LC002002

# STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2025**

## AN ACT

### RELATING TO STATE AFFAIRS AND GOVERNMENT -- STATE POLICE

<u>Introduced By:</u> Senators McKenney, Burke, LaMountain, Raptakis, Lawson, Vargas, Appollonio, Felag, and Bissaillon

Date Introduced: February 26, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-28-22 of the General Laws in Chapter 42-28 entitled "State

2 Police" is hereby amended to read as follows:

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#### 42-28-22. Retirement of members.

- 4 (a) Whenever any member of the state police hired prior to July 1, 2007, has served for
- 5 twenty (20) years, the member may retire therefrom or they may be retired by the superintendent
- 6 with the approval of the governor, and in either event a sum equal to one-half (½) of the whole
- 7 salary for the position from which the member retired determined on the date the member receives
- 8 their first retirement payment shall be paid the member during life.
- 9 (b) For purposes of this section, the term "whole salary" means:
- 10 (1) For each member who retired prior to July 1, 1966, "whole salary" means the base
- salary for the position from which the member retired as the base salary for that position was
- determined on July 31, 1972;
- 13 (2) For each member who retired between July 1, 1966, and June 30, 1973, "whole salary"
- 14 means the base salary for the position from which the member retired as the base salary,
- implemented by the longevity increment, for that position was determined on July 31, 1972, or on
- the date of the member's retirement, whichever is greater;
- 17 (3) For each member who retired or who retires after July 1, 1973, "whole salary" means
- the base salary, implemented by the longevity increment, holiday pay, and clothing allowance, for
- 19 the position from which the member retired or retires.

(c)(1) Any member who retired prior to July 1, 1977, shall receive a benefits payment adjustment equal to three percent (3%) of the member's original retirement, as determined in subsection (b) of this section, in addition to the member's original retirement allowance. In each succeeding year thereafter during the month of January, the retirement allowance shall be increased an additional three percent (3%) of the original retirement allowance, not compounded, to be continued until January 1, 1991. For the purposes of the computation, credit shall be given for a full calendar year regardless of the effective date of the service retirement allowance. For purposes of this subsection, the benefits payment adjustment shall be computed from January 1, 1971, or the date of retirement, whichever is later in time.

- (2) Any member of the state police who retires pursuant to the provisions of this chapter on or after January 1, 1977, shall on the first day of January, next following the third anniversary date of the retirement receive a benefits payment adjustment, in addition to their retirement allowance, in an amount equal to three percent (3%) of the original retirement allowance. In each succeeding year thereafter during the month of January, the retirement allowance shall be increased an additional three percent (3%) of the original retirement allowance, not compounded, to be continued until January 1, 1991. For the purposes of the computation, credit shall be given for a full calendar year regardless of the effective date of the service retirement allowance.
- (3) Any retired member of the state police who is receiving a benefit payment adjustment pursuant to subdivisions (1) and (2) of this section shall beginning January 1, 1991, and ending June 30, 2012, receive a benefits payment adjustment equal to fifteen hundred dollars (\$1,500). In each succeeding year thereafter, during the month of January, the retirement allowance shall be increased by one thousand five hundred dollars (\$1,500), to be contributed during the lifetime of the member.
- (d) The benefits payment adjustment as provided in this section shall apply to and be in addition to the retirement benefits under the provisions of § 42-28-5, and to the injury and death benefits under the provisions of § 42-28-21.
- (e)(1) Any member who retires after July 1, 1972, and is eligible to retire prior to July 1, 2012, and who has served beyond twenty (20) years shall be allowed an additional amount equal to three percent (3%) for each completed year served after twenty (20) years, but in no event shall the original retirement allowance exceed sixty-five percent (65%) of the member's whole salary as defined in subsection (b) hereof or sixty-five percent (65%) of the member's salary as defined in subsection (b) hereof in the member's twenty fifth (25th) year whichever is less.
- (2) Each member who retired prior to July 1, 1975, shall be entitled to all retirement benefits as set forth above or shall be paid benefits as set forth in subdivision (b)(1) with "whole

salary" meaning the base salary for the position from which the member retired as the base salary for the position was determined on July 1, 1975, whichever is greater.

