

1 **ARTICLE 7 SUBSTITUTE A**

2 RELATING TO PENSIONS

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

5 **36-8-1. Definition of terms.** -- The following words and phrases as used in chapters 8 to
6 10 of this title unless a different meaning is plainly required by the context, shall have the
7 following meanings:

8 (1) "Accumulated contributions" shall mean the sum of all the amounts deducted from
9 the compensation of a member and credited to his or her individual account together with regular
10 interest thereon.

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

13 (3) "Annuity reserve" shall mean the present value of all payments to be made on
14 account of any annuity, benefit, or retirement allowance granted under the provisions of chapter
15 10 of this title computed upon the basis of such mortality tables as shall be adopted from time to
16 time by the retirement board with regular interest.

17 (4) "Average compensation" for members eligible to retire as of September 30, 2009
18 shall mean the average of the highest three (3) consecutive years of compensation, within the total
19 service when the average compensation was the highest. For members eligible to retire on or after
20 October 1, 2009, "Average compensation" shall mean the average of the highest five (5)
21 consecutive years of compensation within the total service when the average compensation was
22 the highest.

23 (5) "Beneficiary" shall mean any person in receipt of a pension, an annuity, a retirement
24 allowance, or other benefit as provided by chapter 10 of this title.

25 (6) "Casual employee" shall mean those persons hired for an occasional period to
26 perform special jobs or functions not necessarily related to the work of regular employees.

27 (7) "Compensation" as used in chapters 8 -- 10 of this title, chapters 16 and 17 of title 16,
28 and chapter 21 of title 45 shall mean salary or wages earned and paid for the performance of
29 duties for covered employment, including regular longevity or incentive plans approved by the
30 board, but shall not include payments made for overtime or reasons other than performance of

1 duties or activities, 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
4 compensatory 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 (8) "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
16 secretary of state, the attorney general, the general treasurer, and the members of the general
17 assembly, ex officio, shall not be deemed to be employees within the meaning of that term unless
18 and until they elect to become members of the system as provided in section 36-9-6, but in no
19 case shall it deem as an employee, for the purposes of this chapter, any individual who devotes
20 less than twenty (20) business hours per week to the service of the state, and who receives less
21 than the equivalent of minimum wage compensation on an hourly basis for his or her services,
22 except as provided in section 36-9-24. Any commissioner of a municipal housing authority or any
23 member of a part-time state board, commission, committee or other public authority shall not be
24 deemed to be an employee within the meaning of this chapter.

25 (9) "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. [All service credit purchases requested after June](#)
32 [16, 2009, except military credit as provided by section 36-9-31 and 16-16-7.1, shall be at full](#)
33 [actuarial value.](#)

34 (10) "Inactive member" shall mean a member who has withdrawn from service as an

1 employee but who has not received a refund of contributions.

2 (11) "Members" shall mean any person included in the membership of the retirement
3 system as provided in sections 36-9-1 -- 36-9-7.

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

6 (13) "Regular interest" shall mean interest at the rate of two percent (2%) per annum,
7 compounded annually, or at such other rate determined from the actual experience of the system
8 as may be prescribed from time to time by the board.

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

15 (15) "Retirement board" shall mean the board provided in section 36-8-3 to administer
16 the retirement system.

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

19 (17) "Service" shall mean service as an employee of the state of Rhode Island as
20 described in subdivision (8) of this section.

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

23 (19) "Active member" shall mean any employee of the state of Rhode Island as defined
24 in this section for whom the retirement system is currently receiving regular contributions
25 pursuant to sections 36-10-1 and 36-10-1.1.

26 SECTION 2. Sections 36-9-20, 36-9-20.5, 36-9-25.1, 36-9-26 and 36-9-31.1 of the
27 General Laws in Chapter 36-9 entitled "Retirement System-Membership and Service Credits" are
28 hereby amended to read as follows:

29 **36-9-20. Credit for service as a teacher, municipal employee, or legislator.** -- (a) Any
30 state employee who shall have rendered service as a teacher as defined under the provisions of
31 chapters 16 and 17 of title 16 shall be entitled to credit for that service for the various purposes of
32 this system, provided the member shall have been a contributing member of this system for that
33 period. Any state employee who shall have been a contributing member of the municipal system
34 as defined under the provisions of chapter 21 of title 45 shall be given credit for that service for

1 the various purposes of this system, provided the member's contributions are transferred to this
2 system. All contributions made by the member shall be transferred into this system for the periods
3 of service and the retirement system shall calculate the full actuarial value of the accrued benefit
4 with the former employer. If the full actuarial value of the accrued benefit with the former
5 employer is greater than the total employee contributions transferred, the retirement system shall
6 also transfer the difference between the full actuarial value of the accrued benefit with the former
7 employer and the employee's contributions from the account of the former employer to the
8 account of the current employer. In any case in which a member shall have received a refund or
9 refunds of contributions made to the system, the allowance of the aforesaid credit for service shall
10 be conditioned upon the ~~repayment~~ payment ~~of the refund or refunds, including regular interest~~
11 ~~from the date of refund to the date of repayment~~ of the full actuarial cost as defined in subsection
12 36-8-1(9). Any service as defined herein for which no contributions were made may be granted
13 provided the member pays to the retirement system ~~a~~ the full actuarial cost as defined in section
14 36-8-1(9) ~~lump sum amount equal to the amount he or she would have contributed had he or she~~
15 ~~been a member during that period, plus interest as determined by the retirement board~~. Any state
16 employee or teacher as defined under the provisions of chapters 16 and 17 of title 16 who shall
17 have been employed by a municipality which did not elect to accept chapter 21 of title 45 as
18 provided in section 45-21-4 shall be given credit for that service for the various purposes of this
19 system, provided that the employee shall have met the definitional requirements of "employee" as
20 stated in section 45-21-2(5) and provided the member pays to the retirement system ~~a~~ an lump
21 ~~sum~~ amount equal to the full actuarial value of the credit as certified by the retirement board;
22 provided, however, that any state employee who shall have been employed by a municipality
23 which did not elect to accept chapter 21 of title 45 as provided in section 45-21-4 shall be given
24 credit for that service for the various purposes of this system, to a maximum period of four (4)
25 years, provided the member pays to the retirement system ~~the~~ a full actuarial cost as defined in
26 subsection 36-8-1(9) ~~lump sum amount equal to ten percent (10%) of his or her entry level salary~~
27 ~~in the state retirement system multiplied by the number of years in which he or she seeks~~
28 ~~membership service credit prior to December 31, 1986~~. Nothing in this section shall be deemed to
29 allow the purchase of four (4) years of service for credit in more than one retirement system.

