

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

ARTICLE 12

RELATING TO PENSIONS

SECTION 1. Sections 16-16-13, 16-16-24.2 and 16-16-40 of the General Laws in Chapter 16-16 entitled "Teachers' Retirement [See Title 16 Chapter 97 — The Rhode Island Board of Education Act]" are hereby amended to read as follows:

16-16-13. Amount of service retirement allowance.

(a)(1)(i) For teachers eligible to retire on or before September 30, 2009, upon retirement from service under § 16-16-12 a teacher whose membership commenced before July 1, 2005, and who has completed at least ten (10) years of contributory service on or before July 1, 2005, shall, receive a retirement allowance which shall be determined in accordance with schedule A for service prior to July 1, 2012.

SCHEDULE A

YEARS OF SERVICE	PERCENTAGE ALLOWANCE
1st through 10th inclusive	1.7%
11th through 20th inclusive	1.9%
21st through 34th inclusive	3.0%
35 th	2.0%

(ii) For teachers eligible to retire on or after October 1, 2009, who were not eligible to retire on or before September 30, 2009, upon retirement for service under § 16-16-12, a teacher whose membership commenced before July 1, 2005, and who has completed at least ten (10) years of contributory service on or before July 1, 2005, shall receive a retirement allowance which shall be determined in accordance with schedule A above for service on before September 30, 2009, and shall be determined in accordance with schedule B in subsection (a)(2) below for service on or after October 1, 2009, and prior to July 1, 2012:

(2) Upon retirement from service under § 16-16-12 a teacher whose membership commenced after July 1, 2005, or who has not completed at least ten (10) years of contributory service as of July 1, 2005, shall receive a retirement allowance which shall be determined in accordance with Schedule B for service prior to July 1, 2012.

SCHEDULE B

YEARS OF SERVICE	PERCENTAGE ALLOWANCE
------------------	----------------------

1	1st through 10th inclusive	1.60%
2	11th through 20th inclusive	1.80%
3	21st through 25th inclusive	2.0%
4	26th through 30th inclusive	2.25%
5	31st through 37th inclusive	2.50%
6	38 th	2.25%

7 (b) The retirement allowance of any teacher whose membership commenced before July 1,
8 2005, and who has completed at least ten (10) years of contributory service on or before July 1,
9 2005, shall be in an amount equal to the percentage allowance specified in subsection (a)(1) of his
10 or her average highest three (3) consecutive years of compensation multiplied by the number of
11 years of total service, but in no case to exceed eighty percent (80%) of the compensation, payable
12 at completion of thirty-five (35) years of service; provided, however, for teachers retiring on or
13 after October 1, 2009, and who retire prior to July 1, 2024, who were not eligible to retire as of
14 September 30, 2009, the calculation shall be based on the average highest five (5) consecutive years
15 of compensation; provided, however for employees retiring on or after July 1, 2024, the calculation
16 shall be based on the average highest three (3) consecutive years of compensation.

17 The retirement allowance of any teacher whose membership commenced after July 1, 2005,
18 or who has not completed at least ten (10) years of contributory service as of July 1, 2005, shall be
19 in an amount equal to the percentage allowance specified in Schedule B of his or her average
20 highest three (3) consecutive years of compensation multiplied by the number of years of total
21 service, but in no case to exceed seventy-five percent (75%) of the compensation, payable at
22 completion of thirty-eight (38) years of service; provided, however, for teachers retiring on or after
23 October 1, 2009, and who retire prior to July 1, 2024, who were not eligible to retire as of
24 September 30, 2009 the calculation shall be based on the average highest five (5) consecutive years
25 of compensation; provided, however for employees retiring on or after July 1, 2024, the calculation
26 shall be based on the average highest three (3) consecutive years of compensation.

27 Any teacher who has in excess of thirty-five (35) years on or before June 2, 1985, shall not
28 be entitled to any refund, and any teacher with thirty-five (35) years or more on or after June 2,
29 1985, shall contribute from July 1, 1985, until his or her retirement.

30 (c) For service prior to July 2012, the retirement allowance of a teacher shall be determined
31 in accordance with subsections (a)(1) and (a)(2) above. For service on and after July 1, 2012:

32 (i) For teachers with fewer than twenty (20) years of total service as of June 30, 2012, a
33 teacher's retirement allowance shall be equal to one percent (1%) of the teacher's average
34 compensation multiplied by the teacher's years of total service on and after July 1, 2012; and

1 (ii) For teachers with twenty (20) or more years of total service as of June 30, 2012, a
2 teacher's retirement allowance shall be equal to one percent (1%) of the teacher's average
3 compensation multiplied by the teacher's years of total service between July 1, 2012, and June 30,
4 2015, and two percent (2%) of the teacher's average compensation multiplied by the teacher's years
5 of total service on and after July 1, 2015. For purposes of computing a teacher's total service under
6 the preceding sentence, service purchases shall be included in total service only with respect to
7 those service purchases approved prior to June 30, 2012, and those applications for service
8 purchases received by the retirement system on or before June 30, 2012. In no event shall a
9 teacher's retirement allowance exceed the maximum limitations set forth in subsection (b) above.

10 **16-16-24.2. Substitute teaching and post-retirement employment related to statewide**
11 **staffing.**

12 (a) Notwithstanding any public or general law, or rule or regulation to the contrary, any
13 teacher, administrator, or staff member who has retired under the provisions of title 16, 36, or 45
14 may exceed the ninety-day (90) cap on post-retirement employment upon:

15 (1) A determination by the local education authority that there exists a specialized need,
16 within their authority, to fill positions on a temporary basis, that may exceed the ninety-day (90)
17 cap on post-retirement employment;

18 (2) Retired teachers, administrators, and staff members being asked to exceed the ninety-
19 day (90) cap on post-retirement employment possess the skills, training, and knowledge necessary
20 to help address teacher and administrative staffing shortages; and

21 (3) The local education authority has notified the state retirement board that it has
22 determined that exceeding the ninety-day (90) cap on post-retirement employment is necessary to
23 help address teacher and administrative staffing shortages.

24 Provided, however, that no employment may be offered to a retiree subject to this section
25 unless the employer has made a good-faith effort each school year to fill the position with a
26 nonretired employee without success, and certifies, in writing, that it has done so to the employees'
27 retirement system and to the bargaining agents of all education unions with whom the employer
28 has collective bargaining agreements.

29 (b) Any teacher, administrator, or staff member who has retired under the provisions of
30 title 16, 36, or 45, and has been employed or re-employed under the provisions of this section, shall
31 not be entitled to additional service credits for such employment, and the teacher, administrator, or
32 staff member shall not be responsible for any contribution to the pension system as a result of the
33 employment; provided however, the local educational authority shall make the employer
34 contribution for the teacher, administrator, or staff member as if the district had hired a new teacher,

1 [administrator or staff member.](#)

2 (c) Unless extended by the general assembly, this section shall sunset on June 20, ~~2024~~
3 [2025](#).

4 **16-16-40. Additional benefits payable to retired teachers.**

5 (a) All teachers and all beneficiaries of teachers receiving any service retirement or
6 ordinary or accidental disability retirement allowance pursuant to the provisions of this chapter and
7 chapter 17 of this title, on or before December 31, 1967, shall receive a cost of living retirement
8 adjustment equal to one and one-half percent (1.5%) per year of the original retirement allowance,
9 not compounded, for each year the retirement allowance has been in effect. For purposes of
10 computation credit shall be given for a full calendar year regardless of the effective date of the
11 retirement allowance. This cost of living retirement adjustment shall be added to the amount of the
12 service retirement allowance as of January 1, 1970, and payment shall begin as of July 1, 1970. An
13 additional cost of living retirement adjustment shall be added to the original retirement allowance
14 equal to three percent (3%) of the original retirement allowance on the first day of January, 1971,
15 and each year thereafter through December 31, 1980.

16 (b) All teachers and beneficiaries of teachers receiving any service retirement or ordinary
17 disability retirement allowance pursuant to the provisions of this title who retired on or after January
18 1, 1968, shall, on the first day of January, next following the third (3rd) year on retirement, receive
19 a cost of living adjustment, in addition to his or her retirement allowance, an amount equal to three
20 percent (3%) of the original retirement allowance. In each succeeding year thereafter, on the first
21 day of January, the retirement allowance shall be increased an additional three percent (3%) of the
22 original retirement allowance, not compounded, to be continued through December 31, 1980.

23 (c)(1) Beginning on January 1, 1981, for all teachers and beneficiaries of teachers receiving
24 any service retirement and all teachers and all beneficiaries of teachers who have completed at least
25 ten (10) years of contributory service on or before July 1, 2005, pursuant to the provisions of this
26 chapter, and for all teachers and beneficiaries of teachers who receive a disability retirement
27 allowance pursuant to §§ 16-16-14 — 16-16-17, the cost of living adjustment shall be computed
28 and paid at the rate of three percent (3%) of the original retirement allowance or the retirement
29 allowance as computed in accordance with § 16-16-40.1, compounded annually from the year for
30 which the cost of living adjustment was determined to be payable by the retirement board pursuant
31 to the provisions of subsection (a) or (b) of this section. Such cost of living adjustments are available
32 to teachers who retire before October 1, 2009, or are eligible to retire as of September 30, 2009.

33 (2) The provisions of this subsection shall be deemed to apply prospectively only and no
34 retroactive payment shall be made.

