

ARBITRATION AWARD

LOCAL 589, AMALGAMATED TRANSIT UNION, AFL-CIO, CLC

and

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY

Before

Elizabeth Neumeier
Arbitrator

Representing:

The Union: Thomas R. Roth
THE LABOR BUREAU, INC.
1420 King Street, Ste. 500
Alexandria, VA 22314

The Employer: Terence P. McCourt, BBO# 555784
GREENBERG TRAURIG, LLP
One International Place
Boston, MA 02110

Subject: Terms of Pension Agreement: July 1, 2018--June 30, 2023

AWARD

AUTHORITY PROPOSALS

1. The Authority's proposal to Amend Article I (18) to update to a current actuarial table is not awarded.
2. The Authority's proposal to Amend Article III (6) to eliminate the inclusion of unused sick leave as creditable service for the purpose of computing the amount of the retirement allowance, and to provide that 20% of unused sick leave will be paid out at retirement is not awarded.
- 3(a). The Authority's proposal to amend Article VI (1)(b) to reduce the multiplier is not awarded.
- 3(b). The Authority's proposal to amend Article VI (1)(b) to change three years to five years is not awarded.
- 3(c). The Authority's proposal to delete Article IV(1)(c) and (d) and replace it is awarded only to the extent that a new paragraph Article IV(1)(e) will be added as follows:
 - (e) Every Member that receives a pension before age 65 will have that pension reduced for their entire retirement by 6% per year, or one half percent for each month, of retirement before age 65. This change is to be applied prospectively for all Active Members under 60 years of age and more than five years of service from retirement as of August 26, 2022.
4. The Authority's proposal to amend Article V(1)(a) to add new language: "Notwithstanding any language to the contrary, the Authority will contribute up to, but not more than, 20% of pensionable payroll to the Retirement Fund" is not awarded.
5. The Authority's proposal to permit the Authority to offer a Section 401(a) Plan option to all employees is not awarded.

UNION PROPOSALS

1. The Union's proposal to amend Section (1)(b) to provide that the normal retirement allowance shall not exceed eighty percent (80%) of average final compensation is not awarded.
2. The Union's proposals to amend Article IV, Section 2 (a) and (b) are not awarded.
3. The Union's proposal to amend the Death Benefit in the Line-Of-Duty – Article IV, Section (2) is not awarded.

4. The Union's proposal to Amend Article IV by adding a new Section (13) to provide that all allowances under this plan (including normal, early, disability, vested and survivor annuities) in effect on June 30, 2018 shall be increased effective July 1, 2018 by five percent (5.0%) is awarded, but the increase shall only be three percent (3%).
5. The Union proposal to amend Section (12)(b) by substituting the following: "For any plan year commencing on or after July 1, 2018, a Member's compensation taken into account under the fund for any plan year of the Fund shall not exceed \$150,000, as adjusted in percentage terms from time to time by the Secretary of the Treasury in accordance with Section 401(a)(17)(B) of the Internal Revenue Code" is awarded.
6. The Union's proposal as to the term of the Pension Agreement.

Term – Article X

The pension agreement as changed and amended in accordance with the requests made herein shall be in effect for the period From July 1, 2018 to and including June 30, 2023 and, unless duly modified, for subsequent one-year periods, subject to change as provided in the agreement.

This proposal has been agreed to by stipulation.