

2017 -- H 5071 SUBSTITUTE A

LC000046/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO EDUCATION -- TEACHERS' RETIREMENT BENEFITS

Introduced By: Representatives Amore, Cunha, Craven, Kazarian, and Marshall

Date Introduced: January 11, 2017

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-16-26 of the General Laws in Chapter 16-16 entitled "Teachers'  
2 Retirement [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby  
3 amended to read as follows:

4 **16-16-26. Spouse's or domestic partner's benefits.** -- (a) Spouse's and domestic  
5 partner's benefits are payable following the decease of a member as provided in §§ 16-16-25  
6 through 16-16-38. (b) The spouse or domestic partner shall be entitled to benefits upon attaining  
7 the age of sixty (60) years. (c) The spouse or domestic partner was living with the deceased  
8 member at the time of the member's death. A spouse or domestic partner is deemed to have been  
9 living with the deceased member if they were both members of the same household on the date of  
10 the deceased member's death, or the spouse or domestic partner was receiving regular  
11 contributions from the deceased member toward support on that date, or the deceased member  
12 had been ordered by a court to contribute to the spouse's or domestic partner's support. (d)  
13 Remarriage of the spouse or domestic partner or establishment of a domestic partnership shall  
14 render him or her ineligible to receive current or future benefits under this section. (e) The  
15 spouse or domestic partner of a member, as defined in this section, shall be entitled to monthly  
16 benefits payable in accordance with the following table:

17 Highest Annual Salary	Spouse's or Domestic Partner's Monthly Minimum Benefit
18 \$17,000 or less	<del>\$750</del> <u>825</u>
19 \$17,001 to \$25,000	<del>875</del> <u>963</u>

1	\$25,001 to \$33,000	<del>1,000</del> <u>\$1,100</u>
2	\$33,001 to \$40,000	<del>1,125</del> <u>1,238</u>
3	\$40,001 and over	<del>1,250</del> <u>\$1,375</u>

4 (f) A yearly cost-of-living adjustment for spouse's or domestic partner's benefits shall be  
5 based on the annual social security adjustment.

6 SECTION 2. Section 16-16-35 of the General Laws in Chapter 16-16 entitled "Teachers'  
7 Retirement [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby  
8 amended to read as follows:

9 **16-16-35. Contributions.**

10 (a) The cost of the benefits provided in §§ 16-16-25 -- 16-16-38 shall be two percent  
11 (2%) of the member's annual salary up to but not exceeding an annual salary of ~~ninety-six~~  
12 ~~hundred dollars (\$9,600)~~ eleven thousand five hundred dollars (\$11,500); one-half (1/2) of the  
13 cost shall be contributed by the member by deductions from his or her salary, and the other half  
14 (1/2) shall be contributed and paid by the respective city, town, or school district by which the  
15 member is employed. These contributions shall be in addition to the contributions provided in §  
16 16-16-22 and shall be paid into the teachers' survivors benefit fund created by §§ 16-16-25 -- 16-  
17 16-38 in the same manner as contributions are made under the provisions of § 16-16-22.

18 (b) In the event the market value of the Teachers' Survivor Benefit Plan assets shall  
19 decrease below ~~one hundred and twenty (120%)~~ one hundred (100%) percent of the Teachers'  
20 Survivor Benefit Plan liabilities as reported by a qualified actuary pursuant to § 16-16-37, the  
21 retirement board shall determine and fix the amount of contributions necessary to maintain a  
22 funding level of not less than ~~one hundred and twenty (120%)~~ one hundred (100%) percent of  
23 assets to liabilities ratio. Any adjusted cost of the benefits provided in §§ 16-16-25 -- 16-16-38  
24 shall be paid for by the member by deduction from his or her salary. These contributions shall be  
25 in addition to the contributions provided in § 16-16-22 and shall be paid into the teachers'  
26 survivors benefit fund created by §§ 16-16-25 -- 16-16-38 in the same manner as contributions  
27 are made under the provisions of § 16-16-22; provided, however, that payments to compensate  
28 for asset to liability ratios less than one hundred (100%) percent shall be amortized over  
29 individual ten (10) year close periods. Notwithstanding anything to the contrary in this chapter or  
30 in any other provision of Rhode Island law, no benefit enhancements, beyond the current  
31 provisions within §§16-16-25 through 16-16-38, shall be granted until the market value of the  
32 Teachers' Survivor Benefit Plan assets shall increase above one hundred and twenty (120%)  
33 percent of the Teachers' Survivor Benefit Plan liabilities as reported by a qualified actuary  
34 pursuant to §16-16-37.

1 SECTION 3. This act shall take effect upon passage.

=====  
LC000046/SUB A  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T  
RELATING TO EDUCATION -- TEACHERS' RETIREMENT BENEFITS

\*\*\*

1           This act would increase the monthly minimum benefits of spouses and domestic partners  
2 of retired teachers.

3           This act would take effect upon passage.

=====  
LC000046/SUB A  
=====