1 (3) The retirement allowance of all teachers and all beneficiaries of teachers who have not
2 completed at least ten (10) years of contributory service on or before July 1, 2005, or were not
3 eligible to retire as of September 30, 2009, shall, on the month following the third anniversary date
4 of the retirement, and on the month following the anniversary date of each succeeding year be
5 adjusted and computed by multiplying the retirement allowance by three percent (3%) or the
6 percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as published
7 by the United States Department of Labor Statistics, determined as of September 30 of the prior
8 calendar year, whichever is less; the cost of living adjustment shall be compounded annually from
9 the year for which the cost of living adjustment was determined payable by the retirement board;
10 provided, that no adjustment shall cause any retirement allowance to be decreased from the
11 retirement allowance provided immediately before such adjustment.

12 (d) For teachers not eligible to retire in accordance with this chapter as of September 30,
13 2009, and not eligible upon passage of this article, and for their beneficiaries, the cost of living
14 adjustment described in subsection (c)(3) of this section shall only apply to the first thirty-five
15 thousand dollars (\$35,000) of retirement allowance, indexed annually, and shall commence upon
16 the third (3rd) anniversary of the date of retirement or when the retiree reaches age sixty-five (65),
17 whichever is later. The thirty-five thousand dollar (\$35,000) limit shall increase annually by the
18 percentage increase in the Consumer Price Index for all Urban Consumer (CPI-U) as published by
19 the United States Department of Labor Statistics determined as of September 30 of the prior
20 calendar year or three percent (3%), whichever is less. The first thirty-five thousand dollars
21 (\$35,000), as indexed, of retirement allowance shall be multiplied by the percentage of increase in
22 the Consumer Price Index for all Urban Consumers (CPI-U) as published by the United States
23 Department of Labor Statistics determined as of September 30 of the prior calendar year or three
24 percent (3%), whichever is less, on the month following the anniversary date of each succeeding
25 year. For teachers eligible to retire as of September 30, 2009, or eligible upon passage of this article,
26 and for their beneficiaries, the provisions of this subsection (d) shall not apply.

27 (e) The provisions of §§ 45-13-7 — 45-13-10 shall not apply to this section.

28 (f) This subsection (f) shall be effective for the period July 1, 2012, through June 30, 2015.

29 (1) Notwithstanding the prior paragraphs of this section, and subject to subsection (f)(2)
30 below, for all present and former teachers, active and retired teachers, and beneficiaries receiving
31 any retirement, disability or death allowance or benefit of any kind, the annual benefit adjustment
32 provided in any calendar year under this section shall be equal to (A) multiplied by (B) where (A)
33 is equal to the percentage determined by subtracting five and one-half percent (5.5%) (the
34 “subtrahend”) from the Five-Year Average Investment Return of the retirement system determined

1 as of the last day of the plan year preceding the calendar year in which the adjustment is granted,
2 said percentage not to exceed four percent (4%) and not to be less than zero percent (0%), and (B)
3 is equal to the lesser of the teacher's retirement allowance or the first twenty-five thousand dollars
4 (\$25,000) of retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be
5 indexed annually in the same percentage as determined under (f)(1)(A) above. The "Five-Year
6 Average Investment Return" shall mean the average of the investment returns of the most recent
7 five (5) plan years as determined by the retirement board. Subject to subsection (f)(2) below, the
8 benefit adjustment provided by this subsection (f)(1) shall commence upon the third (3rd)
9 anniversary of the date of retirement or the date on which the retiree reaches his or her Social
10 Security retirement age, whichever is later. In the event the retirement board adjusts the actuarially
11 assumed rate of return for the system, either upward or downward, the subtrahend shall be adjusted
12 either upward or downward in the same amount.

13 (2) Except as provided in subsection (f)(3), the benefit adjustments under this section for
14 any plan year shall be suspended in their entirety unless the Funded Ratio of the Employees'
15 Retirement System of Rhode Island, the Judicial Retirement Benefits Trust and the State Police
16 Retirement Benefits Trust, calculated by the system's actuary on an aggregate basis, exceeds eighty
17 percent (80%) in which event the benefit adjustment will be reinstated for all teachers for such plan
18 year.

19 In determining whether a funding level under this subsection (f)(2) has been achieved, the
20 actuary shall calculate the funding percentage after taking into account the reinstatement of any
21 current or future benefit adjustment provided under this section.

22 (3) Notwithstanding subsection (f)(2), in each fifth plan year commencing after June 30,
23 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five
24 plan years, a benefit adjustment shall be calculated and made in accordance with subsection (f)(1)
25 above until the Funded Ratio of the Employees' Retirement System of Rhode Island, the Judicial
26 Retirement Benefits Trust and the State Police Retirement Benefits Trust, calculated by the
27 system's actuary on an aggregate basis, exceeds eighty percent (80%).

28 (4) Notwithstanding any other provisions of this chapter, the provisions of this subsection
29 (f) shall become effective July 1, 2012, and shall apply to any benefit adjustments not granted on
30 or prior to June 30, 2012.

31 (g) This subsection (g) shall become effective July 1, 2015.

32 (1)(A) As soon as administratively reasonable following the enactment into law of this
33 subsection (g)(1)(A), a one-time benefit adjustment shall be provided to teachers and/or
34 beneficiaries of teachers who retired on or before June 30, 2012, in the amount of two percent (2%)

1 of the lesser of either the teacher's retirement allowance or the first twenty-five thousand dollars
2 (\$25,000) of the teacher's retirement allowance. This one-time benefit adjustment shall be provided
3 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 teachers, active and retired teachers, and beneficiaries receiving any retirement, disability or death
6 allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year under
7 this section for adjustments on and after January 1, 2016, and subject to subsection (g)(2) below,
8 shall be equal to (I) multiplied by (II):

9 (I) Shall equal the sum of fifty percent (50%) of (i) plus fifty percent (50%) of (ii) where:

10 (i) Is equal to the percentage determined by subtracting five and one-half percent (5.5%)
11 (the "subtrahend") from the five-year average investment return of the retirement system
12 determined as of the last day of the plan year preceding the calendar year in which the adjustment
13 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
14 (0%). The "five-year average investment return" shall mean the average of the investment returns
15 of the most recent five (5) plan years as determined by the retirement board. In the event the
16 retirement board adjusts the actuarially assumed rate of return for the system, either upward or
17 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

18 (ii) Is equal to the lesser of three percent (3%) or the percentage increase in the Consumer
19 Price Index for all Urban Consumers (CPI-U) as published by the U.S. Department of Labor
20 Statistics determined as of September 30 of the prior calendar year.

21 In no event shall the sum of (i) plus (ii) exceed three and one-half percent (3.5%) or be less
22 than (0%) percent.

23 (II) is equal to the lesser of either the teacher's retirement allowance or the first twenty-
24 five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount
25 to be indexed annually in the same percentage as determined under subsection (g)(1)(B)(I) above.

26 The benefit adjustments provided by this subsection (g)(1)(B) shall be provided to all
27 retirees entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect,
28 and for all other retirees the benefit adjustments shall commence upon the third anniversary of the
29 date of retirement or the date on which the retiree reaches his or her Social Security retirement age,
30 whichever is later.

31 (2) The benefit adjustments under subsection (g)(1)(B) for any plan year [except after July](#)
32 [1, 2024, for employees retired prior to July 1, 2012,](#) shall be reduced to twenty-five percent (25%)
33 of the benefit adjustment unless the funded ratio of the employees' retirement system of Rhode
34 Island, the judicial retirement benefits trust and the state police retirement benefits trust, calculated

1 by the system's actuary on an aggregate basis, exceeds eighty percent (80%) in which event the
2 benefit adjustment will be reinstated for all teachers for such plan year; provided, however, on and
3 after July 1, 2024, the benefit adjustment shall only be suspended for employees retiring on or after
4 July 1, 2012 when the system's actuary on an aggregate basis is equal to or lesser than seventy-five
5 percent (75%).

6 In determining whether a funding level under this subsection (g)(2) has been achieved, the
7 actuary shall calculate the funding percentage after taking into account the reinstatement of any
8 current or future benefit adjustment provided under this section.

9 (3) Effective for teachers and/or beneficiaries of teachers who retired on or before June 30,
10 2015, the dollar amount in subsection (g)(1)(B)(II) of twenty-five thousand eight hundred and fifty-
11 five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six dollars (\$31,026)
12 until the funded ratio of the employees' retirement system of Rhode Island, the judicial retirement
13 benefits trust and the state police retirement benefits trust, calculated by the system's actuary on an
14 aggregate basis, exceeds eighty percent (80%).

15 (4) Effective for teachers and or beneficiaries of teachers who have retired on or before
16 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)
17 days following the enactment of the legislation implementing this provision, and a second one-time
18 stipend of five hundred dollars (\$500) in the same month of the following year. These stipends
19 shall be payable to all retired teachers or beneficiaries receiving a benefit as of the applicable
20 payment date and shall not be considered cost of living adjustments under the prior provisions of
21 this section.

22 SECTION 2. Section 36-8-1 of the General Laws in Chapter 36-8 entitled "Retirement
23 System — Administration" is hereby amended to read as follows:

24 **36-8-1. Definition of terms.**

25 The following words and phrases as used in chapters 8 to 10 of this title unless a different
26 meaning is plainly required by the context, shall have the following meanings:

27 (1) "Accumulated contributions" shall mean the sum of all the amounts deducted from the
28 compensation of a member and credited to his or her individual pension account.

29 (2) "Active member" shall mean any employee of the state of Rhode Island as defined in
30 this section for whom the retirement system is currently receiving regular contributions pursuant to
31 §§ 36-10-1 and 36-10-1.1.

