Legislative Update

Public Work Limit Now 1,200 Hours

By Bill Keefe Assistant Deputy Director

ublic retirees working in the public sector may now work up to 1,200 hours per calendar year with the legislative override of the governor's veto of H.4007, An Act Relative to Post-Retirement Employment of Public Retirees, on September 30th.

The law has an emergency preamble, which means it takes effect immediately. It also has an effective date of July 1, 2021.

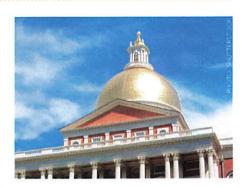
This amendment to M.G.L. Chapter 32, Section 91 does not change earning limits, only hours worked. It applies to superannuation and disability retirees.

Initially, the expansion to 1,200 hours was included as Section 18 in the FY22 budget bill that the Legislature sent to the Governor.

When the Governor signed the budget into law as Chapter 24 of the Acts of 2021 on July 16, he returned Section 18 to the Legislature. His amendment was to increase the hours limit to 975 and allow for greater use of the "critical shortage" waiver.

Both the House and Senate rejected the amendment, re-enacted the 1,200 hours language as H.4007 and sent it back to the Governor. The Governor then vetoed that bill.

On September 23rd, the House unanimously overrode the Governor's veto followed on September 30th



by the Senate's unanimous override. A technical fix was needed and that was signed into law in Section 4 of Chapter 76 of the Acts of 2021 on October 20th.

For further information on this statute, please refer to PERAC Memo #29 of 2021.

The Legislative Update continues on page 5.

OLD LAW

Earnings:

Retirees working in the public sector can earn the difference between the pension and the CURRENT salary of the position the member retired from

plus \$15,000 (after a full calendar year following retirement date for superannuation)

X Hours:

960 hours in a calendar year

UPDATED LAW

✓ Earnings:

Earnings limit does not change.

✓ New Hours Limit:

Retirees working in the public sector can now work up to **1,200 hours per calendar year**, provided their earnings do not exceed limits.

Effective July 1, 2021