- (f)(1) Any member who retires, has served as a member for twenty (20) years or more, and who served for a period of six (6) months or more of active duty in the armed service of the United States or in the merchant marine service of the United States as defined in § 2 of chapter 1721 of the Public Laws, 1946, may purchase credit for such service up to a maximum of two (2) years; provided that any member who has served at least six (6) months or more in any one year shall be allowed to purchase one year for such service and any member who has served a fraction of less than six (6) months in the member's total service shall be allowed to purchase six (6) months' credit for such service.
- (2) The cost to purchase these credits shall be ten percent (10%) of the member's first year salary as a state policeman multiplied by the number of years and/or fraction thereof of such armed service up to a maximum of two (2) years. The purchase price shall be paid into the general fund. For members hired on or after July 1, 1989, the purchase price shall be paid into a restricted revenue account entitled "state police retirement benefits" and shall be held in trust.
- (3) There will be no interest charge provided the member makes such purchase during their twentieth (20th) year or within five (5) years from May 18, 1981, whichever is later, but will be charged regular rate of interest as defined in § 36-8-1 as amended to date of purchase from the date of the member's twentieth (20th) year of state service or five (5) years from May 18, 1981, whichever is later.
- (4) Any member who is granted a leave of absence without pay for illness, injury, or any other reason may receive credit therefor by making the full actuarial cost as defined in § 36-8-1(10); provided the employee returns to state service for at least one year upon completion of the leave.
- (5) In no event shall the original retirement allowance exceed sixty-five percent (65%) of the member's whole salary as defined in subsection (b) hereof or sixty-five percent (65%) of the member's salary as defined in subsection (b) hereof in the member's twenty-fifth (25th) year, whichever is less.
- (6) Notwithstanding any other provision of law, no more than five (5) years of service credit may be purchased by a member of the system. The five (5) year limit shall not apply to any purchases made prior to January 1, 1995. A member who has purchased more than five (5) years of service credits before January 1, 1995, shall be permitted to apply those purchases towards the member's service retirement. However, no further purchase will be permitted. Repayment in accordance with applicable law and regulation of any contribution previously withdrawn from the

2	(g) The provisions of this section shall not apply to civilian employees in the Rhode Island
3	state police; and, further, from and after April 28, 1937, chapters 8 — 10, inclusive, of title 36 shall
4	not be construed to apply to the members of the Rhode Island state police, except as provided by
5	§§ 36-8-3, 36-10-1.1, 42-28-22.1, and 42-28-22.2, and § 36-8-1(5) and (8)(a) effective July 1, 2012.
6	(h) Any member of the state police other than the superintendent of state police, who is
7	hired prior to July 1, 2007, and who has served for twenty-five (25) years or who has attained the
8	age of sixty-two (62) years, whichever shall first occur, shall retire therefrom.
9	(i)(1) Any member of the state police, other than the superintendent, who is hired on or
10	after July 1, 2007, and who has served for twenty-five (25) years, may retire therefrom or the
11	member may be retired by the superintendent with the approval of the governor, and shall be
12	entitled to a retirement allowance of fifty percent (50%) of the member's "whole salary" as defined
13	in subsection (b) hereof.
14	(2) Any member of the state police who is hired on or after July 1, 2007, may serve up to
15	a maximum of thirty (30) years, and shall be allowed an additional amount equal to three percent
16	(3.0%) for each completed year served after twenty-five (25) years, but in no event shall the original
17	retirement allowance exceed sixty-five percent (65%) of his or her "whole salary" as defined in
18	subsection (b) hereof.
19	(j) Effective July 1, 2012, any other provision of this section notwithstanding:
20	(1) Any member of the state police, other than the superintendent of state police, who is
21	not eligible to retire on or prior to June 30, 2012, may retire at any time subsequent to the date the
22	member's retirement allowance equals or exceeds fifty percent (50%) of average compensation as
23	defined in § 36-8-1(5)(a), provided that a member shall retire upon the first to occur of:
24	(i) The date the member's retirement allowance equals sixty-five percent (65%); or
25	(ii) The later of the attainment of age sixty two (62) or completion of five (5) years of
26	service; provided however, any current member as of June 30, 2012, who has not accrued fifty
27	percent (50%) upon attaining the age of sixty two (62) shall retire upon accruing fifty percent
28	(50%); and upon retirement a member shall receive a retirement allowance which shall equal:
29	(A) For members hired prior to July 1, 2007, the sum of (i), (ii), and (iii) where:
30	(i) is calculated as the member's years of total service before July 1, 2012, multiplied by
31	two and one-half percent (2.5%) of average compensation for a member's first twenty (20) total
32	<del>years,</del>
33	(ii) is calculated as the member's years of total service before July 1, 2012, in excess of
34	twenty (20) years not to exceed twenty five (25) years multiplied by three percent (3%) of everage

system shall not be deemed a purchase of service credit.