32 (3) "Actuarial equivalent" shall mean an allowance or benefit of equal value to any other
33 allowance or benefit when computed upon the basis of the actuarial tables in use by the system.

34 (4) "Annuity reserve" shall mean the present value of all payments to be made on account

1 of any annuity, benefit, or retirement allowance granted under the provisions of chapter 10 of this
2 title computed upon the basis of such mortality tables as shall be adopted from time to time by the
3 retirement board with regular interest.

4 (5)(a) “Average compensation” for members eligible to retire as of September 30, 2009
5 shall mean the average of the highest three (3) consecutive years of compensation, within the total
6 service when the average compensation was the highest. For members eligible to retire on or after
7 October 1, 2009, and who retire prior to July 1, 2024, “Average compensation” shall mean the
8 average of the highest five (5) consecutive years of compensation within the total service when the
9 average compensation was the highest. For members eligible to and who retire on or after July 1,
10 2024, "average compensation" means the average of the highest three (3) consecutive years of
11 compensation within the total service when the average compensation was the highest.

12 (b) For members who become eligible to retire on or after July 1, 2012, if more than one-
13 half (½) of the member’s total years of service consist of years of service during which the member
14 devoted less than thirty (30) business hours per week to the service of the state, but the member’s
15 average compensation consists of three (3) or more years during which the member devoted more
16 than thirty (30) business hours per week to the service of the state, such member’s average
17 compensation shall mean the average of the highest ten (10) consecutive years of compensation
18 within the total service when the average compensation was the highest; provided however,
19 effective July 1, 2015, if such member’s average compensation as defined in subsection (a) Above
20 is equal to or less than thirty-five thousand dollars (\$35,000), such amount to be indexed annually
21 in accordance with § 36-10-35(h)(1)(B), such member’s average compensation shall mean the
22 greater of: (i) The average of the highest ten (10) consecutive years of compensation within the
23 total service when the average compensation was the highest; or (ii) The member’s average
24 compensation as defined in subsection (a) above. To protect a member’s accrued benefit on June
25 30, 2012 under this § 36-8-1(5)(b), in no event shall a member’s average compensation be lower
26 than his or her average compensation determined as of June 30, 2012.

27 (6) “Beneficiary” shall mean any person in receipt of a pension, an annuity, a retirement
28 allowance, or other benefit as provided by chapter 10 of this title.

29 (7) “Casual employee” shall mean those persons hired for a temporary period, a period of
30 emergency or an occasional period.

31 (8) “Compensation” as used in chapters 8 — 10 of this title, chapters 16 and 17 of title 16,
32 and chapter 21 of title 45 shall mean salary or wages earned and paid for the performance of duties
33 for covered employment, including regular longevity or incentive plans approved by the board, but
34 shall not include payments made for overtime or any other reason other than performance of duties,

1 including but not limited to the types of payments listed below:

2 (i) Payments contingent on the employee having terminated or died;

3 (ii) Payments made at termination for unused sick leave, vacation leave, or compensatory
4 time;

5 (iii) Payments contingent on the employee terminating employment at a specified time in
6 the future to secure voluntary retirement or to secure release of an unexpired contract of
7 employment;

8 (iv) Individual salary adjustments which are granted primarily in anticipation of the
9 employee's retirement;

10 (v) Additional payments for performing temporary or extra duties beyond the normal or
11 regular work day or work year.

12 (9) "Employee" shall mean any officer or employee of the state of Rhode Island whose
13 business time is devoted exclusively to the services of the state, but shall not include one whose
14 duties are of a casual or seasonal nature. The retirement board shall determine who are employees
15 within the meaning of this chapter. The governor of the state, the lieutenant governor, the secretary
16 of state, the attorney general, the general treasurer, and the members of the general assembly, ex
17 officio, shall not be deemed to be employees within the meaning of that term unless and until they
18 elect to become members of the system as provided in § 36-9-6, but in no case shall it deem as an
19 employee, for the purposes of this chapter, any individual who devotes less than twenty (20)
20 business hours per week to the service of the state, and who receives less than the equivalent of
21 minimum wage compensation on an hourly basis for his or her services, except as provided in §
22 36-9-24. Any commissioner of a municipal housing authority or any member of a part-time state,
23 municipal or local board, commission, committee or other public authority shall not be deemed to
24 be an employee within the meaning of this chapter.

25 (10) "Full actuarial costs" or "full actuarial value" shall mean the lump sum payable by a
26 member claiming service credit for certain employment for which that payment is required which
27 is determined according to the age of the member and the employee's annual rate of compensation
28 at the time he or she applies for service credit and which is expressed as a rate percent of the
29 employee's annual rate of compensation to be multiplied by the number of years for which he or
30 she claims service credit as prescribed in a schedule adopted by the retirement board from time to
31 time on the basis of computation by the actuary. Except as provided in §§ 16-16-7.1, 36-5-3, 36-9-
32 31, 36-10-10.4, 45-21-53, 36-10-8, 45-21-29, 8-3-16(c), 8-8-10.1(c), 42-28-22.1(d) and 28-30-
33 18.1(c):

34 (i) all service credit purchases requested after June 16, 2009 and prior to July 1, 2012, shall

1 be at full actuarial value; and

2 (ii) all service credit purchases requested after June 30, 2012 shall be at full actuarial value
3 which shall be determined using the system's assumed investment rate of return minus one percent
4 (1%).

5 The rules applicable to a service credit purchase shall be the rules of the retirement system
6 in effect at the time the purchase application is submitted to the retirement system.

7 (11) "Funded ratio" shall mean the ratio of the actuarial value of assets to the actuarial
8 accrued liability consistent with the funding policy of the retirement board as defined in § 36-8-4.

9 (12) "Inactive member" shall mean a member who has withdrawn from service as an
10 employee but who has not received a refund of contributions.

11 (13) "Members" shall mean any person included in the membership of the retirement
12 system as provided in §§ 36-9-1 — 36-9-7.

13 (14) "Prior service" shall mean service as a member rendered before July 1, 1936, certified
14 on his or her prior service certificate and allowable as provided in § 36-9-28.

15 (15) "Regular interest" shall mean interest at the assumed investment rate of return,
16 compounded annually, as may be prescribed from time to time by the retirement board.

17 (16) "Retirement allowance" shall mean annual payments for life made after retirement
18 under and in accordance with chapters 8 to 10 of this title. All allowances shall be paid in equal
19 monthly installments beginning as of the effective date thereof; provided, that a smaller pro rata
20 amount may be paid for part of a month where separation from service occurs during the month in
21 which the application was filed, and when the allowance ceases before the last day of the month.

22 (17) "Retirement board" or "board" shall mean the board provided in § 36-8-3 to
23 administer the retirement system.

24 (18) "Retirement system" shall mean the employees' retirement system of the state of
25 Rhode Island as defined in § 36-8-2.

26 (19) "Service" shall mean service as an employee of the state of Rhode Island as described
27 in subdivision (9) of this section.

28 (20) "Social Security retirement age" shall mean a member's full retirement age as
29 determined in accordance with the federal Old Age, Survivors and Disability Insurance Act, not to
30 exceed age sixty-seven (67).

31 (21) "Total service" shall mean prior service as defined above, plus service rendered as a
32 member on or after July 1, 1936.

33 SECTION 3. Sections 36-10-1, 36-10-9.8, 36-10-10, 36-10-35 and 36-10-36 of the General
34 Laws in Chapter 36-10 entitled "Retirement System — Contributions and Benefits" are hereby

1 amended to read as follows:

2 **36-10-1. Member contributions — Deduction from compensation.**

3 (a)(1) Prior to July 1, 2012, each member of the retirement system shall contribute an
4 amount equal to eight and three-quarters percent (8.75%) of his or her compensation as his or her
5 share of the cost of annuities, benefits, and allowances. Effective July 1, 2012, each member of the
6 retirement system shall contribute an amount equal to three and three quarters percent (3.75%) of
7 his or her compensation, except for correctional officers as defined in § 36-10-9.2 who shall
8 contribute an amount equal to eight and three quarters percent (8.75%) of his or her compensation.
9 Effective July 1, 2015, each member of the retirement system, except for correctional officers as
10 defined in § 36-10-9.2, with twenty (20) or more years of total service as of June 30, 2012 shall
11 contribute an amount equal to eleven percent (11%) of compensation.

12 (2) Effective January 1, 2025, those members of the retirement system who are state
13 employees employed as deputy sheriffs, capitol police officers, environmental police officers,
14 juvenile program workers, shift coordinators, firefighters, crew chiefs, assistant chiefs, fire
15 investigators, fire safety inspectors, fire safety training officers, explosives and flammable liquids
16 technicians, and campus police officers employed by the State of Rhode Island shall contribute an
17 amount equal to ten percent (10%) of compensation.

18 (3) The contributions shall be made in the form of deductions from compensation.

19 (b) The deductions provided for herein shall be made notwithstanding that the minimum
20 compensation provided by law for any member shall be reduced thereby. Every member shall be
21 deemed to consent and agree to the deductions made and provided for herein and receipt of his or
22 her full compensation and payment of compensation, less the deductions, shall be a full and
23 complete discharge and acquittance of all claims and demands whatsoever for the services rendered
24 by the person during the period covered by the payment except as to the benefit provided under this
25 chapter.

