by the sending party unless otherwise agreed to by  
139 the requesting party and sending party.

140 During the course of rendering mutual aid assistance under the agreement, the sending party  
141 shall be responsible for the operation of its equipment and for any damage thereto unless the  
142 sending party and the requesting party agree otherwise.

143 (f) All expenses incurred by the sending party in rendering mutual aid assistance pursuant to the  
144 agreement shall be paid by the sending party; provided, however, that a requesting party and a  
145 sending party may enter into supplementary agreements for reimbursement of costs associated  
146 with providing mutual aid assistance incurred by a sending party.

147 A sending party shall document its costs of providing mutual aid assistance under the agreement,  
148 including direct and indirect payroll and employee benefit costs, travel costs, repair costs and the  
149 costs of materials and supplies. A sending party shall also document the use of its equipment,  
150 and the quantities of materials and supplies used while providing mutual aid assistance under the  
151 agreement.

152 Except as otherwise agreed to by the requesting and sending parties, the requesting party shall  
153 seek reimbursement under any applicable federal and state disaster assistance programs for the  
154 costs of responding to the public safety incident. The requesting party and each sending party  
155 shall receive, based on the documented costs of providing mutual aid assistance, its pro rata  
156 share of the disaster assistance compensation and reimbursement provided to the requesting  
157 party.

158 (g) While providing mutual aid assistance under the agreement, employees of a sending party  
159 shall: (i) be afforded the same powers, duties, rights and privileges as they are afforded in the  
160 sending party's geographical jurisdiction or location; and (ii) receive the same salary, including

161 overtime, that they would be entitled to receive if they were operating in their own governmental  
162 unit. In the absence of an agreement to the contrary, the sending party shall be responsible for all  
163 such salary expenses, including overtime.

164 (h) While in transit to, returning from and providing mutual aid assistance under the agreement,  
165 employees of a sending party shall have the same rights of defense, immunity and  
166 indemnification that they otherwise would have under the law if they were acting within the  
167 scope of their employment under the direction of their employer. A sending party shall provide  
168 to, and maintain for, each of its employees who provide mutual aid assistance under the  
169 agreement the same indemnification, defense, right to immunity, employee benefits, death  
170 benefits, worker's compensation or similar protection and insurance coverage that would be  
171 provided to such employees if they were performing similar services in the sending party's  
172 jurisdiction.

173 Each party to the agreement shall waive all claims and causes of action against all other parties  
174 that may arise out of their activities while rendering or receiving mutual aid assistance under the  
175 agreement, including travel outside of its jurisdiction.

176 Each requesting party shall defend, indemnify and hold harmless each sending party from all  
177 claims by third parties for property damage or personal injury which may arise out of the  
178 activities of the sending party or its employees, including travel, while providing mutual aid  
179 assistance under the agreement.

180 (i) This section shall not affect, supersede or invalidate any other statutory or contractual mutual  
181 aid or assistance agreements involving parties to the agreement, including, but not limited to,  
182 those established pursuant to section 4A or 8G. A party may enter into supplementary mutual  
183 aid agreements with other parties or jurisdictions.

184 Section 4K. (a) As used in this section, the following words shall, unless the context clearly  
185 requires otherwise, have the following meanings:-

186 “Advisory committee”, the statewide public works municipal mutual aid advisory committee  
187 established in subsection (d).

188 “Agreement”, the statewide public works municipal mutual aid agreement established in  
189 subsection (b).

190 “Employee”, a person employed full or part time by a governmental unit.

191 “Governmental unit”, a city, town, county or district, however constituted, or water or sewer  
192 commission established under the provisions of chapter 40N or any other general or special law.

193 “Mutual aid assistance”, cross-jurisdictional provision of services, materials or facilities from  
194 one party to another when existing resources are, or may be, inadequate.

195 “Party”, a governmental unit that has joined the agreement.

196 “Public works incident”, a foreseeable or unforeseeable event, emergency or natural or manmade  
197 disaster that affects or threatens to affect the public works operations of a governmental unit.

