



Memorandum # 15/2006

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission
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MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Military Pay Act (Chapter 77 of the Acts of 2005)

DATE: February 14, 2006

Governor Romney has signed Chapter 77 of the Acts of 2005. This Act extends Section 1 of Chapter 137 of the Acts of 2003 from September 11, 2005 to September 11, 2008.

Section 1 of Chapter 137 of the Acts of 2003 authorizes counties, cities and towns to pay any employee who has been granted a military leave of absence because the employee is a member of the army national guard, the air national guard or a reserve component of the armed forces of the United States called to active service in the armed forces of the United States after September 11, 2001 his base salary less any amount received for his or her military service.

In a county, city or town which adopts Chapter 137 of the Acts of 2003, the difference between the member's base salary and his or her military salary would be regular compensation for retirement purposes. Retirement deductions must be taken from this portion of the salary. Creditable service issues and retirement deductions for the portion of the salary paid by the military is fully discussed in PERAC Memorandum #39/2001.

We trust the foregoing is of assistance. If you have further questions or concerns, please contact this office.