26 **36-10-9.8. Retirement on service allowance -- State law enforcement professionals.**

27 (a) Effective January 1, 2025, notwithstanding any special law or general law, rule or
28 regulation to the contrary, state employees employed as deputy sheriffs, capitol police officers,
29 environmental police officers, juvenile program workers, shift coordinators, firefighters, crew
30 chiefs, assistant chiefs, fire investigators, fire safety inspectors, fire safety training officers,
31 explosives and flammable liquids technicians, and campus police officers employed by the State
32 of Rhode Island shall be entitled to the benefits provided by §§ 45-21.2-5, 45-21.2-6, 45-21.2-10,
33 45-21.2-11, 45-21.2-12, and 45-21.2-13.

34 (b) For members identified in subsection (a) of this section, service credits earned prior to

1 [January 1, 2025, shall be determined by the laws in effect on December 31, 2024.](#)

2 **36-10-10. Amount of service retirement allowance.**

3 (a)(1)(i) For employees eligible to retire on or before September 30, 2009, upon retirement
4 for service under § 36-10-9, a member whose membership commenced before July 1, 2005, and
5 who has completed at least ten (10) years of contributory service on or before July 1, 2005, shall
6 receive a retirement allowance which shall be determined in accordance with schedule A below for
7 service prior to July 1, 2012:

8 Schedule A

9 Years of Service	Percentage Allowance
10 1st through 10th inclusive	1.7%
11 11th through 20th inclusive	1.9%
12 21st through 34th inclusive	3.0%
13 35 th	2.0%

14 (ii) For employees eligible to retire on or after October 1, 2009, who were not eligible to
15 retire on or before September 30, 2009, upon retirement from service under § 36-10-9, a member
16 whose membership commenced before July 1, 2005, and who has completed at least ten (10) years
17 of contributory service on or before July 1, 2005, shall receive a retirement allowance which shall
18 be determined in accordance with schedule A above for service on before September 30, 2009, and
19 shall be determined in accordance with schedule B in subsection (a)(2) below for service on or after
20 October 1, 2009, and prior to July 1, 2012.

21 (2) Upon retirement for service under § 36-10-9, a member whose membership
22 commenced after July 1, 2005, or who has not completed at least ten (10) years of contributory
23 service as of July 1, 2005, shall, receive a retirement allowance which shall be determined in
24 accordance with Schedule B below for service prior to July 1, 2012:

25 Schedule B

26 Years of Service	Percentage Allowance
27 1st through 10th inclusive	1.60%
28 11th through 20th inclusive	1.80%
29 21st through 25th inclusive	2.0%
30 26th through 30th inclusive	2.25%
31 31st through 37th inclusive	2.50%
32 38 th	2.25%

33 (b) The retirement allowance of any member whose membership commenced before July
34 1, 2005, and who has completed at least ten (10) years of contributory service on or before July 1,

1 2005, shall be in an amount equal to the percentage allowance specified in subsection (a)(1) of his
2 or her average highest three (3) consecutive years of compensation multiplied by the number of
3 years of total service, but in no case to exceed eighty percent (80%) of the compensation payable
4 at completion of thirty-five (35) years of service; provided, however, for employees retiring on or
5 after October 1, 2009, who were not eligible to retire as of September 30, 2009, and who retire
6 prior to July 1, 2024, the calculation shall be based on the average highest five (5) consecutive
7 years of compensation; provided, however for employees retiring on or after July 1, 2024, the
8 calculation shall be based on the average highest three (3) consecutive years of compensation. Any
9 member who has in excess of thirty-five (35) years on or before June 2, 1985, shall not be entitled
10 to any refund, and any member with thirty-five (35) years or more on or after June 2, 1985, shall
11 contribute from July 1, 1985, until his or her retirement.

12 The retirement allowance of any member whose membership commenced after July 1,
13 2005, or who had not completed at least ten (10) years of contributory service as of July 1, 2005,
14 shall, be in an amount equal to the percentage allowance specified in Schedule B of his or her
15 average highest three (3) consecutive years of compensation multiplied by the number of years of
16 total service, but in no case to exceed seventy-five percent (75%) of the compensation payable at
17 the completion of thirty-eight (38) years of service; provided, however, for employees retiring on
18 or after October 1, 2009, who were not eligible to retire as of September 30, 2009, and who retire
19 prior to July 1, 2024, the calculation shall be based on the average highest five (5) consecutive
20 years of compensation; provided, however for employees retiring on or after July 1, 2024, the
21 calculation shall be based on the average highest three (3) consecutive years of compensation.

22 (c) Any member with thirty-eight (38) years or more of service prior to December 31, 1985,
23 shall not be required to make additional contributions. Contributions made between December 31,
24 1985, and July 1, 1987, by members with thirty-eight (38) or more years of service prior to
25 December 31, 1985, shall be refunded by the retirement board to the persons, their heirs,
26 administrators, or legal representatives.

27 (d) For service prior to July 1, 2012, the retirement allowance of a member shall be
28 determined in accordance with subsections (a)(1) and (a)(2) above. For service on and after July 1,
29 2012, a member's retirement allowance shall be equal to:

30 (i) For members with fewer than twenty (20) years of total service as of June 30, 2012, one
31 percent (1%) of the member's average compensation multiplied by the member's years of total
32 service on and after July 1 2012; and

33 (ii) For members with twenty (20) or more years of total service as of June 30, 2012, a
34 member's retirement allowance shall be equal to one percent (1%) of the member's average

1 compensation multiplied by the member's years of total service between July 1, 2012, and June 30,
2 2015, and two percent (2%) of the member's average compensation multiplied by the member's
3 years of total service on and after July 1, 2015. For purposes of computing a member's total service
4 under the preceding sentence, service purchases shall be included in total service only with respect
5 to those service purchases approved prior to June 30, 2012, and those applications for service
6 purchases received by the retirement system on or before June 30, 2012.

7 In no event shall a member's retirement allowance exceed the maximum limitations set
8 forth in paragraph (b) above.

9 **36-10-35. Additional benefits payable to retired employees.**

10 (a) All state employees and all beneficiaries of state employees receiving any service
11 retirement or ordinary or accidental disability retirement allowance pursuant to the provisions of
12 this title on or before December 31, 1967, shall receive a cost of living retirement adjustment equal
13 to one and one-half percent (1.5%) per year of the original retirement allowance, not compounded,
14 for each calendar year the retirement allowance has been in effect. For the purposes of computation,
15 credit shall be given for a full calendar year regardless of the effective date of the retirement
16 allowance. This cost of living adjustment shall be added to the amount of the retirement allowance
17 as of January 1, 1968, and an additional one and one-half percent (1.5%) shall be added to the
18 original retirement allowance in each succeeding year during the month of January, and provided
19 further, that this additional cost of living increase shall be three percent (3%) for the year beginning
20 January 1, 1971, and each year thereafter, through December 31, 1980. Notwithstanding any of the
21 above provisions, no employee receiving any service retirement allowance pursuant to the
22 provisions of this title on or before December 31, 1967, or the employee's beneficiary, shall receive
23 any additional benefit hereunder in an amount less than two hundred dollars (\$200) per year over
24 the service retirement allowance where the employee retired prior to January 1, 1958.

25 (b) All state employees and all beneficiaries of state employees retired on or after January
26 1, 1968, who are receiving any service retirement or ordinary or accidental disability retirement
27 allowance pursuant to the provisions of this title shall, on the first day of January next following
28 the third anniversary date of the retirement, receive a cost of living retirement adjustment, in
29 addition to his or her retirement allowance, in an amount equal to three percent (3%) of the original
30 retirement allowance. In each succeeding year thereafter through December 31, 1980, during the
31 month of January, the retirement allowance shall be increased an additional three percent (3%) of
32 the original retirement allowance, not compounded, to be continued during the lifetime of the
33 employee or beneficiary. For the purposes of computation, credit shall be given for a full calendar
34 year regardless of the effective date of the service retirement allowance.

1 (c)(1) Beginning on January 1, 1981, for all state employees and beneficiaries of the state
2 employees receiving any service retirement and all state employees, and all beneficiaries of state
3 employees, who have completed at least ten (10) years of contributory service on or before July 1,
4 2005, pursuant to the provisions of this chapter, and for all state employees, and all beneficiaries
5 of state employees who receive a disability retirement allowance pursuant to §§ 36-10-12 — 36-
6 10-15, the cost of living adjustment shall be computed and paid at the rate of three percent (3%) of
7 the original retirement allowance or the retirement allowance as computed in accordance with §
8 36-10-35.1, compounded annually from the year for which the cost of living adjustment was
9 determined to be payable by the retirement board pursuant to the provisions of subsection (a) or (b)
10 of this section. Such cost of living adjustments are available to members who retire before October
11 1, 2009, or are eligible to retire as of September 30, 2009.

12 (2) The provisions of this subsection shall be deemed to apply prospectively only and no
13 retroactive payment shall be made.

14 (3) The retirement allowance of all state employees and all beneficiaries of state employees
15 who have not completed at least ten (10) years of contributory service on or before July 1, 2005, or
16 were not eligible to retire as of September 30, 2009, shall, on the month following the third
17 anniversary date of retirement, and on the month following the anniversary date of each succeeding
18 year be adjusted and computed by multiplying the retirement allowance by three percent (3%) or
19 the percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as
20 published by the United States Department of Labor Statistics determined as of September 30 of
21 the prior calendar year, whichever is less; the cost of living adjustment shall be compounded
22 annually from the year for which the cost of living adjustment was determined payable by the
23 retirement board; provided, that no adjustment shall cause any retirement allowance to be decreased
24 from the retirement allowance provided immediately before such adjustment.