198 "Requesting party", a party that requests aid or assistance from another party pursuant to the  
199 agreement.

200 "Sending party", a party that renders aid or assistance to another party under the agreement.

201 (b) There shall be a statewide public works municipal mutual aid agreement to facilitate the  
202 provision of public works resources across jurisdictional lines in the case of a public works  
203 incident that requires mutual aid assistance from 1 or more municipalities. The mutual aid  
204 assistance to be provided under the agreement shall include, but not be limited to, services  
205 related to public works, personnel, equipment, supplies and facilities to prepare for, prevent,  
206 mitigate, respond to and recover from public works incidents.

207 (c) (1) (i) If a city or town wishes to join the agreement, the mayor in the case of a city, the city  
208 manager in the case of a Plan D or Plan E city, or the town manager, town administrator or chair  
209 of the board of selectmen upon approval by a majority vote of the board of selectmen, may act  
210 on behalf of the city or town to join the agreement by notifying the advisory committee in  
211 writing. The municipality shall be a party to the agreement 30 days after receipt by the advisory  
212 committee of the written notification.

213 (ii) If a city or town has joined the agreement but wishes to opt out of the agreement, the mayor  
214 in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town manager,  
215 town administrator or chair of the board of selectmen upon approval by a majority vote of the  
216 board of selectmen in the case of a town, may act on behalf of the city or town to opt out of the  
217 agreement by notifying the advisory committee in writing. The removal of the municipality  
218 from the agreement shall take effect 10 days after receipt by the advisory committee of the  
219 written notification.

220 (2) (i) If a governmental unit that is not a city or town wishes to join the agreement, the chief  
221 executive officer of the governmental unit may act on its behalf to join the agreement by  
222 notifying the advisory committee in writing. The governmental unit shall be a party to the  
223 agreement 30 days after receipt by the advisory committee of the written notification.

224 (ii) If a governmental unit that is not a city or town has joined the agreement but wishes to opt  
225 out of the agreement, the chief executive officer of the governmental unit may act on its behalf to  
226 opt out of the agreement by notifying the advisory committee in writing. The removal of the  
227 governmental unit that is not a city or town from the agreement shall take effect 10 days after  
228 receipt by the advisory committee of the written notification.

229 (3) (i) If a governmental unit in a state contiguous to the commonwealth wishes to join the  
230 agreement, the governmental unit may join the agreement by notifying the advisory committee in  
231 writing. The governmental unit shall be a party to the agreement 30 days after receipt by the  
232 advisory committee of the written notification.

233 (ii) If a governmental unit in a state contiguous to the commonwealth has joined the agreement  
234 but wishes to opt out of the agreement, the governmental unit may opt out of the agreement by  
235 notifying the advisory committee in writing. The removal of the governmental unit from the  
236 agreement shall take effect 10 days after receipt by the advisory committee of the written  
237 notification.

238 (d) There shall be a statewide public works municipal mutual aid advisory committee to consist  
239 of the secretary of public safety and security or his designee, who shall serve as chair of the  
240 committee; and 1 member appointed from each of the following: the Massachusetts Highway  
241 Association; the New England Chapter of the American Public Works Association, who shall be  
242 a resident of the commonwealth; the New England Water Environment Association, who shall be  
243 a resident of the commonwealth; the Massachusetts Tree Wardens Association; the  
244 Massachusetts Water Works Association; and the Massachusetts Municipal Association.

245 The advisory committee shall develop procedural plans, protocols and programs for intrastate  
246 and interstate cooperation to be used by public works agencies in response to a public works  
247 incident. The administration and coordination of the statewide mutual aid agreement shall be the  
248 responsibility of the advisory committee. The advisory committee shall develop and make  
249 available to parties forms to facilitate requests for aid, including a form to track the movement of  
250 public works equipment and personnel.

251 (e) Each party shall identify no less than 1, but no more than 3 points of contact to serve as the  
252 primary liaison for all issues relating to the agreement.