30 (b) The retirement board shall fix and determine rules and regulations to govern the
31 provisions of this section.

32 **36-9-20.5. Purchase of service credit -- Inactive status.** -- Notwithstanding any general
33 or public law to the contrary, any state employee or teacher participating in the employees'
34 retirement system who is on workers' compensation may purchase up to four (4) years of service

1 credit for time currently permitted to be purchased under law without the necessity of returning to
2 active status as an employee. The member shall pay to the system the full actuarial cost as defined
3 in subsection 36-8-1(9) ~~in a lump sum the contributions he or she would have paid plus interest~~
4 ~~for the period for which the member seeks membership service credit~~, except as provided in
5 section 36-9-31 for military service credit.

6 **36-9-25.1. Leave service credits.** -- (a) Notwithstanding any other provisions of the
7 retirement law or rulings of the retirement board in accordance with the powers vested therein,
8 state employees with at least one year of service who have been granted by their appointing
9 authority a leave of absence without pay to further their education in the field of their state
10 employment, shall be entitled to credit as service for the various purposes of their retirement
11 system, provided the person, upon completion of his or her educational leave, returns to state
12 service for at least one year; and provided further that the employee makes arrangements to pay
13 into the retirement system on or before the date of retirement and in such manner as the
14 retirement board may prescribe an amount equal to the full actuarial cost as defined in subsection
15 36-8-1(9) ~~contribution he or she would have made to the retirement system~~ based upon his or her
16 expected compensation but for the granting of leave without pay; ~~the contributions plus regular~~
17 ~~interest compounded annually up to the date of payment.~~

18 (b) Any state employee who is granted a leave of absence without pay for illness, injury,
19 or any other reason may receive credit therefor by making the full actuarial cost as defined in
20 subsection 36-8-1(9) ~~contributions to the retirement system an amount equal to the contribution~~
21 ~~he or she would have made to the retirement system based upon his or her expected compensation~~
22 ~~but for the granting of leave without pay, plus regular interest compounded annually to date of~~
23 ~~payment~~; provided the employee returns to state service for at least one year upon completion of
24 the leave. Credit for leaves of absence shall be limited in the aggregate during the total service of
25 an employee to a period of four (4) years.

26 **36-9-26. Credits for layoffs.** -- (a) Members who are laid off for any reason and are not
27 on leave without pay may purchase up to one years' credit for retirement purposes; provided the
28 member did not withdraw his or her retirement contributions while on layoff, and returns to active
29 membership; provided, further, that the member purchases that credit upon his or her return to
30 service from the layoff and pays into the retirement system the full actuarial cost as defined in
31 subsection 36-8-1(9). ~~in a lump sum the amount he or she would have contributed to the system~~
32 ~~but for the layoff plus regular interest.~~

33 (b) The retirement board shall fix and determine rules and regulations to govern the
34 provisions of this section.

1 **36-9-31.1. Peace corps, teacher corps, and volunteers in service to America.** -- (a)

2 Any active member who served in the peace corps, teacher corps, or in volunteers in service to
3 America may purchase credit for that service up to a maximum of four (4) years in the aggregate;
4 provided, that any member on an official leave of absence for illness or injury shall be eligible to
5 purchase those credits while on the leave of absence.

6 (b) The cost to purchase these credits shall be the full actuarial cost as defined in
7 subsection 36-8-1(9) ~~ten percent (10%) of the members first year earnings as a member of the~~
8 ~~retirement system multiplied by the number of years and fraction thereof~~ of that service in the
9 peace corps, teacher corps, or VISTA, up to a maximum of four (4) years.

10 ~~(c) There will be no interest charge provided the member makes that purchase during his~~
11 ~~or her first five (5) years of membership in the retirement system, but regular interest will be~~
12 ~~charged to date of purchase from date of enrollment into membership if purchased after~~
13 ~~completing five (5) years of membership; provided, however, any member who was in the~~
14 ~~retirement system prior to July 1, 1980, will not be charged interest whenever he or she purchases~~
15 ~~the credit.~~

16 SECTION 3. Sections 36-10-9, 36-10-9.2, 36-10-9.3, 36-10-10, 36-10-11, 36-10-14, 36-
17 10-15 and 36-10-35 of the General Laws in Chapter 36-10 entitled "Retirement System-
18 Contributions and Benefits" are hereby amended to read as follows:

19 **36-10-9. Retirement on service allowance -- In general.** -- Retirement of a member on
20 a service retirement allowance shall be made by the retirement board as follows:

21 (1) (a) (i) Any member may retire upon his or her written application to the retirement
22 board as of the first day of the calendar month in which the application was filed; provided, the
23 member was separated from service prior thereto; and further provided, however, that if
24 separation from service occurs during the month in which application is filed, the effective date
25 shall be the first day following that separation from service; and provided further that the member
26 on his or her retirement date attained the age of sixty (60) and completed at least ten (10) years of
27 contributory service on or before July 1, 2005 or who, regardless of age, has completed twenty-
28 eight (28) years of total service and has completed at least ten (10) years of contributory service
29 on or before July 1, 2005, and who retire before October 1, 2009 or are eligible to retire as of
30 September 30, 2009.

31 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
32 available to members who have attained the age of sixty-two (62) and completed at least ten (10)
33 years of contributory service. For members in service as of October 1, 2009 who were not eligible
34 to retire as of September 30, 2009, the minimum retirement age of sixty-two (62) will be adjusted

1 downward in proportion to the amount of service the member has earned as of September 30,
2 2009. The proportional formula shall work as follows:

3 (1) The formula shall determine the first age of retirement eligibility under the laws in
4 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
5 sixty-two (62).

6 (2) The formula shall then take the member's total service credit as of September 30,
7 2009 as the numerator and the years of service credit determined under (1) as the denominator.

8 (3) The fraction determined in (2) shall then be multiplied by the age difference
9 determined in (1) to apply a reduction in years from age sixty-two (62).