25 (d) For state employees not eligible to retire in accordance with this chapter as of
26 September 30, 2009, and not eligible upon passage of this article, and for their beneficiaries, the
27 cost of living adjustment described in subsection (c)(3) of this section shall only apply to the first
28 thirty-five thousand dollars (\$35,000) of retirement allowance, indexed annually, and shall
29 commence upon the third (3rd) anniversary of the date of retirement or when the retiree reaches
30 age sixty-five (65), whichever is later. The thirty-five thousand dollar (\$35,000) limit shall increase
31 annually by the percentage increase in the Consumer Price Index for all Urban Consumers (CPI-
32 U) as published by the United States Department of Labor Statistics determined as of September
33 30 of the prior calendar year or three percent (3%), whichever is less. The first thirty-five thousand
34 dollars (\$35,000) of retirement allowance, as indexed, shall be multiplied by the percentage of

1 increase in the Consumer Price Index for all Urban Consumers (CPI-U) as published by the United
2 States Department of Labor Statistics determined as of September 30 of the prior calendar year or
3 three percent (3%), whichever is less, on the month following the anniversary date of each
4 succeeding year. For state employees eligible to retire as of September 30, 2009, or eligible upon
5 passage of this article, and for their beneficiaries, the provisions of this subsection (d) shall not
6 apply.

7 (e) All legislators and all beneficiaries of legislators who are receiving a retirement
8 allowance pursuant to the provisions of § 36-10-9.1 for a period of three (3) or more years, shall,
9 commencing January 1, 1982, receive a cost of living retirement adjustment, in addition to a
10 retirement allowance, in an amount equal to three percent (3%) of the original retirement allowance.
11 In each succeeding year thereafter during the month of January, the retirement allowance shall be
12 increased an additional three percent (3%) of the original retirement allowance, compounded
13 annually, to be continued during the lifetime of the legislator or beneficiary. For the purposes of
14 computation, credit shall be given for a full calendar year regardless of the effective date of the
15 service retirement allowance.

16 (f) The provisions of §§ 45-13-7 — 45-13-10 shall not apply to this section.

17 (g) This subsection (g) shall be effective for the period July 1, 2012, through June 30, 2015.

18 (1) Notwithstanding the prior paragraphs of this section, and subject to subsection (g)(2)
19 below, for all present and former employees, active and retired members, and beneficiaries
20 receiving any retirement, disability or death allowance or benefit of any kind, the annual benefit
21 adjustment provided in any calendar year under this section shall be equal to (A) multiplied by (B)
22 where (A) is equal to the percentage determined by subtracting five and one-half percent (5.5%)
23 (the “subtrahend”) from the Five-Year Average Investment Return of the retirement system
24 determined as of the last day of the plan year preceding the calendar year in which the adjustment
25 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
26 (0%), and (B) is equal to the lesser of the member’s retirement allowance or the first twenty-five
27 thousand dollars (\$25,000) of retirement allowance, such twenty-five thousand dollars (\$25,000)
28 amount to be indexed annually in the same percentage as determined under (g)(1)(A) above. The
29 “Five-Year Average Investment Return” shall mean the average of the investment returns of the
30 most recent five (5) plan years as determined by the retirement board. Subject to subsection (g)(2)
31 below, the benefit adjustment provided by this subsection (g)(1) shall commence upon the third
32 (3rd) anniversary of the date of retirement or the date on which the retiree reaches his or her Social
33 Security retirement age, whichever is later. In the event the retirement board adjusts the actuarially
34 assumed rate of return for the system, either upward or downward, the subtrahend shall be adjusted

1 either upward or downward in the same amount.

2 (2) Except as provided in subsection (g)(3), and on and after July 1, 2024, except for
3 employees retired prior to July 1, 2012, the benefit adjustments under this section for any plan year
4 shall be suspended in their entirety unless the Funded Ratio of the Employees' Retirement System
5 of Rhode Island, the Judicial Retirement Benefits Trust and the State Police Retirement Benefits
6 Trust, calculated by the system's actuary on an aggregate basis, exceeds eighty percent (80%) in
7 which event the benefit adjustment will be reinstated for all members for such plan year; provided,
8 however, on and after July 1, 2024, the benefit adjustment shall only be suspended for employees
9 and beneficiaries of employees retiring after July 1, 2012 when the system's actuary on an aggregate
10 basis is equal to or lesser than seventy-five percent (75%).

11 In determining whether a funding level under this subsection (g)(2) has been achieved, the
12 actuary shall calculate the funding percentage after taking into account the reinstatement of any
13 current or future benefit adjustment provided under this section.

14 (3) Notwithstanding subsection (g)(2), in each fifth plan year commencing after June 30,
15 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five
16 plan years, a benefit adjustment shall be calculated and made in accordance with subsection (g)(1)
17 above until the Funded Ratio of the Employees' Retirement System of Rhode Island, the Judicial
18 Retirement Benefits Trust and the State Police Retirement Benefits Trust, calculated by the
19 system's actuary on an aggregate basis, exceeds eighty percent (80%); provided, however, on and
20 after July 1, 2024, the benefit adjustment shall be made in accordance with subsection (g)(1) of this
21 section until the system's actuary on an aggregate basis exceeds seventy-five percent (75%).

22 (4) Notwithstanding any other provision of this chapter, the provisions of this subsection
23 (g) shall become effective July 1, 2012, and, on or after July 1, 2024, except for employees retired
24 prior to July 1, 2012, shall apply to any benefit adjustment not granted on or prior to June 30, 2012;
25 provided, however, on and after July 1, 2024, for any retirement disability or death allowance or
26 benefits of any kind, the annual benefit adjustment provided in any calendar year under this section
27 for state employees and beneficiaries shall not be subject to the provisions of subsection (g)(2) of
28 this section for any employee retired before July 1, 2012.

29 (h) This subsection (h) shall become effective July 1, 2015.

30 (1)(A) As soon as administratively reasonable following the enactment into law of this
31 subsection (h)(1)(A), a one-time benefit adjustment shall be provided to members and/or
32 beneficiaries of members who retired on or before June 30, 2012, in the amount of 2% of the lesser
33 of either the member's retirement allowance or the first twenty-five thousand dollars (\$25,000) of
34 the member's retirement allowance. This one-time benefit adjustment shall be provided without

1 regard to the retiree's age or number of years since retirement.

2 (B) Notwithstanding the prior subsections of this section, for all present and former
3 employees, active and retired members, and beneficiaries receiving any retirement, disability or
4 death allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year
5 under this section for adjustments on and after January 1, 2016, and subject to subsection (h)(2)
6 below, shall be equal to (I) multiplied by (II):

7 (I) Shall equal the sum of fifty percent (50%) of (i) plus fifty percent (50%) of (ii) where:

8 (i) Is equal to the percentage determined by subtracting five and one-half percent (5.5%)
9 (the "subtrahend") from the five-year average investment return of the retirement system
10 determined as of the last day of the plan year preceding the calendar year in which the adjustment
11 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
12 (0%). The "five-year average investment return" shall mean the average of the investment returns
13 of the most recent five (5) plan years as determined by the retirement board. In the event the
14 retirement board adjusts the actuarially assumed rate of return for the system, either upward or
15 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

16 (ii) Is equal to the lesser of three percent (3%) or the percentage increase in the Consumer
17 Price Index for all Urban Consumers (CPI-U) as published by the U.S. Department of Labor
18 Statistics determined as of September 30 of the prior calendar year. In no event shall the sum of (i)
19 plus (ii) exceed three and one-half percent (3.5%) or be less than zero percent (0%).

20 (II) Is equal to the lesser of either the member's retirement allowance or the first twenty-
21 five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount
22 to be indexed annually in the same percentage as determined under subsection (h)(1)(B)(I) above.

23 The benefit adjustments provided by this subsection (h)(1)(B) shall be provided to all
24 retirees entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect,
25 and for all other retirees the benefit adjustments shall commence upon the third anniversary of the
26 date of retirement or the date on which the retiree reaches his or her Social Security retirement age,
27 whichever is later.

28 (2) The benefit adjustments under subsection (h)(1)(B) for any plan year, except after July
29 1, 2024, for employees retired prior to July 1, 2012, shall be reduced to twenty-five percent (25%)
30 of the benefit adjustment unless the funded ratio of the employees' retirement system of Rhode
31 Island, the judicial retirement benefits trust and the state police retirement benefits trust, calculated
32 by the system's actuary on an aggregate basis, exceeds eighty percent (80%) in which event the
33 benefit adjustment will be reinstated for all members for such plan year; provided, however, on and
34 after July 1, 2024, the benefit adjustment shall only be suspended for employees and beneficiaries

1 [of employees retiring on or after July 1, 2012 when the system's actuary on an aggregate basis is](#)
2 [equal to or lesser than seventy-five percent \(75%\).](#)

3 In determining whether a funding level under this subsection (h)(2) has been achieved, the
4 actuary shall calculate the funding percentage after taking into account the reinstatement of any
5 current or future benefit adjustment provided under this section.

6 (3) Effective for members and/or beneficiaries of members who retired on or before June
7 30, 2015, the dollar amount in subsection (h)(1)(B)(II) of twenty-five thousand eight hundred and
8 fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six dollars
9 (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the judicial
10 retirement benefits trust and the state police retirement benefits trust, calculated by the system's
11 actuary on an aggregate basis, exceeds eighty percent (80%).

12 (i) Effective for members and/or beneficiaries of members who have retired on or before
13 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)
14 days following the enactment of the legislation implementing this provision, and a second one-time
15 stipend of five hundred dollars (\$500) in the same month of the following year. These stipends
16 shall be payable to all retired members or beneficiaries receiving a benefit as of the applicable
17 payment date and shall not be considered cost of living adjustments under the prior provisions of
18 this section.