2	(iii) is the member's years of total service on or after July 1, 2012, multiplied by two
3	percent (2%) of average compensation as defined in § 36-8-1(5)(a).
4	(B) For members hired on or after July 1, 2007, the member's retirement allowance shall
5	be calculated as the member's years of total contributory service multiplied by two percent (2%)
6	of average compensation.
7	(C)(1) Any member of the state police who is eligible to retire on or prior to June 30, 2012,
8	shall retire with a retirement allowance calculated in accordance with paragraph (a) and (e) above
9	except that whole salary shall be defined as final compensation where compensation for purposes
10	of this section and § 42-28-22.1 includes base salary, longevity, and holiday pay.
11	(D)(2) Notwithstanding the preceding provisions, in no event shall a member's final
12	compensation be lower than their final compensation determined as of June 30, 2012.
13	(3) Any member of the state police who was not eligible to retire as of June 30, 2012, but
14	who was hired prior to July 1, 2007, shall retire with retirement allowance calculated in accordance
15	with paragraphs (a) and (e)(1) above, except that whole salary shall be defined as the average of
16	the member's final year of base salary, implemented by the longevity increment, holiday pay, and
17	clothing allowance.
18	(4) Any member of the state police who was hired on or after July 1, 2007, shall retire with
19	a retirement allowance calculated in accordance with paragraph (i)(1) and (i)(2) above except that
20	the whole salary shall be defined as the average of the member's final year of base salary,
21	implemented by the longevity increment, holiday pay, and clothing allowance.
22	(2)(5) In no event shall a member's original retirement allowance under any provisions of
23	this section exceed sixty-five percent (65%) of their average compensation whole salary.
24	(6) For each member who retires, whole salary shall include overtime pay to the extent
25	provided in the collective bargaining agreement in place at the time of the member's retirement.
26	(3) For each member who retires on or after July 1, 2012, except as provided in paragraph
27	(j)(1)(C) above, compensation and average compensation shall be defined in accordance with § 36-
28	8-1(5)(a) and (8), provided that for a member whose regular work period exceeds one hundred
29	forty seven (147) hours over a twenty four day (24) period at any time during the four year (4)
30	period immediately prior to the member's retirement, that member shall have up to four hundred
31	(400) hours of their pay for regularly scheduled work earned during this period shall be included
32	as "compensation" and/or "average compensation" for purposes of this section and § 42-28-22.1.
33	(4)(7) This subsection (4)(7) shall be effective for the period July 1, 2012, through June
34	30, 2015.

1 compensation, and

(i) Notwithstanding the prior paragraphs of this section, and subject to paragraph (4)(7)(ii) below, for all present and former members, active and retired members, and beneficiaries receiving any retirement, disability or death allowance or benefit of any kind, whether for or on behalf of a non-contributory member or contributory member, the annual benefit adjustment provided in any calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal to the percentage determined by subtracting five and one-half percent (5.5%) (the "subtrahend") from the Five-Year Average Investment Return of the retirement system determined as of the last day of the plan year preceding the calendar year in which the adjustment is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser of the member's retirement allowance or the first twenty-five thousand dollars (\$25,000) of retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually in the same percentage as determined under (4)(7)(i)(A) above. The "Five-Year Average Investment Return" shall mean the average of the investment returns for the most recent five (5) plan years as determined by the retirement board. Subject to paragraph (4)(7)(ii) below, the benefit adjustment provided by this paragraph shall commence upon the third (3rd) anniversary of the date of retirement or the date on which the retiree reaches age fifty-five (55), whichever is later. In the event the retirement board adjusts the actuarially assumed rate of return for the system, either upward or downward, the subtrahend shall be adjusted either upward or downward in the same amount.