10 (b) (i) Any member, who has not completed at least ten (10) years of contributory
11 service on or before July 1, 2005, may retire upon his or her written application to the retirement
12 board as of the first day of the calendar month in which the application was filed; provided, the
13 member was separated from service prior thereto; and further provided, however, that if
14 separation from service occurs during the month in which application is filed, the effective date
15 shall be the first day following that separation from service; provided, the member or his or her
16 retirement date had attained the age of fifty-nine (59) and had completed at least twenty-nine (29)
17 years of total service or provided that the member on his or her retirement date had attained the
18 age of sixty-five (65) and had completed at least ten (10) years of contributory service; or
19 provided, that the member on his or her retirement date had attained the age of fifty-five (55) and
20 had completed twenty (20) years of total service provided, that the retirement allowance, as
21 determined according to the formula in section 36-10-10 is reduced actuarially for each month
22 that the age of the member is less than sixty-five (65) years, and who retire before October 1,
23 2009 or are eligible to retire as of September 30, 2009.

24 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
25 available to members who have attained the age of sixty-two (62) and completed at least twenty-
26 nine (29) years of total service or have attained the age of sixty-five (65) and completed at least
27 ten (10) years of contributory service. For members in service as of October 1, 2009 who were
28 not eligible to retire as of September 30, 2009, who have a minimum retirement age of sixty-two
29 (62), the retirement age will be adjusted downward in proportion to the amount of service the
30 member has earned as of September 30, 2009. The proportional formula shall work as follows:

31 (1) The formula shall determine the first age of retirement eligibility under the laws in
32 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
33 sixty-two (62).

34 (2) The formula shall then take the member's total service credit as of September 30,

1 2009 as the numerator and the years of service credit determined under (1) as the denominator.

2 (3) The fraction determined in (2) above shall then be multiplied by the age difference
3 determined in (1) to apply a reduction in years from age sixty-two (62).

4 (2) Any faculty employee at a public institution of higher education under the jurisdiction
5 of the board of governors for higher education shall not be involuntarily retired upon attaining the
6 age of seventy (70) years.

7 (3) (i) Except as specifically provided in section 36-10-9.1, sections 36-10-12 -- 36-10-
8 15, and sections 45-21-19 -- 45-21-22, no member shall be eligible for pension benefits under this
9 chapter unless the member shall have been a contributing member of the employee's retirement
10 system for at least ten (10) years.

11 (ii) Provided, however, a person who has ten (10) years service credit on or before June
12 16, 1991, shall be vested.

13 (iii) Furthermore, any past service credits purchased in accordance with section 36-9-38
14 shall be counted towards vesting.

15 (iv) Any person who becomes a member of the employees' retirement system pursuant to
16 section 45-21-4 shall be considered a contributing member for the purpose of chapter 21 of title
17 45 and this chapter.

18 (v) Notwithstanding any other provision of law, no more than five (5) years of service
19 credit may be purchased by a member of the system. The five (5) year limit shall not apply to any
20 purchases made prior to January 1, 1995. A member who has purchased more than five (5) years
21 of service credits before January 1, 1995, shall be permitted to apply those purchases towards the
22 member's service retirement. However, no further purchase will be permitted. Repayment in
23 accordance with applicable law and regulation of any contribution previously withdrawn from the
24 system shall not be deemed a purchase of service credit.

25 (4) No member of the employees' retirement system shall be permitted to purchase
26 service credits for casual or seasonal employment, for employment as a page in the general
27 assembly, or for employment at any state college or university while the employee is a student or
28 graduate assistant of the college or university.

29 (5) Except as specifically provided in sections 16-16-6.2 and 16-16-6.4, a member shall
30 not receive service credit in this retirement system for any year or portion of it, which counts as
31 service credit in any other retirement system in which the member is vested or from which the
32 member is receiving a pension and/or any annual payment for life. This subsection shall not apply
33 to any payments received pursuant to the federal Social Security Act or to payments from a
34 military pension earned prior to participation in state or municipal employment, or to military

1 service credits earned prior to participation in state or municipal employment.

2 (6) A member who seeks to purchase or receive service credit in this retirement system
3 shall have the affirmative duty to disclose to the retirement board whether or not he or she is a
4 vested member in any other retirement system and/or is receiving a pension, retirement
5 allowance, or any annual payment for life. The retirement board shall have the right to investigate
6 as to whether or not the member has utilized the same time of service for credit in any other
7 retirement system. The member has an affirmative duty to cooperate with the retirement board
8 including, by way of illustration and not by way of limitations the duty to furnish or have
9 furnished to the retirement board any relevant information which is protected by any privacy act.

10 (7) A member who fails to cooperate with the retirement board shall not have the time of
11 service counted toward total service credit until such time as the member cooperates with the
12 retirement board and until such time as the retirement board determines the validity of the service
13 credit.

14 (8) A member who knowingly makes a false statement to the retirement board regarding
15 service time or credit shall not be entitled to a retirement allowance and is entitled only to the
16 return of his or her contributions without interest.

17 **36-10-9.2. Retirement on service allowance -- Correctional officers. --** (a) This section
18 shall apply to the retirement of members employed as assistant director (adult services), assistant
19 deputy director, chief of inspection, and associate directors, correctional officer, chief of security,
20 work rehabilitation program supervisor, supervisor of custodial records and reports, and
21 classification counselor within the department of corrections.

22 (b) (i) Any member who has attained the age of fifty (50) years may be retired
23 subsequent to the proper execution and filing of a written application; provided, however, that the
24 member shall have completed twenty (20) years of total service within the department of
25 corrections and who retires before October 1, 2009 or is eligible to retire as of September 30,
26 2009.

27 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
28 available to members who have attained the age of fifty-five (55) and have completed at least
29 twenty-five (25) years of total service within the department of corrections. For members in
30 service as of October 1, 2009 who were not eligible to retire as of September 30, 2009, the
31 minimum retirement age of fifty-five (55) will be adjusted downward in proportion to the amount
32 of service the member has earned as of September 30, 2009. The proportional formula shall work
33 as follows:

34 (1) The formula shall determine the first age of retirement eligibility under the laws in

1 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
2 fifty-five (55).

3 (2) The formula shall then take the member's total service credit as of September 30,
4 2009 as the numerator and the years of service credit determined under (1) as the denominator.