19 **36-10-36. Post-retirement employment.**

20 (a) On and after July 7, 1994, no member who has retired under the provisions of title 16,
21 36, or 45 may be employed or reemployed by any state agency or department unless any and all
22 retirement benefits to which he or she may be entitled by virtue of the provisions of title 16, 36, or
23 45 are suspended for the duration of any employment or reemployment. No additional service
24 credits shall be granted for any post-retirement employment or reemployment and no deductions
25 shall be taken from an individual's salary for retirement contribution. Notice of any such post-
26 retirement employment or reemployment shall be sent monthly to the retirement board by the
27 employing agency or department and by the retired member.

28 (b) Any member who has retired under the provisions of title 16, 36, or 45 may be
29 employed or reemployed by any municipality within the state that has accepted the provisions of
30 chapter 21 of title 45 and participates in the municipal employees' retirement system for a period
31 of not more than seventy-five (75) working days or one hundred fifty (150) half days with half-day
32 pay in any one calendar year without any forfeiture or reduction of any retirement benefits and
33 allowances the member is receiving, or may receive, as a retired member. Pension payments shall
34 be suspended whenever this period is exceeded. No additional contributions shall be taken, and no

1 additional service credits shall be granted, for this service. Notice of this employment or
2 reemployment shall be sent monthly to the retirement board by the employer and by the retired
3 member.

4 (c) Any member who has retired under the provisions of title 16, 36, or 45 may be employed
5 or reemployed by any municipality within the state that has not accepted the provisions of chapter
6 21 of title 45 and that does not participate in the municipal employees' retirement system.

7 (d) Notwithstanding the provisions of this section:

8 (1) Any retired member of the system shall be permitted to serve as an elected mayor, the
9 town administrator, the city administrator, the town manager, the city manager, the chief
10 administrative officer, or the chief executive officer of any city or town, city or town council
11 member, school committee member, or unpaid member of any part-time state board or commission
12 or member of any part-time municipal board or commission, and shall continue to be eligible for,
13 and receive, the retirement allowance for service other than that as a mayor, administrator, council
14 member, school committee member, or member of any state board or commission or member of
15 any part-time municipal board or commission; provided, however, that no additional service credits
16 shall be granted for any service under this subsection;

17 (2) Any retired member, who retired from service at any state college, university, state
18 school, or who retired from service as a teacher under the provisions of title 16, or who retired from
19 service under title 36 or title 45, may be employed or reemployed, on a part-time basis, by any state
20 college, university, or state school for the purpose of providing classroom instruction, academic
21 advising of students, and/or coaching. Compensation shall be provided at a level not to exceed the
22 salary provided to other faculty members employed under a collective bargaining agreement at the
23 institution. In no event shall "part-time" mean gross pay of more than ~~eighteen thousand dollars~~
24 ~~(\$18,000)~~ twenty-five thousand dollars (\$25,000) in any one calendar year. Any retired member
25 who provides such instruction or service shall do so without forfeiture or reduction of any
26 retirement benefit or allowance; provided, however, that no additional service credits shall be
27 granted for any service under this subsection;

28 (3) Any retired member who retired from service as a teacher under the provisions of title
29 16, or as a state employee who, while an active state employee, was certified to teach driver
30 education by the department of elementary and secondary education or by the board of governors
31 for higher education, may be employed or reemployed, on a part-time basis, by the department of
32 elementary and secondary education or by the board of governors of higher education for the
33 purpose of providing classroom instruction in driver education courses in accordance with § 31-
34 10-19 and/or motorcycle driver education courses in accordance with § 31-10.1-1.1. In no event

1 shall “part-time” mean gross pay of more than fifteen thousand dollars (\$15,000) in any one
2 calendar year. Any retired teacher who provides that instruction shall do so without forfeiture or
3 reduction of any retirement benefit or allowance the retired teacher is receiving as a retired teacher;
4 provided, however, that no additional service credits shall be granted for any service under this
5 subsection;

6 (4) Any retired member who retired from service as a registered nurse may be employed
7 or reemployed, on a per-diem basis, for the purpose of providing professional nursing care and/or
8 services at a state-operated facility in Rhode Island, including employment as a faculty member of
9 a nursing program at a state-operated college or university. In no event shall “part-time” mean gross
10 pay of more than a period of seventy-five (75) working days or one hundred fifty (150) half days
11 with half pay in any one calendar year. Any retired nurse who provides such care and/or services
12 shall do so without forfeiture or reduction of any retirement benefit or allowance the retired nurse
13 is receiving as a retired nurse; provided, however, that no additional service credits shall be granted
14 for any service under this subsection. Pension payments shall be suspended whenever this period
15 is exceeded. No additional contributions shall be taken and no additional service credits shall be
16 granted for this service. Notice of this employment or reemployment shall be sent monthly to the
17 retirement board by the employer and by the retired member;

18 (5) Any retired member who, at the time of passage of this section, serves as a general
19 magistrate within the family court and thereafter retires from judicial service, may be employed or
20 reemployed by the family court to perform such services as a general magistrate of the family court
21 as the chief judge of the family court shall prescribe without any forfeiture or reduction of any
22 retirement benefits and allowances that he or she is receiving or may receive. For any such services
23 or assignments performed after retirement, the general magistrate shall receive no compensation
24 whatsoever, either monetary or in kind. No additional contributions shall be taken and no additional
25 service credits shall be granted for this service;

26 (6) Any retired district court clerk/magistrate or magistrate of the district court who shall
27 subsequently be assigned to perform service in accordance with § 8-8-8.1 or § 8-8-16.2(e), may be
28 employed or reemployed by the district court to perform such services as a magistrate as the chief
29 judge of the district court shall prescribe without any forfeiture or reduction of any retirement
30 benefits and allowance that he or she is receiving or may receive. For any such services or
31 assignment performed after retirement, the district court clerk/magistrate or magistrate shall
32 receive, in addition to his or her retirement pension, the difference in pay and fringe benefits
33 between his or her retirement pension, and that of a sitting magistrate of the district court with
34 comparable state service time. No additional contributions shall be taken and no additional service

1 credits shall be granted for this service; and

2 (7) Any retired member of the system shall be permitted to serve as a municipal employee
3 without any forfeiture or reduction of any retirement benefits and allowances that he or she is
4 receiving or may receive; provided, that said member shall be appointed by and serves at the
5 pleasure of the highest elected chief executive officer, as defined in § 45-9-2, in any city or town
6 subject to the provisions of chapter 9 of title 45 entitled "Budget Commissions" relating to the
7 appointment of a fiscal overseer, budget commission, receiver, and/or financial advisor. Provided
8 further, that no additional service credits shall be granted for any service under this subsection.

9 SECTION 4. Section 36-10.3-1 of the General Laws in Chapter 36-10.3 entitled "Defined
10 Contribution Retirement Plan" is hereby amended to read as follows:

11 **36-10.3-1. Definitions.**

12 As used in this chapter, the following terms, unless the context requires a different
13 interpretation, shall have the following meanings:

14 (1) "Compensation" means compensation as defined in § 36-8-1(8).

15 (2) "Employee" means an employee as defined in §§ 36-8-1(9) and 45-21-2(7) and a
16 teacher as defined in § 16-16-1(12), effective July 1, 2012; provided however, effective July 1,
17 2015, "employee" shall not include any employee with twenty (20) or more years of total service
18 as of June 30, 2012, in the employees retirement system under chapters 8 through 10 of title 36 or
19 chapter 16 of title 16 (ERS), or the municipal employees retirement system under chapter 21 of
20 title 45 (MERS); provided, however, effective January 1, 2025, "employee" shall not include
21 deputy sheriffs, capitol police officers, environmental police officers, juvenile program workers,
22 shift coordinators, firefighters, crew chiefs, assistant chiefs, fire investigators, fire safety inspectors,
23 fire safety training officers, explosives and flammable liquids technicians, and campus police
24 officers employed by the State of Rhode Island.

25 (3) "Employer" means the State of Rhode Island or the local municipality which employs
26 a member of the Employees Retirement System under chapters 8 through 10 of title 36 or chapter
27 16 of title 16 (ERS) or the Municipal Employees Retirement System under chapters 21 and 21.2 of
28 title 45 (MERS).

29 (4) "Plan" means the retirement plan established by this chapter.

30 (5) A "public safety member" shall mean a member of MERS who is a municipal fire
31 fighter or a municipal policeman or policewoman as defined in § 45-21.2-2 who does not participate
32 in Social Security under the Federal Old Age, Survivors, and Disability income program.

33 (6) "Regular member" means:

34 (i) An employee who is a member of ERS other than correctional officers as defined in §

1 36-10-9.2; or

2 (ii) An employee who is a member of MERS other than a public safety member.

3 (7) The “retirement board” or “board” shall mean the retirement board of the Employees
4 Retirement System of Rhode Island as defined in chapter 8 of this title. The retirement board shall
5 be the plan administrator and plan trustee and shall administer the plan in accordance with § 36-8-
6 4.1.

7 (8) “State investment commission” or “commission” means the state investment
8 commission as defined in § 35-10-1.

9 (9) “Supplemental employer” includes any employer that provides supplemental
10 contributions to the defined contribution retirement plan as provided in § 36-10.3-3.

11 (10) “Supplemental member” is defined in § 36-10.3-3.