253 (f) A request by a party to receive mutual aid assistance shall be made by the chief executive  
254 officer of the requesting party or 1 of its 3 designated points of contact and shall be  
255 communicated to the chief executive officer or 1 of its 3 designated points of contact from the  
256 sending party. A request may be communicated orally or in writing. If communicated orally,  
257 the requesting party shall reduce the request to writing and deliver it to the sending party at the  
258 earliest possible date, but no later than 72 hours after making the oral request.

259 A requesting party may request the assistance of 1 or more parties to assist with or manage a  
260 public works incident, including recovery related exercises, testing or training.

261 An oral or written request for mutual aid assistance under the agreement shall include the  
262 following information: (i) a description of the public works incident response and recovery  
263 functions for which assistance is needed; (ii) the nature, type and amount of public works  
264 services, personnel, equipment, materials, supplies or other resources being requested; (iii) the

265 manner in which the resources will be used and deployed; (vi) a reasonable estimate of the length  
266 of time the resources will be needed; (v) the location to which the resources should be deployed;  
267 and (vi) the requesting party's point of contact.

268 A party that receives a request for mutual aid assistance shall, to the extent reasonable and  
269 practicable under the circumstances, provide and make available the resources requested by the  
270 requesting party; provided, however, that a party may withhold requested resources to the extent  
271 necessary to provide reasonable protection and coverage for its own jurisdiction.

272 (g) The requesting party shall be responsible for the overall operation, assignment and  
273 deployment of resources, equipment and personnel provided by a sending party. The sending  
274 party shall retain direct supervision, command and control of personnel, equipment and resources  
275 provided by the sending party unless otherwise agreed to in a supplemental agreement.

276 During the course of rendering mutual aid assistance under the agreement, the sending party  
277 shall be responsible for the operation of its equipment and for any damage thereto unless the  
278 sending party and the requesting party agree otherwise.

279 (h) All expenses incurred by the sending party in rendering mutual aid assistance pursuant to the  
280 agreement shall be paid by the sending party; provided, however, that a requesting party and a  
281 sending party may enter into supplementary agreements for reimbursement of costs associated  
282 with providing mutual aid assistance incurred by a sending party.

283 A sending party shall document its costs of providing mutual aid assistance under the agreement,  
284 including direct and indirect payroll and employee benefit costs, travel costs, repair costs and the  
285 costs of materials and supplies. A sending party shall also document the use of its equipment,  
286 and the quantities of materials and supplies used while providing mutual aid assistance under the  
287 agreement.

288 Except as otherwise agreed to by the requesting and sending parties, the requesting party shall  
289 seek reimbursement under any applicable federal and state disaster assistance programs for the  
290 costs of responding to the public works incident. The requesting party and each sending party  
291 shall receive, based on the documented costs of providing mutual aid assistance, its pro rata  
292 share of the disaster assistance compensation and reimbursement provided to the requesting  
293 party.

294 (i) While providing mutual aid assistance under the agreement, employees of a sending party  
295 shall: (i) be afforded the same powers, duties, rights and privileges as they are afforded in the  
296 sending party's geographical jurisdiction or location; (ii) be considered similarly licensed,  
297 certified or permitted in the requesting party's jurisdiction if the employee holds a valid license,  
298 certificate or permit issued by the employee's governmental unit; and (iii) receive the same  
299 salary, including overtime, that they would be entitled to receive if they were operating in their

300 own governmental unit. In the absence of an agreement to the contrary, the sending party shall  
301 be responsible for all such salary expenses, including overtime.

302 (j) While in transit to, returning from and providing mutual aid assistance under the agreement,  
303 employees of a sending party shall have the same rights of defense, immunity and  
304 indemnification that they otherwise would have under the law if they were acting within the  
305 scope of their employment under the direction of their employer. A sending party shall provide  
306 to, and maintain for, each of its employees who provide mutual aid assistance under the  
307 agreement the same indemnification, defense, right to immunity, employee benefits, death  
308 benefits, worker's compensation or similar protection and insurance coverage that would be  
309 provided to such employees if they were performing similar services in the sending party's  
310 jurisdiction.