5 (3) The fraction determined in (2) shall then be multiplied by the age difference
6 determined in (1) to apply a reduction in years from age fifty-five (55).

7 **36-10-9.3. Retirement on service allowance -- Registered nurses.** -- (a) This section
8 shall apply to the retirement of members employed as registered nurses within the department of
9 mental health, retardation, and hospitals.

10 (b) Any member who has attained the age of fifty (50) years may be retired subsequent
11 to the proper execution and filing of written application; provided, however, that the member
12 shall have completed twenty-five (25) years of total service within the department of mental
13 health, retardation, and hospitals and who retires before October 1, 2009 or is eligible to retire as
14 of September 30, 2009.

15 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
16 available to members who have attained the age of fifty-five (55) and have completed at least
17 twenty-five (25) years of total service within the department of mental health, retardation and
18 hospitals. For members in service as of October 1, 2009 who were not eligible to retire as of
19 September 30, 2009, the minimum retirement age of fifty-five (55), the retirement age will be
20 adjusted downward in proportion to the amount of service the member has earned as of
21 September 30, 2009. The proportional formula shall work as follows:

22 (1) The formula shall determine the first age of retirement eligibility under the laws in
23 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
24 fifty-five (55).

25 (2) The formula shall then take the member's total service credit as of September 30,
26 2009 as the numerator and the years of service credit determined under (1) as the denominator.

27 (3) The fraction determined in (2) shall then be multiplied by the age difference
28 determined in (1) to apply a reduction in years from age fifty-five (55).

29 **36-10-10. Amount of service retirement allowance.** -- (a) (1) (i) For employees eligible
30 to retire on or before September 30, 2009, Upon upon retirement for service under section 36-10-
31 9, a member whose membership commenced before July 1, 2005 and who has completed at least
32 ten (10) years of contributory service on or before July 1, 2005 shall receive a retirement
33 allowance which shall be determined in accordance with schedule A below:

34 Schedule A

1 Years of Service Percentage Allowance

2 1st through 10th inclusive 1.7%

3 11th through 20th inclusive 1.9%

4 21st through 34th inclusive 3.0%

5 35th 2.0%

6 (ii) For employees eligible to retire on or after October 1, 2009, who were not eligible to
7 retire on or before September 30, 2009, upon retirement from service under section 36-10-9, a
8 member whose membership commenced before July 1, 2005 and who has completed at least ten
9 (10) years of contributory service on or before July 1, 2005 shall receive a retirement allowance
10 which shall be determined in accordance with schedule A above for service on before September
11 30, 2009, and shall be determined in accordance with schedule B in subsection (a)(2) below for
12 service on or after October 1, 2009.

13 (2) Upon retirement for service under section 36-10-9, a member whose membership
14 commenced after July 1, 2005, or who has not completed at least ten (10) years of contributory
15 service as of July 1, 2005, shall, receive a retirement allowance which shall be determined in
16 accordance with Schedule B below:

17 Schedule B

18 Years of Service Percentage Allowance

19 1st through 10th inclusive 1.60%

20 11th through 20th inclusive 1.80%

21 21st through 25th inclusive 2.0%

22 26th through 30th inclusive 2.25%

23 31st through 37th inclusive 2.50%

24 38th 2.25%

25 (b) The retirement allowance of any member whose membership commenced before July
26 1, 2005 and who has completed at least ten (10) years of contributory service on or before July 1,
27 2005 shall be in an amount equal to the percentage allowance specified in ~~schedule A~~ subsection
28 (a)(1) of his or her average highest three (3) consecutive years of compensation multiplied by the
29 number of years of total service, but in no case to exceed eighty percent (80%) of the
30 compensation payable at completion of thirty-five (35) years of service. Any member who has in
31 excess of thirty-five (35) years on or before June 2, 1985, shall not be entitled to any refund, and
32 any member with thirty-five (35) years or more on or after June 2, 1985, shall contribute from
33 July 1, 1985, until his or her retirement. For employees retiring on or after October 1, 2009 who
34 were not eligible to retire as of September 30, 2009 the calculation shall be based on the average

1 [highest five \(5\) consecutive years of compensation.](#)

2 The retirement allowance of any member whose membership commenced after July 1,
3 2005 or who had not completed at least ten (10) years of contributory service as of July 1, 2005,
4 shall, be in an amount equal to the percentage allowance specified in Schedule B of his or her
5 average highest three (3) consecutive years of compensation multiplied by the number of years of
6 total service, but in no case to exceed seventy-five percent (75%) of the compensation payable at
7 the completion of thirty-eight (38) years of service. [For employees retiring on or after October 1,](#)
8 [2009 who were not eligible to retire as of September 30, 2009 the calculation shall be based on](#)
9 [the average highest five \(5\) consecutive years of compensation.](#)

10 (c) Any member with thirty-eight (38) years or more of service prior to December 31,
11 1985, shall not be required to make additional contributions. Contributions made between
12 December 31, 1985, and July 1, 1987, by members with thirty-eight (38) or more years of service
13 prior to December 31, 1985, shall be refunded by the retirement board to the persons, their heirs,
14 administrators, or legal representatives.

15 **36-10-11. Service allowance to member withdrawing from service before retirement**

16 **age.** -- (a) The right of a service retirement allowance under the provisions of this chapter shall
17 vest in a member who shall withdraw from service prior to his or her attainment of the minimum
18 age of retirement specified in sections 36-10-9 -- 36-10-9.3 who shall not have received a refund,
19 provided the member shall have completed at least ten (10) years of contributory service on or
20 before July 1, 2005. The member shall become entitled to a service retirement allowance upon his
21 or her attainment of the age ~~of established in section 36-10-9 of sixty (60) years~~ or at his or her
22 option at any date subsequent thereto. The rate of service retirement allowance payable in the
23 case of any member shall be that provided in section 36-10-10, ~~Schedule A,~~ for the period of total
24 service earned and accrued at the date of withdrawal from service of the member.