12 SECTION 5. Sections 45-21-2 and 45-21-52 of the General Laws in Chapter 45-21 entitled
13 "Retirement of Municipal Employees" are hereby amended to read as follows:

14 **45-21-2. Definitions.**

15 The following words and phrases as used in this chapter have the following meanings
16 unless a different meaning is plainly required by the context:

17 (1) “Accumulated contributions” means the sum of all amounts deducted from the
18 compensation of a member and credited to his or her individual account in the members’
19 contribution reserve account.

20 (2) “Active member” means any employee of a participating municipality as defined in this
21 section for whom the retirement system is currently receiving regular contributions pursuant to §§
22 45-21-41, 45-21-41.1 or 45-21.2-14.

23 (3) “Actuarial reserve” means the present value of all payments to be made on account of
24 any annuity, retirement allowance, or benefit, computed upon the basis of mortality tables adopted
25 by the retirement board with regular interest.

26 (4) “Beneficiary” means any person in receipt of a retirement allowance, annuity, or other
27 benefit as provided by this chapter.

28 (5) For purposes of this chapter, “domestic partner” shall be defined as a person who, prior
29 to the decedent’s death, was in an exclusive, intimate and committed relationship with the decedent,
30 and who certifies by affidavit that their relationship met the following qualifications:

31 (i) Both partners were at least eighteen (18) years of age and were mentally competent to
32 contract;

33 (ii) Neither partner was married to anyone else;

34 (iii) Partners were not related by blood to a degree which would prohibit marriage in the

1 state of Rhode Island;

2 (iv) Partners resided together and had resided together for at least one year at the time of
3 death; and

4 (v) Partners were financially interdependent as evidenced by at least two (2) of the
5 following:

6 (A) Domestic partnership agreement or relationship contract;

7 (B) Joint mortgage or joint ownership of primary residence;

8 (C) Two (2) of: (I) Joint ownership of motor vehicle; (II) Joint checking account; (III) Joint
9 credit account; (IV) Joint lease; and/or

10 (D) The domestic partner had been designated as a beneficiary for the decedent's will,
11 retirement contract or life insurance.

12 (6) "Effective date of participation" means the date on which the provisions of this chapter
13 have become applicable to a municipality accepting the provisions of the chapter in the manner
14 stated in § 45-21-4.

15 (7) "Employee" means any regular and permanent employee or officer of any municipality,
16 whose business time at a minimum of twenty (20) hours a week is devoted to the service of the
17 municipality, including elective officials and officials and employees of city and town housing
18 authorities. Notwithstanding the previous sentence, the term "employee," for the purposes of this
19 chapter, does not include any person whose duties are of a casual or seasonal nature. The retirement
20 board shall decide who are employees within the meaning of this chapter, but in no case shall it
21 deem as an employee any individual who annually devotes less than twenty (20) business hours per
22 week to the service of the municipality and who receives less than the equivalent of minimum wage
23 compensation on an hourly basis for his or her services, except as provided in § 45-21-14.1. Casual
24 employees mean those persons hired for an occasional period or a period of emergency to perform
25 special jobs or functions not necessarily related to the work of regular employees. Any
26 commissioner of a municipal housing authority, or any member of a part-time state board
27 commission, committee or other authority is not deemed to be an employee within the meaning of
28 this chapter.

29 (8)(a) "Final compensation" for members who are eligible to retire on or prior to June 30,
30 2012, means the average annual compensation, pay, or salary of a member for services rendered
31 during the period of three (3) consecutive years within the total service of the member when the
32 average was highest, and as the term average annual compensation is further defined in § 36-8-
33 1(5)(a). For members eligible to retire on or after July 1, 2012, [and who do retire prior to July 1,](#)
34 [2024.](#) "final compensation" means the average of the highest five (5) consecutive years of

1 compensation within the total service when the final compensation was the highest. For members
2 eligible to and who retire on or after July 1, 2024, "final compensation" means the average of the
3 highest three (3) consecutive years of compensation within the total service when the final
4 compensation was the highest.

5 (b) For members who become eligible to retire on or after July 1, 2012, if more than one
6 half (½) of the member's total years of service consist of years of service during which the member
7 devoted less than thirty (30) business hours per week to the service of the municipality, but the
8 member's average compensation consists of three (3) or more years during which the member
9 devoted more than thirty (30) business hours per week to the service of a municipality, such
10 member's average compensation shall mean the average of the highest ten (10) consecutive years
11 of compensation within the total service when the average compensation was the highest; provided
12 however, effective July 1, 2015, if such member's average compensation as defined in subsection
13 (a) above is equal to or less than thirty-five thousand dollars (\$35,000), such amount to be indexed
14 annually in accordance with § 45-21-52(d)(1)(B), such member's average compensation shall
15 mean the greater of: (i) The average of the highest ten (10) consecutive years of compensation
16 within the total service when the average compensation was the highest; or (ii) The member's
17 average compensation as defined in subsection (a) above. To protect a member's accrued benefit
18 on June 30, 2012, under this subsection (8)(b), in no event shall a member's average compensation
19 be lower than his or her average compensation determined as of June 30, 2012.

20 Notwithstanding the preceding provisions, in no event shall a member's final compensation
21 be lower than his or her final compensation determined as of June 30, 2012.

22 (9) "Fiscal year" means the period beginning on July 1 in any year and ending on June 30
23 of the next succeeding year.

24 (10) "Full actuarial costs" or "full actuarial value" mean the lump sum payable by a
25 member claiming service credit for certain employment for which payment is required, which is
26 determined according to the age of the member and his or her annual rate of compensation at the
27 time he or she applies for service credit, and which is expressed as a rate percent of the annual rate
28 of compensation to be multiplied by the number of years for which he or she claims the service
29 credit, as prescribed in a schedule adopted by the retirement board, from time to time, on the basis
30 of computation by the actuary. Except as provided in §§ 16-16-7.1, 36-5-3, 36-9-31, 36-10-10.4,
31 and 45-21-53: (i) All service credit purchases requested after June 16, 2009, and prior to July 1,
32 2012, shall be at full actuarial value; and (ii) All service credit purchases requested after June 30,
33 2012, shall be at full actuarial value which shall be determined using the system's assumed
34 investment rate of return minus one percent (1%).

1 (11) "Governing body" means any and all bodies empowered to appropriate monies for,
2 and administer the operation of, the units as defined in subdivision (1) of this section.

3 (12) "Member" means any person included in the membership of the retirement system as
4 provided in § 45-21-8.

5 (13) "Municipality" means any town or city in the state of Rhode Island, any city or town
6 housing authority, fire, water, sewer district, regional school district, public building authority as
7 established by chapter 14 of title 37, or any other municipal financed agency to which the retirement
8 board has approved admission in the retirement system.

9 (14) "Participating municipality" means any municipality which has accepted this chapter,
10 as provided in § 45-21-4.

11 (15) "Prior service" means service as a member rendered before the effective date of
12 participation as defined in this section, certified on his or her prior service certificate, and allowable
13 as provided in § 45-21-15.

14 (16) "Regular interest" means interest at the assumed investment rate of return,
15 compounded annually, as may be prescribed from time to time by the retirement board.

16 (17) "Retirement allowance" or "annuity" means the amounts paid to any member of the
17 municipal employees' retirement system of the state of Rhode Island, or a survivor of the member,
18 as provided in this chapter. All retirement allowances or annuities shall be paid in equal monthly
19 installments for life, unless otherwise specifically provided.

20 (18) "Retirement board" or "board" means the state retirement board created by chapter 8
21 of title 36.

22 (19) "Retirement system" means the "municipal employees' retirement system of the state
23 of Rhode Island" as defined in § 45-21-32.

24 (20) "Service" means service as an employee of a municipality of the state of Rhode Island
25 as defined in subdivision (7).

26 (21) "Total service" means prior service as defined in subdivision (15) plus service
27 rendered as a member on or after the effective date of participation.

28 (22) Any term not specifically defined in this chapter and specifically defined in chapters
29 8 through 10 of title 36 shall have the same definition as set forth in chapters 8 through 10 of title
30 36.

31 **45-21-52. Automatic increase in service retirement allowance.**

32 (a) The local legislative bodies of the cities and towns may extend to their respective
33 employees automatic adjustment increases in their service retirement allowances, by a resolution
34 accepting any of the plans described in this section:

1 (1) **Plan A.** All employees and beneficiaries of those employees receiving a service
2 retirement or disability retirement allowance under the provisions of this chapter on December 31
3 of the year their city or town accepts this section, receive a cost of living adjustment equal to one
4 and one-half percent (1.5%) per year of the original retirement allowance, not compounded, for
5 each calendar year the retirement allowance has been in effect. This cost of living adjustment is
6 added to the amount of the retirement allowance as of January 1 following acceptance of this
7 provision, and an additional one and one-half percent (1.5%) is added to the original retirement
8 allowance in each succeeding year during the month of January, and provided, further, that this
9 additional cost of living increase is three percent (3%) for the year beginning January 1 of the year
10 the plan is accepted and each succeeding year.

11 (2) **Plan B.** All employees and beneficiaries of those employees receiving a retirement
12 allowance under the provisions of this chapter on December 31 of the year their municipality
13 accepts this section, receive a cost of living adjustment equal to three percent (3%) of their original
14 retirement allowance. This adjustment is added to the amount of the retirement allowance as of
15 January 1 following acceptance of this provision, and an additional three percent (3%) of the
16 original retirement allowance, not compounded, is payable in each succeeding year in the month
17 of January.

18 (3) **Plan C.** All employees and beneficiaries of those employees who retire on or after
19 January 1 of the year following acceptance of this section, on the first day of January next following
20 the date of the retirement, receive a cost of living adjustment in an amount equal to three percent
21 (3%) of the original retirement allowance.