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(ii) Except as provided in paragraph (4)(7)(iii), the benefit adjustments under this section for any plan year shall be suspended in their entirety unless the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds eighty percent (80%) in which event the benefit adjustment will be reinstated for all members for such plan year.

In determining whether a funding level under this paragraph (4)(7)(ii) has been achieved, the actuary shall calculate the funding percentage after taking into account the reinstatement of any current or future benefit adjustment provided under this section.

(iii) Notwithstanding paragraph (4)(7)(ii), in each fifth plan year commencing after June 30, 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five (5) plan years, a benefit adjustment shall be calculated and made in accordance with paragraph (4)(7)(i) above until the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds eighty percent (80%).

1	(17) The provisions of this paragraph ()(+)(17) shall become effective sary 1, 2012, and shall
2	apply to any benefit adjustment not granted on or prior to June 30, 2012.
3	(v) The cost-of-living adjustment as provided in this paragraph (j)(4)(7) shall apply to and
4	be in addition to the retirement benefits under the provisions of § 42-28-5 and to the injury and
5	death benefits under the provisions of § 42-28-21.
6	(5)(8) This subsection (5)(8) shall become effective for the period July 1, 2015 through
7	<u>June 30, 2025</u> .
8	(i)(A) As soon as administratively reasonable following the enactment into law of this
9	paragraph (5)(8)(i)(A), a one-time benefit adjustment shall be provided to members and/or
0	beneficiaries of members who retired on or before June 30, 2012, in the amount of two percent
1	(2%) of the lesser of either the member's retirement allowance or the first twenty-five thousand
2	dollars (\$25,000) of the member's retirement allowance. This one-time benefit adjustment shall be
.3	provided without regard to the retiree's age or number of years since retirement.
4	(B) Notwithstanding the prior subsections of this section, for all present and former
.5	members, active and retired members, and beneficiaries receiving any retirement, disability or
6	death allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year
7	under this section for adjustments on and after January 1, 2016, and subject to subsection (5)(8)(ii)
.8	below, shall be equal to (I) multiplied by (II):
9	(I) shall equal the sum of fifty percent (50%) of (1) plus fifty percent (50%) of (2) where:
20	(1) is equal to the percentage determined by subtracting five and one-half percent (5.5%)
21	(the "subtrahend") from the five-year average investment return of the retirement system
22	determined as of the last day of the plan year preceding the calendar year in which the adjustment
23	is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
24	(0%). The "five-year average investment return" shall mean the average of the investment returns
25	of the most recent five (5) plan years as determined by the retirement board. In the event the
26	retirement board adjusts the actuarially assumed rate of return for the system, either upward or
27	downward, the subtrahend shall be adjusted either upward or downward in the same amount.
28	(2) is equal to the lesser of three percent (3%) or the percentage increase in the Consumer
29	Price Index for All Urban Consumers (CPI-U) as published by the U.S. Department of Labor
80	Statistics determined as of September 30 of the prior calendar year.
31	In no event shall the sum of (1) plus (2) exceed three and one-half percent (3.5%) or be
32	less than zero percent (0%).
3	(II) is equal to the lesser of either the member's retirement allowance or the first twenty-
84	five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount

- to be indexed annually in the same percentage as determined under subsection (5)(8)(i)(B)(I) above.

  The benefit adjustments provided by this subsection (5)(8)(i)(B) shall be provided to all retirees

  entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect, and for all
- 4 other retirees the benefit adjustments shall commence upon the third anniversary of the date of
- 5 retirement or the date on which the retiree reaches their Social Security retirement age, whichever
- 6 is later.

(ii) Except as provided in subsection (5)(8)(iii), the benefit adjustments under subsection (5)(8)(i)(B) for any plan year shall be suspended in their entirety unless the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds eighty percent (80%) in which event the benefit adjustment will be reinstated for all members for such plan year. Effective July 1, 2024, the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the system's actuary on an aggregate basis, of exceeding eighty percent (80%) for the benefit adjustment to be reinstated for all members for such plan year shall be replaced with seventy-five percent (75%).

