LC001014

2025 -- S 0093

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

AN ACT

RELATING TO TOWNS AND CITIES -- OPTIONAL RETIREMENT FOR MEMBERS OF POLICE FORCE AND FIREFIGHTERS

<u>Introduced By:</u> Senators Ciccone, Burke, LaMountain, and Dimitri <u>Date Introduced:</u> January 31, 2025 Referred To: Senate Finance

It is enacted by the General Assembly as follows:

SECTION 1. Sections 45-21.2-2 and 45-21.2-5 of the General Laws in Chapter 45-21.2
 entitled "Optional Retirement for Members of Police Force and Firefighters" are hereby amended
 to read as follows:

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45-21.2-2. Definitions.

5 As used in this chapter, the words defined in § 45-21-2 have the same meanings stated in that section except that "employee" means any regular and permanent police official or officer and 6 7 any regular and permanent fire fighter. The retirement board shall determine who are employees 8 within the meaning of this chapter; and "final compensation" means for members who retire on or prior to June 30, 2012, the average annual compensation, pay, or salary of a member for services 9 10 rendered during the period of three (3) consecutive years within the total service of the member 11 when that average was highest. Effective on and after July 1, 2012 2025, "final compensation" 12 means the average annual compensation of a member for services rendered during the period of the 13 highest five (5) three (3) consecutive years within the total service of the member, and 14 compensation shall be defined in accordance with § 36-8-1(8). For members eligible to and who 15 retire on or after July 1, 2024, "final compensation" means the average of the highest three (3) 16 consecutive years of compensation within the total service when the final compensation was the highest. Notwithstanding the prior sentence, in no event shall a member's final compensation be 17 18 less than the member's final compensation on or before June 30, 2012.

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45-21.2-5. Retirement on service allowance.

2 (a) Retirement of a member on a service retirement allowance for members eligible to retire
3 on or before June 30, 2012, shall be made, subject to paragraph (a)(11) below, by the retirement
4 board as follows:

(1) Any member who has attained or attains age seventy (70) shall be retired as stated in §
45-21-16 subject to the discretions contained in that section; provided, that any member who is a
member of the Woonsocket fire department who has attained or attains an age of sixty-five (65)
years shall be retired. Retirement occurs on the first day of the next succeeding calendar month in
which the member has attained the age of sixty-five (65) years.

10 (2) Any member may retire pursuant to this subdivision upon written application to the 11 board stating at what time the member desires to retire; provided, that the member at the specified 12 time for retirement has attained an age of fifty-five (55) years and has completed at least ten (10) 13 years of total service, and notwithstanding that the member may have separated from service.

14 (3) Any member may retire pursuant to this subdivision upon written application to the 15 board stating at what time the member desires to retire; provided, that the member at the specified 16 time for retirement has completed at least twenty-five (25) years of total service, and 17 notwithstanding that the member may have separated from service.

18 (4) Any member may retire pursuant to this subdivision upon written application to the 19 board stating at what time the member desires to retire; provided, that the member at the specified 20 time for retirement has attained an age of fifty (50) years and has completed at least twenty (20) 21 years of total service, notwithstanding that the member may have separated from service; provided, 22 that the service retirement allowance, as determined according to the formula provided in § 45-21.2-6, is reduced one-half of one percent ($^{1}/_{2}$ %) for each month that the age of the member is less 24 than fifty-five (55) years.

(5) Any member of the South Kingstown police department may retire pursuant to this
subdivision upon written application to the board stating at what time the member desires to retire;
provided, that the member at the specified time for retirement has earned a service retirement
allowance of fifty percent (50%) of final compensation pursuant to § 45-21.2-6.1.

(6) Any member of the Johnston police department may retire pursuant to this subdivision
upon written application to the board stating at what time the member desires to retire; provided,
that the member at the specified time for retirement has earned a service retirement allowance of
fifty percent (50%) of final compensation pursuant to § 45-21.2-6.2.

33 (7) Any member of the Cranston fire department hired after July 1, 1995, or any member
34 of the Cranston fire department with five (5) years or less of service effective July 1, 1995, may

1 retire pursuant to this subdivision upon written application to the board stating at what time the 2 member desires to retire; provided, that the member at the specified time for retirement has earned a service retirement allowance of fifty percent (50%) of final compensation for at least twenty (20) 3 years service; final compensation for Cranston fire department members is based on the 4 5 compensation components of weekly salary, longevity and holidays with longevity of the members 6 highest year of earnings and members shall receive a three percent (3%) escalation of their pension 7 payment compounded each year on January 1st following the year of retirement and continuing on 8 an annual basis on that date; further, any illness or injury not covered in title 45 relating to the 9 presumption of disability is governed by the collective bargaining agreement between the City of 10 Cranston and members of the Cranston fire department.