25 (b) For a member who shall not have completed at least ten (10) years of contributory
26 service on or before July 1, 2005, the right of a service retirement allowance under the provisions
27 of this chapter shall vest in a member who shall withdraw from service prior to his or her
28 attainment of the minimum age of retirement specified in sections 36-10-9 -- 36-10-9.3 who shall
29 not have received a refund, provided, the member shall have completed at least ten (10) years of
30 contributory service. The member shall become entitled to a service retirement allowance upon
31 his or her attainment of the age of sixty-five (65) years or at his or her option at any date
32 subsequent thereto. The rate of service retirement allowance payable in the case of any member
33 shall be that provided in section 36-10-10, Schedule B, for the period of total service earned and
34 accrued at the date of withdrawal from service of the member.

1 **36-10-14. Retirement for accidental disability.** -- (a) Medical examination of an active
2 member for accidental disability and investigation of all statements and certificates by him or her
3 or in his or her behalf in connection therewith shall be made upon the application of the head of
4 the department in which the member is employed or upon application of the member, or of a
5 person acting in his or her behalf, stating that the member is physically or mentally incapacitated
6 for the performance of service as a natural and proximate result of an accident while in the
7 performance of duty, and certify the definite time, place, and conditions of the duty performed by
8 the member resulting in the alleged disability, and that the alleged disability is not the result of
9 willful negligence or misconduct on the part of the member, and is not the result of age or length
10 of service, and that the member should, therefore, be retired.

11 (b) The application shall be made within five (5) years of the alleged accident from
12 which the injury has resulted in the members present disability and shall be accompanied by an
13 accident report and a physicians report certifying to the disability; provided that if the member
14 was able to return to his or her employment and subsequently reinjures or aggravates the same
15 injury, the application shall be made within the later of five (5) years of the alleged accident or
16 three (3) years of the reinjury or aggravation. [The application may also state the member is](#)
17 [permanently and totally disabled from any employment.](#)

18 (c) If a medical examination conducted by three (3) physicians engaged by the retirement
19 board and such investigation as the retirement board may desire to make shall show that the
20 member is physically or mentally incapacitated for the performance of service as a natural and
21 proximate result of an accident, while in the performance of duty, and that the disability is not the
22 result of willful negligence or misconduct on the part of the member, and is not the result of age
23 or length of service, and that the member has not attained the age of sixty-five (65), and that the
24 member should be retired, the physicians who conducted the examination shall so certify to the
25 retirement board stating the time, place, and conditions of service performed by the member
26 resulting in the disability and the retirement board may grant the member an accidental disability
27 benefit.

28 (d) The retirement board shall establish uniform eligibility requirements, standards, and
29 criteria for accidental disability which shall apply to all members who make application for
30 accidental disability benefits.

31 **36-10-15. Amount of accidental disability benefit.** – [\(a\) For disability applications](#)
32 [submitted on or before September 30, 2009, Upon upon](#) retirement for accidental disability under
33 section 36-10-14, a member shall receive a benefit which shall be equal to sixty-six and two-
34 thirds percent (66 2/3%) of his or her annual compensation at the time of his or her retirement,

1 subject to the provisions of section 36-10-31.

2 (b) Upon any application for accidental disability submitted on or after October 1, 2009,
3 if the member has been found to be permanently and totally disabled from service but has not
4 been found by the board to be permanently and totally disabled from any employment as a result
5 of his/her accidental disability, a member shall receive a retirement allowance equal to fifty
6 percent (50%) of the rate of the member's compensation at the date of the member's retirement,
7 subject to the provisions of section 36-10-31. The retiree shall, as a condition of continued receipt
8 of a disability retirement allowance, on or before a date fixed by the retirement board, annually
9 under penalties of perjury provide the board with such affidavits and accurate evidence of
10 earnings, employment and gainful activity as the board may require, including, but not limited,
11 joint and/or individual tax returns. Payment of the disability retirement allowance shall continue
12 as long as the individual remains disabled, and regardless of service or age.

13 Upon retirement for accidental disability that has been found by the board to be
14 permanently and totally disabling from any employment, a member shall receive a retirement
15 allowance equal to sixty-six and two-thirds percent (66 2/3%) of the rate of the member's
16 compensation at the date of the member's retirement subject to the provisions of section 36-10-31.
17 The retirement board shall apply the terms of subsection 28-33-17(b) in determining total
18 disability.

19 **36-10-35. Additional benefits payable to retired employees.** -- (a) All state employees
20 and all beneficiaries of state employees receiving any service retirement or ordinary or accidental
21 disability retirement allowance pursuant to the provisions of this title on or before December 31,
22 1967, shall receive a cost of living retirement adjustment equal to one and one-half percent
23 (1.5%) per year of the original retirement allowance, not compounded, for each calendar year the
24 retirement allowance has been in effect. For the purposes of computation, credit shall be given for
25 a full calendar year regardless of the effective date of the retirement allowance. This cost of living
26 adjustment shall be added to the amount of the retirement allowance as of January 1, 1968, and an
27 additional one and one-half percent (1.5%) shall be added to the original retirement allowance in
28 each succeeding year during the month of January, and provided further, that this additional cost
29 of living increase shall be three percent (3%) for the year beginning January 1, 1971, and each
30 year thereafter, through December 31, 1980. Notwithstanding any of the above provisions, no
31 employee receiving any service retirement allowance pursuant to the provisions of this title on or
32 before December 31, 1967, or the employee's beneficiary, shall receive any additional benefit
33 hereunder in an amount less than two hundred dollars (\$200) per year over the service retirement
34 allowance where the employee retired prior to January 1, 1958.

1 (b) All state employees and all beneficiaries of state employees retired on or after
2 January 1, 1968, who are receiving any service retirement or ordinary or accidental disability
3 retirement allowance pursuant to the provisions of this title shall, on the first day of January next
4 following the third anniversary date of the retirement, receive a cost of living retirement
5 adjustment, in addition to his or her retirement allowance, in an amount equal to three percent
6 (3%) of the original retirement allowance. In each succeeding year thereafter through December
7 31, 1980, during the month of January, the retirement allowance shall be increased an additional
8 three percent (3%) of the original retirement allowance, not compounded, to be continued during
9 the lifetime of the employee or beneficiary. For the purposes of computation, credit shall be given
10 for a full calendar year regardless of the effective date of the service retirement allowance.