In determining whether a funding level under this subsection (5)(8)(ii) has been achieved, the actuary shall calculate the funding percentage after taking into account the reinstatement of any current or future benefit adjustment provided under this section.

(iii) Notwithstanding subsection (5)(8)(ii), in each fourth plan year commencing after June 30, 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of four plan years: (i) A benefit adjustment shall be calculated and made in accordance with paragraph (5)(8)(i)(B) above; and (ii) Effective for members and/or beneficiaries of members who retired on or before June 30, 2015, the dollar amount in subsection (5)(7)(i)(B)(II) of twenty-five thousand eight hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the system's actuary on an aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent (75%).

(iv) Effective for members and/or beneficiaries of members who have retired on or before July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)

1	days following the enactment of the legislation implementing this provision, and a second one-time
2	stipend of five hundred dollars (\$500) in the same month of the following year. These stipends
3	shall be payable to all retired members or beneficiaries receiving a benefit as of the applicable
4	payment date and shall not be considered cost of living adjustments under the prior provisions of
5	this section.
6	(9) This subsection (9) shall become effective July 1, 2025.
7	(i) Notwithstanding the prior paragraphs of this section, for all present and former
8	members, active and retired members, and beneficiaries receiving any retirement, disability or
9	death allowance or benefit of any kind, whether for or on behalf of a non-contributory member of
10	contributory member, the annual benefit adjustment provided in each calendar year shall be equa
11	to one thousand five hundred dollars (\$1,500). In each succeeding year, during the month of
12	January, the retirement allowance shall be increased by one thousand five hundred dollars (\$1,500)
13	to be continued during the lifetime of the member.
14	(6)(10) Any member with contributory service on or after July 1, 2012, who has completed
15	at least five (5) years of contributory service but who has not retired in accordance with (j)(1) above
16	shall be eligible to retire upon the attainment of member's Social Security retirement age as defined
17	in § 36-8-1(20).
18	(7)(11) In no event shall a member's retirement allowance be less than the member's
19	retirement allowance calculated as of June 30, 2012, based on the member's years of total service
20	and whole salary as of June 30, 2012.
21	(k) In calculating the retirement benefit for any member, the term base salary as used in
22	subdivision (b)(3) and or average compensation as used in paragraph (j) shall not be affected by a
23	deferral of salary plan or a reduced salary plan implemented to avoid shutdowns or layoffs or to
24	effect cost savings. Basic salary shall remain for retirement calculation that which it would have
25	been but for the salary deferral or salary reduction due to a plan implemented to avoid shutdowns
26	or layoffs or to effect cost savings.
27	(1) Notwithstanding the provisions of subsection (h) of this section, any member who was
28	sworn into service with the Rhode Island state police during the year 1997, shall not be required to
29	retire before September 1, 2026. Any member who elects to work beyond their twenty-fifth year
30	pursuant to the provisions of this subsection, shall continue to make retirement contributions in
31	accordance with § 42-28-22.1.
32	(m) Notwithstanding the provisions of subsection (h) of this section, any member who was
33	sworn into service with the Rhode Island state police during the year 2000, shall not be required to
34	retire before July 1, 2028. Any member who elects to work beyond their twenty-fifth year, pursuan

to the provisions of this subsection, sharr continue to make retrieficht controutions in accordance
with § 42-28-22.1.
(n) Notwithstanding the provisions of subsection (h) of this section, any member who was
sworn into service with the Rhode Island state police during the year 2005, shall not be required to
retire before December 21, 2030. Any member who elects to work beyond their twenty-fifth year
pursuant to the provisions of this subsection, shall continue to make retirement contributions in
accordance with § 42-28-22.1.
(o) To extent that any members received retirement benefits that were less than those
provided for herein, as a consequence of prior legislative changes, they shall be entitled to receive
benefits prospectively as provided herein.
SECTION 2. This act shall take effect upon passage.
====== L.C002002

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# **EXPLANATION**

### BY THE LEGISLATIVE COUNCIL

OF

# AN ACT

## RELATING TO STATE AFFAIRS AND GOVERNMENT -- STATE POLICE

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This act would amend the pension benefits for both current and former Rhode Island state

police members, and would extend the time period a member may serve in the Rhode Island state

police.

This act would take effect upon passage.

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LC002002