LC00834

2012 -- H 7263

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

AN ACT

RELATING TO PUBLIC OFFICERS AND EMPLOYEES -- RETIREMENT SYSTEM

<u>Introduced By:</u> Representatives Ehrhardt, and Reilly <u>Date Introduced:</u> January 26, 2012 <u>Referred To:</u> House Finance

It is enacted by the General Assembly as follows:

SECTION 1. Section 42-149-3.1 of the General Laws in Chapter 42-149 entitled "State
Expenditures for Non-State Employee Services" is hereby amended to read as follows:

3 42-149-3.1. Assessment on state expenditures for non-state employee services. --4 Whenever a department, commission, board, council, agency or public corporation incurs 5 expenditures through contracts or agreements by which a nongovernmental person or entity 6 agrees to provide services which are substantially similar to and in lieu of services hereto fore 7 provided, in whole or in part, by regular employees of the department, commission, board, 8 council, agency or public corporation covered by chapter 36-8, those expenditures shall be 9 subject to an assessment equal to five and one-half percent (5.5%) of the cost of the service. That 10 assessment shall be paid to the retirement system on a quarterly basis in accordance with 11 subsection 36-10-2(e), and notwithstanding the terms and provisions of subsection 36-10-2 (e)(4), 12 shall serve to reduce the required annual contribution to be made by the state to the pension fund 13 pursuant to section 36-10-2.

14

SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO PUBLIC OFFICERS AND EMPLOYEES -- RETIREMENT SYSTEM

1 This act would provide that the assessment on expenditures for non-governmental 2 contractors be applied to reduce the required annual contribution to be made by the state to the 3 pension fund pursuant to section 36-10-2.

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This act would take effect upon passage.

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