11 (c) (1) Beginning on January 1, 1981, for all state employees and beneficiaries of the
12 state employees receiving any service retirement and all state employees, and all beneficiaries of
13 state employees, who have completed at least ten (10) years of contributory service on or before
14 July 1, 2005 pursuant to the provisions of this chapter, and for all state employees, and all
15 beneficiaries of state employees who receive a disability retirement allowance pursuant to
16 sections 36-10-12 -- 36-10-15, the cost of living adjustment shall be computed and paid at the rate
17 of three percent (3%) of the original retirement allowance or the retirement allowance as
18 computed in accordance with section 36-10-35.1, compounded annually from the year for which
19 the cost of living adjustment was determined to be payable by the retirement board pursuant to
20 the provisions of subsection (a) or (b) of this section. Such cost of living adjustments are
21 available to members who retire before October 1, 2009 or are eligible to retire as of September
22 30, 2009.

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

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

1 allowance to be decreased from the retirement allowance provided immediately before such
2 adjustment. This section shall not apply to all state employees and all beneficiaries of state
3 employees, who receive a disability retirement allowance pursuant to sections 36-10-12 -- 36-10-
4 15.

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

14 (e) The provisions of sections 45-13-7 -- 45-13-10 shall not apply to this section.

15 SECTION 4. Sections 16-16-5, 16-16-7.2, 16-16-8, 16-16-12, 16-16-13, 16-16-16, 16-
16 16-17 and 16-16-40 of the General Laws in Chapter 16-16 entitled "Teachers' Retirement" are
17 hereby amended to read as follows:

18 **16-16-5. Service creditable.** -- (a) In calculating "service", "prior service", or "total
19 service" as defined in section 16-16-1, every teacher shall be given credit for a year of service for
20 each year in which he or she shall have served as a teacher; provided, that any teacher who
21 through illness or leave of absence without pay does not serve a full school year may receive
22 credit for a full school year of service by paying the full actuarial cost as defined in section 36-8-
23 1(9) making contribution to the system upon his or her return to teaching for at least one year the
24 amount he or she would have contributed to the retirement system plus regular interest,
25 compounded annually up to the date of payment based upon his or her expected compensation but
26 for his or her leave of absence in any case of illness, sabbatical, educational leave, or any other
27 reason. Credit for leaves of absence shall be limited, in the aggregate, during the total service of a
28 teacher to a period of four (4) years; provided, however, every teacher who had been required to
29 resign for maternity reasons may receive credit for maternity reasons by making contribution to
30 the system upon her return to teaching the amount she would have contributed to the retirement
31 system, with interest, based upon her expected compensation but for her absence due to maternity
32 reasons.

33 (b) The retirement board shall fix and determine the time when and the conditions under
34 which the payments shall be made.

1 (c) Any teacher who serves or who has served during a school year at least three-quarters
2 (3/4) of the number of days that the public schools are required by law to be in session during the
3 year shall be given credit for a year of service for that year. In determining the number of days
4 served by a substitute teacher the total number of days served in any public school of any city or
5 town in the state may be combined for any one school year. Any teacher shall be entitled to "prior
6 service" credit for service prior to July 1, 1949, provided the teacher shall have been in service
7 during the school year 1949-1950. The teacher shall be entitled to service credit for any year
8 subsequent to July 1, 1949, by making contribution to the retirement system the amount he or she
9 would have contributed to the retirement system had he or she been a member, plus regular
10 interest compounded annually to date of payment, payable at a time or in any manner that may be
11 provided by the rules of the retirement board.

12 (d) Any teacher employed in at least a half (1/2) program including a job share program
13 shall remain a contributing member and shall receive credit for that part-time service.

14 (e) In computing service or in computing compensation, the retirement board shall credit
15 no more than one year of service on account of all service in one calendar year.

16 (f) Notwithstanding any other section of law, no member of the retirement system shall
17 be permitted to purchase service credit for any portion of a year for which he or she is already
18 receiving service credit in this retirement system.

19 **16-16-7.2. Peace corps, teacher corps, and volunteers in service to America -- Credit.**

20 -- (a) Any active teacher who served in the peace corps, teacher corps, or in volunteers in service
21 to America may purchase credit for that service, up to a maximum of four (4) years. Any teacher
22 on an official leave of absence for illness or injury shall be eligible to purchase the credits while
23 on the leave of absence.

24 (b) The cost to purchase these credits shall be the full actuarial cost as defined in section
25 36-8-1(9) ~~ten percent (10%) of the member's first year's earnings as a teacher multiplied by the~~
26 ~~number of years and fraction of the years of his or her service in the peace corps, teacher corps, or~~
27 ~~in volunteers in service to America, up to a maximum of four (4) years.~~

28 ~~(c) There will be no interest charged provided the teacher makes that purchase during his~~
29 ~~or her first five (5) years of membership in the retirement system, but regular interest will be~~
30 ~~charged to the date of purchase from the date of enrollment into membership if purchased after~~
31 ~~completing five (5) years of membership; provided, however, any member who was in the~~
32 ~~retirement system prior to July 1, 1980, will not be charged interest whenever he or she purchases~~
33 ~~the credit.~~

34 **16-16-8. Credit for service as a state or municipal employee. --** Any member who

1 shall have rendered service as a state employee as defined by the provisions of chapter 17 of this
2 title and chapters 8 -- 10 of title 36 or who shall have rendered service as an employee of a
3 participating municipality, as defined by chapter 21 of title 45, shall be entitled to credit for his or
4 her service for the various purposes of this system, provided the member shall have been a
5 contributing member for that period. All contributions made by the member shall be transferred
6 into this system for the periods of service and the retirement system shall calculate the full
7 actuarial value of the accrued benefit with the former employer. If the full actuarial value of the
8 accrued benefit with the former employer is greater than the total employee contributions
9 transferred, the retirement system shall also transfer the difference between full actuarial value of
10 the accrued benefit with the former employer and the employee's contributions from the account
11 of the former employer to the account of the current employer. In any case in which a member
12 shall have received a refund or refunds of contributions made to the system, the allowance of the
13 credit for service shall be conditioned upon the repayment of the full actuarial cost as defined in
14 section 36-8-1(9) ~~refund or refunds, including regular interest from the date of refund to the date~~
15 ~~of repayment.~~ Any service as defined in this section for which no contributions were made may
16 be granted provided the member pays to the retirement system ~~a lump sum payment equal to the~~
17 ~~amount he or she would have contributed had he or she been a member during the period, plus~~
18 ~~interest as previously defined in this section~~ the full actuarial cost as defined in section 36-8-1(9).
19 The retirement board shall fix and determine the rules and regulations needed to govern the
20 provisions of this section.