11 (8) Any member of the Cranston police department hired after July 1, 1995, or any member 12 of the Cranston police department with five (5) years or less of service effective July 1, 1995, may 13 retire pursuant to this subdivision upon written application to the board stating at what time the 14 member desires to retire; provided, that the member at the specified time for retirement has earned 15 a service retirement allowance of fifty percent (50%) of final compensation for at least twenty (20) 16 years service; final compensation for Cranston police department members is based on the 17 compensation components of weekly salary, longevity and holidays with longevity of the members highest year of earnings and members shall receive a three percent (3%) escalation of their pension 18 19 payment compounded each year on January 1st following the year of retirement and continuing on 20 an annual basis on that date; further, any illness or injury not covered in title 45 relating to the 21 presumption of disability is governed by the collective bargaining agreement between the City of 22 Cranston and members of the Cranston police department.

23 (9) Any member of the Hopkinton police department may retire pursuant to this subdivision 24 upon written application to the board stating at what time the member desires to retire; provided, 25 that the member at the specified time for retirement has earned a service retirement allowance of 26 fifty percent (50%) of final compensation for at least twenty (20) years service; final compensation 27 for Hopkinton police department members is based on the compensation components of weekly 28 salary, longevity and holidays with longevity of the members highest year of earnings and members 29 shall receive a three percent (3%) escalation of their pension payment compounded each year on 30 January 1st following the year of retirement and continuing on an annual basis on that date.

31 (10) Any member of the Richmond police department may retire pursuant to this 32 subdivision upon written application to the board stating at what time the member desires to retire; 33 provided, that the member at the specified time for retirement has earned a service retirement 34 allowance of fifty percent (50%) of final compensation for at least twenty-two (22) years' service 1 pursuant to § 45-21.2-6.3.

(11) Notwithstanding any provision in this section to the contrary, for any service on or
after July 1, 2012, final compensation shall be defined in accordance with § 45-21.2-2, and no
benefit adjustments shall be provided except as set forth in § 45-21-52(c).

(12) Notwithstanding any provisions of this section to the contrary, with respect to police
officers employed by the town of Johnston, only those police officers hired on or after July 1, 2010,
shall be eligible to be members of the Municipal Employees' Retirement System of the state of
Rhode Island in accordance with this chapter.

9 (b) Retirement of a member on a service retirement allowance eligible to retire on and after
10 July 1, 2012, shall be made by the retirement board as follows:

(1) Any member may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement attained the age of at least fifty-five (55) years and has completed at least twenty-five (25) years of total service, and notwithstanding that the member may have separated from service; or

(2) Effective July 1, 2015, the member makes contributions to the plan effective July 1,
2015, in accordance with § 45-21.2-14, and (i) The member at the specified time for retirement
attained the age of at least fifty (50) years and has completed at least twenty-five (25) years of total
service; or (ii) The member has completed at least twenty-seven (27) years of total service
regardless of the member's attained age, and notwithstanding that the member may have separated
from service; or (iii) Effective as of July 1, 2025, the member has attained the age of at least fiftyseven (57) years and has completed at least twenty (20) years of total service.

(3) Any member with contributory service on or after July 1, 2012, who has completed at
least five (5) years of contributory service but who has not completed twenty-five (25) years of
service, shall be eligible to retire upon the attainment of the member's Social Security retirement
age.

(4) If a member had ten (10) or more years of contributory service and attained age fortyfive (45) prior to July 1, 2012, and would have been eligible to retire at or prior to age fifty-two
(52) in accordance with the rules in effect prior to July 1, 2012, the member may retire upon
attainment of age fifty-two (52).

(5) Effective July 1, 2015, a member who has completed twenty (20) or more years of total
service who has attained an age within five (5) years of the eligible retirement age under
subparagraphs (b)(1) or (b)(2) or (b)(3) or (b)(4) above, may elect to retire provided that the
retirement allowance shall be reduced actuarially for each month that the age of the member is less

1	than the eligible retirement	age under s	subnaragranhs	(h)(1) or	(h)(2) or	(b)(3) or $(b)(4)$ above in
1	than the engible retirement	age under s	subparagraphs		(U)(2) U	(0)(3) 01 (0)(4) above m

2	accordance with	the following	table:
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3	Year Preceding Retirement	Cumulative Annual Reduction	Cumulative	Monthly		
4	Reduction					
5	For Year 1	9%		.75%		
6	For Year 2	8%		.667%		
7	For Year 3	7%		.583%		
8	For Year 4	7%		.583%		
9	For Year 5	7%		.583%		
10	(6) Notwithstanding any other provisions of this section, a member on June 30, 2012, may					
11	elect to retire at his or her eligible retirement date as determined under the rules in effect on June					
12	30, 2012, provided that a member making an election under this paragraph shall receive the					
13	member's retirement benefit determined and calculated based on the member's service and final					

- 14 compensation as of June 30, 2012. This provision shall be interpreted and administered in a manner
- 15 to protect a member's accrued benefit on June 30, 2012.
- 16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO TOWNS AND CITIES -- OPTIONAL RETIREMENT FOR MEMBERS OF POLICE FORCE AND FIREFIGHTERS

This act, effective July 1, 2025, would require that "final compensation" for purposes of
calculating police and firefighter's retirement benefits, be based on the employee's highest three (3)
consecutive years compensation, rather than the current five (5) years and would permit police and
firefighters to retire, if they have attained the age of at least fifty-seven (57) years and have
completed at least twenty (20) years of total service.
This act would take effect upon passage.

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