311 Each party to the agreement shall waive all claims and causes of action against all other parties  
312 that may arise out of their activities while rendering or receiving mutual aid assistance under the  
313 agreement, including travel outside of its jurisdiction.

314 Each requesting party shall defend, indemnify and hold harmless each sending party from all  
315 claims by third parties for property damage or personal injury which may arise out of the  
316 activities of the sending party or its employees, including travel, while providing mutual aid  
317 assistance under the agreement.

318 All equipment requested and deployed pursuant to the statewide municipal mutual assistance  
319 agreement shall be insured by the sending party.

320 (k) This section shall not affect, supersede or invalidate any other statutory or contractual mutual  
321 aid or assistance agreements involving parties to the agreement, including, but not limited to,  
322 those established pursuant to section 4A. A party may enter into supplementary mutual aid  
323 agreements with other parties or jurisdictions.

324 **SECTION 7.** Section 23 of chapter 59, as appearing in the 2008 Official Edition, is hereby  
325 amended by striking out, in line 9, the words "of that year".

326 **SECTION 8.** Said chapter 59 is hereby further amended by striking out section 25, as so  
327 appearing, and inserting in place thereof the following section:-

328 **Section 25.** The assessors of each city, town and district shall annually raise by taxation such  
329 reasonable amount of overlay as the commissioner may approve. The overlay account shall be  
330 used only for avoiding fractional divisions of the amount to be assessed and to fund abatements  
331 granted on account of taxes assessed for any fiscal year. The amount of such overlay approved  
332 by the commissioner shall not be included in calculating the "total taxes assessed" in paragraph  
333 (a) of section 21C or the maximum levy limit in paragraph (f) of said section 21C.

334 **SECTION 9.** Section 70A of said chapter 59, as appearing in the 2008 Official Edition, is  
335 hereby amended by striking out, in line 28, the words “of the year of such tax”.

336 **SECTION 10.** Section 8 of chapter 71B of the General Laws, as so appearing, is hereby  
337 amended by adding the following paragraph:-

338 A school committee may adopt a program to reimburse parents who voluntarily choose to  
339 transport their disabled child to a school approved by the department that is located outside of the  
340 city or town of residence of the parent or guardian. The reimbursement program may utilize rates  
341 in excess of the standard state mileage reimbursement amounts and may be based on a mileage,  
342 daily or weekly rate. Committees choosing to utilize this option shall be able to demonstrate that  
343 parental reimbursements represent a cost savings compared to other modes of available  
344 transportation. An eligible parent shall not be required to participate in the program.

345 **SECTION 11.** (a) Notwithstanding chapter 32 of the General Laws or any other general or  
346 special law to the contrary, a municipality which accepts this section may establish and  
347 implement an early retirement incentive program for its employees in accordance with this  
348 section. Teachers, as defined by section 1 of chapter 32, who are members of the teachers’  
349 retirement system, as well as teachers who are members of the State-Boston retirement system,  
350 shall not be considered “employees” for purposes of this section and shall not be eligible to  
351 participate in the municipal early retirement incentive program established under this section.

352 (b) The chief executive officer of the municipality shall limit the total number of participating  
353 employees, with preference given to those with greater years of creditable service, and shall have  
354 the authority to determine which eligible municipal employees may participate and to approve  
355 early retirement benefits for each employee in order to avoid adverse impacts on municipal  
356 operations and services.

357 (c) In order to be eligible to participate in a program established under this section, in addition to  
358 any other requirements imposed by the municipality, an employee must be an active member of a  
359 municipal, regional or county retirement system with at least 20 years of service whose salary is  
360 paid from the operating budget and not from federal, trust or other capital funds.