21 **16-16-12. Procedure for service retirement.** -- Retirement of a member on a service
22 retirement allowance shall be made by the retirement board as follows:

23 (1)(i) Any member may retire upon his or her written application to the retirement board
24 as of the first day of the calendar month in which the application was filed, provided the member
25 was separated from service prior to filing the application, and further provided however, that if
26 separation from service occurs during the month in which the application is filed, the effective
27 date shall be the first day following the separation from service, and provided further that the
28 member on retirement date has attained the age of sixty (60) years and has completed at least ten
29 (10) years of contributory service on or before July 1, 2005, or regardless of age has completed
30 twenty-eight (28) years of total service and has completed at least ten (10) years of contributory
31 service on or before July 1, 2005, and who retire before October 1, 2009 or are eligible to retire as
32 of September 30, 2009.

33 (ii) For teachers who become eligible to retire on or after October 1, 2009, benefits are
34 available to teachers who have attained the age of sixty-two (62) and completed at least ten (10)

1 years of contributory service. For teachers in service as of October 1, 2009 who were not eligible
2 to retire as of September 30, 2009, the minimum retirement age of sixty-two (62) will be adjusted
3 downward in proportion to the amount of service the member has earned as of September 30,
4 2009. The proportional formula shall work as follows:

5 (1) The formula shall determine the first age of retirement eligibility under the laws in
6 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
7 sixty-two (62).

8 (2) The formula shall then take the teacher's total service credit as of September 30, 2009
9 as the numerator and the years of service credit determined under (1) as the denominator.

10 (3) The fraction determined in (2) shall then be multiplied by the age difference in (1) to
11 apply a reduction in years from age sixty-two (62).

12 (b)(i) Any member, who has not completed at least ten (10) years of contributory service
13 on or before July 1, 2005, may retire upon his or her written application to the retirement board as
14 of the first day of the calendar month in which the application was filed; provided, the member
15 was separated from service prior thereto; and further provided, however, that if separation from
16 service occurs during the month in which application is filed, the effective date shall be the first
17 day following that separation from service; provided, the member on his or her retirement date
18 had attained the age of fifty-nine (59) and had completed at least twenty-nine (29) years of total
19 service; or provided, that the member on his or her retirement date had attained the age of sixty-
20 five (65) and had completed at least ten (10) years of contributory service; or provided, that the
21 member on his or her retirement date had attained the age of fifty-five (55) and had completed
22 twenty (20) years of total service and provided, that the retirement allowance, as determined
23 according to the formula in section 16-16-13 is reduced actuarially for each month that the age of
24 the member is less than sixty-five (65) years and who retire before October 1, 2009 or are eligible
25 to retire as of September 30, 2009.

26 (ii) For teachers who become eligible to retire on or after October 1, 2009, benefits are
27 available to teachers who have attained the age of sixty-two (62) and have completed at least
28 twenty-nine (29) years of total service or have attained the age of sixty-five (65) and completed at
29 least ten (10) years of contributory service. For teachers in service as of October 1, 2009 who
30 were not eligible to retire as of September 30, 2009, who have a minimum retirement age of
31 sixty-two (62), the retirement age will be adjusted downward in proportion to the amount of
32 service the member has earned as of September 30, 2009. The proportional formula shall work as
33 follows:

34 (1) The formula shall determine the first age of retirement eligibility under the laws in

1 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
2 sixty-two (62).

3 (2) The formula shall then take the teacher's total service credit as of September 30, 2009
4 as the numerator and the years of service credit determined under (10 as the denominator.

5 (3) The fraction determined in (2) shall then be multiplied by the age difference
6 determined in (1) to apply a reduction in years from age sixty-two (62).

7 (2) Any member also paying into the retirement system under the provisions of chapter 9
8 of title 36 shall not be disqualified from receiving benefits provided by that chapter and the
9 provisions of this chapter simultaneously.

10 (3) (i) Except as specifically provided in sections 36-10-9.1, 36-10-12 through 36-10-15,
11 and 45-21-19 through 45-21-22, no member shall be eligible for pension benefits under this
12 chapter unless the member shall have been a contributing member of the employees' retirement
13 system for at least ten (10) years.

14 (ii) Provided, however, a person who has ten (10) years service credit shall be vested.

15 (iii) Furthermore, any past service credits purchased in accordance with section 36-9-38
16 shall be counted towards vesting.

17 (iv) Any person who becomes a member of the employees' retirement system pursuant to
18 section 45-21-8 shall be considered a contributing member for the purpose of chapter 21 of title
19 45 and this chapter.

20 (v) Notwithstanding any other provision of law, no more than five (5) years of service
21 credit may be purchased by a member of the system. The five (5) year limit shall not apply to any
22 purchases made prior to January 1, 1995. A member who has purchased more than five (5) years
23 of service credit before January 1, 1995, shall be permitted to apply the purchases towards the
24 member's service retirement. However, no further purchase will be permitted. Repayment, in
25 accordance with applicable law and regulation, of any contribution previously withdrawn from
26 the system shall not be deemed a purchase of service credit.

27 (4) No member of the teachers' retirement system shall be permitted to purchase service
28 credits for casual or seasonal employment, for employment as a page in the general assembly, or
29 for employment at any state college or university while the employee is a student or graduate of
30 the college or university.

31 (5) Except as specifically provided in sections 16-16-6.2 and 16-16-6.4, a member shall
32 not receive service credit in this retirement system for any year or portion of a year which counts
33 as service credit in any other retirement system in which the member is vested or from which the
34 member is receiving a pension and/or any annual payment for life. This subsection shall not apply

1 to any payments received pursuant to the federal Social Security Act, 42 U.S.C. section 301 et
2 seq.

3 (6) A member who seeks to purchase or receive service credit in this retirement system
4 shall have the affirmative duty to disclose to the retirement board whether or not he or she is a
5 vested member in any other retirement system and/or is receiving a pension, retirement
6 allowance, or any annual payment for life. The retirement board shall have the right to investigate
7 as to whether or not the member has utilized the same time of service for credit in any other
8 retirement system. The member has an affirmative duty to cooperate with the retirement board
9 including, by way of illustration and not by way of limitation, the duty to furnish or have
10 furnished to the retirement board any relevant information that is protected by any privacy act.

