

2024 -- H 7241

LC004080

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

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

Introduced By: Representatives Edwards, Kennedy, Cortvriend, Messier, Fellela,
Solomon, Finkelman, Ackerman, and Bennett

Date Introduced: January 19, 2024

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 45-21.2-2, 45-21.2-5 and 45-21.2-6 of the General Laws in Chapter
2 45-21.2 entitled "Optional Retirement for Members of Police Force and Firefighters" are hereby
3 amended to read as follows:

4 **45-21.2-2. Definitions.**

5 As used in this chapter, the words defined in § 45-21-2 have the same meanings stated in
6 that section except that "employee" means any regular and permanent police official or officer and
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
9 prior to June 30, 2012, the average annual compensation, pay or salary of a member for services
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~~ 2024, "final compensation"
12 means the ~~average~~ highest annual compensation of a member for services rendered ~~during the~~
13 ~~period of the highest five (5) consecutive years~~ within the total service of the member, and
14 compensation shall be defined in accordance with § 36-8-1(8). ~~Notwithstanding the prior sentence,~~
15 ~~in no event shall a member's final compensation be less than the member's final compensation on~~
16 ~~or before June 30, 2012.~~

17 **45-21.2-5. Retirement on service allowance.**

18 (a) Retirement of a member on a service retirement allowance for members eligible to retire

1 on or before June 30, 2012, shall be made, subject to paragraph (a)(11) below, by the retirement
2 board as follows:

3 (1) Any member who has attained or attains age seventy (70) shall be retired as stated in §
4 45-21-16 subject to the discretions contained in that section; provided, that any member who is a
5 member of the Woonsocket fire department who has attained or attains an age of sixty-five (65)
6 years shall be retired. Retirement occurs on the first day of the next succeeding calendar month in
7 which the member has attained the age of sixty-five (65) years.

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

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

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

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

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

31 (7) Any member of the Cranston fire department hired after July 1, 1995, or any member
32 of the Cranston fire department with five (5) years or less of service effective July 1, 1995, may
33 retire pursuant to this subdivision upon written application to the board stating at what time the
34 member desires to retire; provided, that the member at the specified time for retirement has earned

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

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

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

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

34 (11) Notwithstanding any provision in this section to the contrary, for any service on or

1 after July 1, 2012, final compensation shall be defined in accordance with § 45-21.2-2, and no
2 benefit adjustments shall be provided except as set forth in § 45-21-52(c).

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

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

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

14 (2) Effective July 1, 2015, the member makes contributions to the plan effective July 1,
15 2015, in accordance with § 45-21.2-14, and (i) The member at the specified time for retirement
16 attained the age of at least fifty (50) years and has completed at least twenty-five (25) years of total
17 service; or (ii) The member has completed at least twenty-seven (27) years of total service
18 regardless of the member's attained age, and notwithstanding that the member may have separated
19 from service; or (iii) Effective as of July 1, 2024, the member has attained the age of at least fifty-
20 seven (57) years and has completed at least twenty (20) years of total service.

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

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

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

1	Year Preceding Retirement	Cumulative Annual	Cumulative Monthly
2		Reduction	Reduction
3	For Year 1	9% <u>3%</u>	.75% <u>.25%</u>
4	For Year 2	8% <u>3%</u>	.667% <u>.25%</u>
5	For Year 3	7% <u>3%</u>	.583% <u>.25%</u>
6	For Year 4	7% <u>3%</u>	.583% <u>.25%</u>
7	For Year 5	7% <u>3%</u>	.583% <u>.25%</u>

8 (6) Notwithstanding any other provisions of this section, a member on June 30, 2012, may
9 elect to retire at his or her eligible retirement date as determined under the rules in effect on June
10 30, 2012, provided that a member making an election under this paragraph shall receive the
11 member's retirement benefit determined and calculated based on the member's service and final
12 compensation as of June 30, 2012. This provision shall be interpreted and administered in a manner
13 to protect a member's accrued benefit on June 30, 2012.

14 **45-21.2-6. Service retirement allowance.**

15 (a)(1) Upon retirement from service pursuant to § 45-21.2-5, a member receives a
16 retirement allowance which is a life annuity terminable at the death of the annuitant and shall be an
17 amount equal to two percent (2%) of final compensation multiplied by the years of total service,
18 provided that a member who retires upon the attainment of age of fifty-seven (57) years and has
19 completed at least thirty (30) years of total service shall receive a retirement allowance which is a
20 life annuity terminable at the death of the annuitant and shall be an amount equal to the greater of:
21 (i) Two and one quarter percent (2.25%) of final compensation multiplied by total years of service;
22 or (ii) The member's accrued benefit determined as of June 30, 2012, plus two and one quarter
23 percent (2.25%) of final compensation multiplied by member's years of service after June 30, 2012;
24 provided further that the life annuity under this subsection (a) shall not exceed seventy-five percent
25 (75%) of final compensation.

26 (2) Notwithstanding the provisions of subsection (a)(1) of this section, commencing on
27 July 1, 2024, all members, regardless of age or years of service, shall receive a retirement allowance
28 which is a life annuity terminable at the death of the annuitant and shall be equal to the member's
29 accrued benefit determined pursuant to the provisions of subsection (a)(1) of this section as of June
30 30, 2024, plus two and one half percent (2.5%) of the final compensation multiplied by the years
31 of service after June 30, 2024. Provided, however, a member who retires upon attaining the age of
32 fifty-seven (57) years and has completed at least thirty (30) years of total service, shall retain the
33 same retirement allowance as calculated pursuant to the provisions of subsection (a)(1) of this
34 section for the period of July 1, 2012 through June 30, 2024 and then be credited for two and one

1 [half percent \(2.5%\) per year for services rendered after June 30, 2024.](#)

2 (b) Upon retirement, the member may elect to receive the actuarial equivalent of his or her
3 retirement allowance in a lesser retirement allowance as determined by actuarial calculation, which
4 is payable throughout life with the provision that:

5 (1) Option 1. A reduced retirement allowance payable during the member's life with the
6 provisions that after his or her death it shall continue during the life of and be paid to the person
7 that he or she nominated by written designation duly acknowledged and filed with the retirement
8 board at the time of retirement; or

9 (2) Option 2. A reduced retirement allowance payable during the member's life with the
10 provision that after his or her death an allowance equal to one-half (1/2) of his or her reduced
11 allowance shall continue during the life of and be paid to the person that he or she nominated by
12 written designation duly acknowledged and filed with the board at the time of retirement.

13 (c) If prior to July 1, 2012, a member elected an optional form of benefit other than a life
14 annuity in accordance with paragraph (b)(1) or (2) above, the member may elect to change his or
15 her form of benefit to a life annuity by filing an election with the retirement board on or before
16 June 30, 2013, provided that the member's beneficiary is still alive at the time the election is filed.

17 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TOWNS AND CITIES -- OPTIONAL RETIREMENT FOR MEMBERS OF
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1 This act would amend the definition for final compensation, relative to police officers and
2 firefighters, to mean their highest annual compensation, would provide these retirees a life annuity
3 regardless of age or years of service, upon retirement and further provide an additional two and one
4 half percent (2.5%) of the final compensation multiplied by years of service after June 30, 2024,
5 and would lower the amount of the retirement allowance being reduced actuarially if the retiree is
6 below the retirement age.

7 This act would take effect upon passage.

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