22 (b) In each succeeding year in the month of January, the retirement allowance is increased
23 an additional three percent (3%) of the original retirement allowance, not compounded.

24 (c) This subsection (c) shall be effective for the period July 1, 2012, through June 30, 2015.

25 (1) Notwithstanding any other subsections of this section, and subject to subsection (c)(2)
26 below, for all present and former employees, active and retired members, and beneficiaries
27 receiving any retirement, disability or death allowance or benefit of any kind by reason of adoption
28 of this section by their employer, the annual benefit adjustment provided in any calendar year under
29 this section shall be equal to (A) multiplied by (B) where (A) is equal to the percentage determined
30 by subtracting five and one-half percent (5.5%) (the “subtrahend”) from the Five-Year Average
31 Investment Return of the retirement system determined as of the last day of the plan year preceding
32 the calendar year in which the adjustment is granted, said percentage not to exceed four percent
33 (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser of the member’s
34 retirement allowance or the first twenty-five thousand dollars (\$25,000) of retirement allowance,

1 such twenty-five thousand dollars (\$25,000) amount to be indexed annually in the same percentage
2 as determined under (c)(1)(A) above. The “Five-Year Average Investment Return” shall mean the
3 average of the investment returns of the most recent five (5) plan years as determined by the
4 retirement board. Subject to subsection (c)(2) below, the benefit adjustment provided by this
5 subsection (c)(1) shall commence upon the third (3rd) anniversary of the date of retirement or the
6 date on which the retiree reaches his or her Social Security retirement age, whichever is later; or
7 for municipal police and fire retiring under the provisions of chapter 21.2 of this title, the benefit
8 adjustment provided by this subsection (c)(1) shall commence on the later of the third (3rd)
9 anniversary of the date of retirement or the date on which the retiree reaches age fifty-five (55). In
10 the event the retirement board adjusts the actuarially assumed rate of return for the system, either
11 upward or downward, the subtrahend shall be adjusted either upward or downward in the same
12 amount.

13 (2) Except as provided in subsection (c)(3) and on and after July 1, 2024, except for
14 employees retired prior to July 1, 2012, the benefit adjustments provided under this section for any
15 plan year shall be reduced to twenty-five percent (25%) of the benefit adjustment for each
16 municipal plan within the municipal employees retirement system unless the municipal plan is
17 determined to be funded at a Funded Ratio equal to or greater than eighty percent (80%) as of the
18 end of the immediately preceding plan year in accordance with the retirement system’s actuarial
19 valuation report as prepared by the system’s actuary, in which event the benefit adjustment will be
20 reinstated for all members for such plan year; provided, however, on and after July 1, 2024, the
21 benefit adjustment shall only be suspended for employees retiring on or after July 1, 2012 when
22 the system's actuary on an aggregate basis is equal to or lesser than seventy-five percent (75%).

23 In determining whether a funding level under this subsection (c)(2) has been achieved, the
24 actuary shall calculate the funding percentage after taking into account the reinstatement of any
25 current or future benefit adjustment provided under this section.

26 (3) Notwithstanding subsection (c)(2), for each municipal plan that has a Funded Ratio of
27 less than eighty percent (80%) as of June 30, 2012, in each fifth plan year commencing after June
28 30, 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of
29 five (5) plan years, a benefit adjustment shall be calculated and made in accordance with subsection
30 (c)(1) above until the municipal plan’s Funded Ratio exceeds eighty percent (80%); provided,
31 however, on and after July 1, 2024, a benefit adjustment shall only be calculated and made in
32 accordance with subsection (c)(1) of this section only for employees retired on or after July 1, 2012,
33 and only if the municipal plan's funded ratio is equal to or lesser than seventy-five percent (75%).

34 (d) This subsection (d) shall become effective July 1, 2015.

1 (1)(A) As soon as administratively reasonable following the enactment into law of this
2 subsection (d)(1)(A), a one-time benefit adjustment shall be provided to members and/or
3 beneficiaries of members who retired on or before June 30, 2012, in the amount of two percent
4 (2%) of the lesser of either the employee's retirement allowance or the first twenty-five thousand
5 dollars (\$25,000) of the member's retirement allowance. This one-time benefit adjustment shall be
6 provided without regard to the retiree's age or number of years since retirement.

7 (B) Notwithstanding the prior subsections of this section, for all present and former
8 employees, active and retired employees, and beneficiaries receiving any retirement, disability or
9 death allowance or benefit of any kind by reason of adoption of this section by their employer, the
10 annual benefit adjustment provided in any calendar year under this section for adjustments on and
11 after January 1, 2016, and subject to subsection (d)(2) below, shall be equal to (I) multiplied by
12 (II):

13 (I) shall equal the sum of fifty percent (50%) of (i) plus fifty percent (50%) of (ii) where:

14 (i) is equal to the percentage determined by subtracting five and one-half percent (5.5%)
15 (the "subtrahend") from the five-year average investment return of the retirement system
16 determined as of the last day of the plan year preceding the calendar year in which the adjustment
17 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
18 (0%). The "five-year average investment return" shall mean the average of the investment returns
19 of the most recent five (5) plan years as determined by the retirement board. In the event the
20 retirement board adjusts the actuarially assumed rate of return for the system, either upward or
21 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

22 (ii) is equal to the lesser of three percent (3%) or the percentage increase in the Consumer
23 Price Index for all Urban Consumers (CPI-U) as published by the U.S. Department of Labor
24 Statistics determined as of September 30 of the prior calendar year.

25 In no event shall the sum of (i) plus (ii) exceed three and one-half percent (3.5%) or be less
26 than zero percent (0%).

27 (II) is equal to the lesser of either the member's retirement allowance or the first twenty-
28 five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount
29 to be indexed annually in the same percentage as determined under (d)(1)(B)(I) above.

30 The benefit adjustments provided by this subsection (d)(1)(B) shall be provided to all
31 retirees entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect,
32 and for all other retirees the benefit adjustments shall commence upon the third anniversary of the
33 date of retirement or the date on which the retiree reaches his or her Social Security retirement age,
34 whichever is later; or for municipal police and fire retiring under the provisions of § 45-21.2-

1 5(b)(1)(A), the benefit adjustment provided by this subsection (d)(1)(B) shall commence on the
2 later of the third anniversary of the date of retirement or the date on which the retiree reaches age
3 fifty-five (55); or for municipal police and fire retiring under the provisions of § 45-21.2-5(b)(1)(B),
4 the benefit adjustment provided by this subsection (d)(1)(B) shall commence on the later of the
5 third anniversary of the date of retirement or the date on which the retiree reaches age fifty (50).

6 (2) The benefit adjustments under subsection (d)(1)(B) for any plan year shall be reduced
7 to twenty-five percent (25%) of the benefit adjustment for each municipal plan within the municipal
8 employees retirement system unless the municipal plan is determined to be funded at a funded ratio
9 equal to or greater than eighty percent (80%) as of the end of the immediately preceding plan year
10 in accordance with the retirement system's actuarial valuation report as prepared by the system's
11 actuary, in which event the benefit adjustment will be reinstated for all members for such plan year.

12 In determining whether a funding level under this subsection (d)(2) has been achieved, the
13 actuary shall calculate the funding percentage after taking into account the reinstatement of any
14 current or future benefit adjustment provided under this section.

15 (3) On and after July 1, 2024, effective ~~Effective~~ for members and/or beneficiaries of
16 members who retired on or after July 1, 2012, and before June 30, 2015, the dollar amount in
17 (d)(1)(B)(II) of twenty-five thousand eight hundred and fifty-five dollars (\$25,855) shall be
18 replaced with thirty-one thousand and twenty-six dollars (\$31,026) until the municipal plan's
19 funded ratio exceeds eighty percent (80%); provided, however, on and after July 1, 2024, the dollar
20 amount in subsection (d)(1)(B)(II) of this section shall only be replaced until the municipal plan's
21 funded ratio exceeds seventy-five percent (75%).

22 (e) Upon acceptance of any of the plans in this section, each employee shall on January 1
23 next succeeding the acceptance, contribute by means of salary deductions, pursuant to § 45-21-41,
24 one percent (1%) of the employee's compensation concurrently with and in addition to
25 contributions otherwise being made to the retirement system.

26 (f) The city or town shall make any additional contributions to the system, pursuant to the
27 terms of § 45-21-42, for the payment of any benefits provided by this section.

28 (g) The East Greenwich town council shall be allowed to accept Plan C of subsection (a)(3)
29 of this section for all employees of the town of East Greenwich who either, pursuant to contract
30 negotiations, bargain for Plan C, or who are non-union employees who are provided with Plan C
31 and who shall all collectively be referred to as the "Municipal-COLA Group" and shall be separate
32 from all other employees of the town and school department, union or non-union, who are in the
33 same pension group but have not been granted Plan C benefits. Upon acceptance by the town
34 council, benefits in accordance with this section shall be available to all such employees who retire

1 on or after January 1, 2003.

2 (h) Effective for members and/or beneficiaries of members who have retired on or before
3 July 1, 2015, and without regard to whether the retired member or beneficiary is receiving a benefit
4 adjustment under this section, a one-time stipend of five hundred dollars (\$500) shall be payable
5 within sixty (60) days following the enactment of the legislation implementing this provision, and
6 a second one-time stipend of five hundred dollars (\$500) in the same month of the following year.
7 These stipends shall not be considered cost of living adjustments under the prior provisions of this
8 section.

9 SECTION 6. This article shall take effect upon passage.