361 (d) An employee who is eligible for the early retirement incentive program may request in an  
362 application for retirement that the retirement board credit the employee with an additional  
363 retirement benefit of a combination of years of creditable service and years of age, in full year  
364 increments, the sum of which shall not be greater than 3 years, or a lesser amount established by  
365 the municipality, for the purposes of determining the employee’s superannuation retirement  
366 allowance under paragraph (a) of subdivision (2) of section 5 of chapter 32 of the General Laws.  
367 Notwithstanding the credit, the total normal yearly amount of the retirement allowance, as  
368 determined in accordance with said section 5 of said chapter 32, of any employee who retires and  
369 receives the retirement incentive program benefit shall not exceed 80 per cent of the average  
370 annual rate of the employee’s regular compensation as determined in accordance with said

371 section 5 of said chapter 32. All participants must forego the right to accrued sick and vacation  
372 time, and the amount that would have been paid to a retiree for accrued sick and vacation time  
373 shall be paid into the municipal, regional or county retirement system to reduce the additional  
374 pension liability resulting from this program.

375 (e) In filling positions which have been vacated by employees who participate in an early  
376 retirement incentive program under this section, the chief executive officer of the municipality  
377 shall be limited to paying compensation, contract and professional services in an amount that  
378 does not exceed the following percentage of the total annual salary of all participants in the  
379 program calculated as of their respective retirement dates: 30 per cent in fiscal year 2011, 45 per  
380 cent in fiscal year 2012 and 60 per cent in fiscal year 2013.

381 (f) A municipality that establishes an early retirement incentive program under this section shall  
382 provide the public employee retirement administration commission with information  
383 demonstrating the value of the plan and any information requested by the public employee  
384 retirement administration commission in order to allow it to evaluate the plan and confirm the  
385 analysis, including historic data upon which the plan is based, the elements of the municipal plan  
386 including the total number of participants, the types of eligible employees, the salaries of  
387 participating employees, the benefits to be received and the limits on refilling vacated positions.  
388 In addition, the municipality shall certify to the public employee retirement administration  
389 commission that the present value cost of its plan is estimated to be less than the present value  
390 savings and provide the commission with all information it requests to evaluate the plan and  
391 confirm a cost analysis.

392 (g) In order to establish an early retirement incentive program under this section, a municipality  
393 shall comply with the following procedures:

394 (i) Within 2 months after the effective date of this act, the chief executive officer of a  
395 municipality that chooses to participate shall submit its plan to the public employee retirement  
396 administration commission for approval.

397 (ii) Once the plan has been approved, it shall be submitted to the legislative body of the  
398 municipality for acceptance not later than the next regular meeting of the legislative body at  
399 which the plan can practicably be submitted.

400 (iii) The approved plan shall be published and made available to employees within 1 month  
401 after it is accepted.

402 (iv) Employees must apply to participate within 2 months of the plan's publication.

403 (v) The municipality shall determine which applicants shall be allowed to participate in the  
404 program and notify them within 1 month of the application deadline.

405 (vi) Participating employees must retire within 2 months of notification of acceptance.

406 (h) The chief executive officer of a municipality that establishes a program under this section  
407 shall submit an annual report to the public employee retirement administration commission, the  
408 executive office for administration and finance and the municipal legislative body. The report  
409 shall include the salaries and positions of participants, the amount of sick and vacation time  
410 being contributed by participants, the salaries and positions of those being hired as replacements  
411 and whether the positions of participants have been permanently eliminated.

412 (i) A municipality's increased pension liability resulting from participation in a program  
413 established under this section shall be amortized over 10 years, starting in the next fiscal year  
414 after all participating employees retire, in equal installments, and shall be separately identified in  
415 the municipal, regional or county retirement system's pension funding schedule.

416 **SECTION 12.** Any overlay amounts raised under the provisions of section 25 of chapter 59 of  
417 the General Laws in effect before the effective date of this act shall continue to be subject to  
418 those provisions and the provisions of section 70A of said chapter 59 in effect before the  
419 effective date of this act.