11 (7) A member who fails to cooperate with the retirement board shall not have the time of
12 service credit counted toward total service credit until the time the member cooperates with the
13 retirement board and until the time the retirement board determines the validity of the service
14 credit.

15 (8) A member who knowingly makes a false statement to the retirement board regarding
16 service time or credit shall not be entitled to a retirement allowance and is entitled only to the
17 return of his or her contributions without interest.

18 **16-16-13. Amount of service retirement allowance.** -- (a) (1) (i) For teachers eligible
19 to retire on or before September 30, 2009, ~~Upon~~ upon retirement from service under section 16-
20 16-12 a teacher whose membership commenced before July 1, 2005 and who has completed at
21 least ten (10) years of contributory service on or before July 1, 2005, shall, receive a retirement
22 allowance which shall be determined in accordance with schedule A:

23 SCHEDULE A

24 YEARS OF SERVICE PERCENTAGE ALLOWANCE

25 1st through 10th inclusive 1.7%

26 11th through 20th inclusive 1.9%

27 21st through 34th inclusive 3.0%

28 35th 2.0%

29 (ii) For teachers eligible to retire on or after October 1, 2009 who were not eligible to
30 retire on or before September 30, 2009, upon retirement for service under section 16-16-12, a
31 teacher whose membership commenced before July 1, 2005 and who has completed at least ten
32 (10) years of contributory service on or before July 1, 2005 shall receive a retirement allowance
33 which shall be determined in accordance with schedule A above for service on before September
34 30, 2009, and shall be determined in accordance with schedule B in subsection (a)(2) below for

1 [service on or after October 1, 2009:](#)

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

6 SCHEDULE B

7 YEARS OF SERVICE PERCENTAGE ALLOWANCE

8 1st through 10th inclusive 1.60%

9 11th through 20th inclusive 1.80%

10 21st through 25th inclusive 2.0%

11 26th through 30th inclusive 2.25% 31st through 37th inclusive

12 2.50% 38th 2.25%

13 (b) The retirement allowance of any teacher whose membership commenced before July
14 1, 2005 and who has completed at least ten (10) years of contributory service on or before July 1,
15 2005 shall be in an amount equal to the percentage allowance specified in [subsection \(a\) \(1\)](#)
16 ~~schedule A~~ of his or her average highest three (3) consecutive years of compensation multiplied
17 by the number of years of total service, but in no case to exceed eighty percent (80%) of the
18 compensation, payable at completion of thirty-five (35) years of service. [For teachers retiring on](#)
19 [or after October 1, 2009 who were not eligible to retire as of September 30, 2009 the calculation](#)
20 [shall be based on the average highest five \(5\) consecutive years of compensation.](#)

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

29 Any teacher who has in excess of thirty-five (35) years on or before June 2, 1985 shall
30 not be entitled to any refund, and any teacher with thirty-five (35) years or more on or after June
31 2, 1985 shall contribute from July 1, 1985 until his or her retirement.

32 **16-16-16. Retirement for accidental disability.** -- (a) Medical examination of an active
33 teacher for accidental disability, and investigation of all statements and certificates by him or her
34 or in his or her behalf in connection with the accidental disability, shall be made upon the

1 application of the head of the department in which the teacher is employed or upon application of
2 the teacher, or of a person acting in his or her behalf, stating that the teacher is physically or
3 mentally incapacitated for the performance of service as a natural and proximate result of an
4 accident, while in the performance of duty, and certify the definite time, place, and conditions of
5 the duty performed by the teacher resulting in the alleged disability, and that the alleged disability
6 is not the result of willful negligence or misconduct on the part of the teacher, and is not the result
7 of age or length of service, and that the teacher should, therefore, be retired.

8 (b) The application shall be made within five (5) years of the alleged accident from
9 which the injury has resulted in the teacher's present disability, and shall be accompanied by an
10 accident report and a physician's report certifying to the disability; provided, that, if the teacher
11 was able to return to his or her employment and subsequently reinjures or aggravates the same
12 injury, the application shall be made within the later of five (5) years of the alleged accident or
13 three (3) years of the reinjury or aggravation. The application may also state that the teacher is
14 permanently and totally disabled from any employment.

15 (c) If a medical examination conducted by three (3) physicians engaged by the retirement
16 board, and any investigation that the retirement board may desire to make, shall show that the
17 teacher is physically or mentally incapacitated for the performance of service as a natural and
18 proximate result of an accident, while in the performance of duty, and that the disability is not the
19 result of willful negligence or misconduct on the part of the teacher, and is not the result of age or
20 length of service, and that the teacher has not attained the age of sixty-five (65) years, and that the
21 teacher should be retired, the physicians who conducted the examination shall so certify to the
22 retirement board stating the time, place, and conditions of service performed by the teacher
23 resulting in the disability, and the retirement board may grant the teacher an accidental disability
24 benefit.

25 (d) The retirement board shall establish uniform eligibility requirements, standards, and
26 criteria for accidental disability which shall apply to all members who make application for
27 accidental disability benefits.

28 **16-16-17. Amount of accidental disability benefit. – (a) For disability applications**
29 submitted on or before September 30, 2009, ~~Upon~~ upon retirement for accidental disability under
30 section 16-16-16 a teacher shall receive a benefit that shall be equal to sixty-six and two-thirds
31 percent (66 2/3%) of his or her annual compensation at the time of his or her retirement, subject
32 to the provisions of section 16-16-20. (b) Upon any application for accidental disability submitted
33 after October 1, 2009, if the teacher has been found to be permanently and totally disabled from
34 service but has not been found by the board to be permanently and totally disabled from any

1 employment as a result of his/her accidental disability, a teacher shall receive a retirement
2 allowance equal to fifty percent (50%) of the rate of the teacher's compensation at the date of the
3 teacher's retirement subject to the provisions of section 16-16-20. The retiree shall, as a condition
4 of continued receipt of a disability retirement allowance, on or before a date fixed by the
5 retirement board, annually under penalties of perjury provide the board with such affidavits and
6 accurate evidence of earnings, employment and gainful activity as the board may require,
7 including, but not limited to, joint and/or individual tax returns. Payment of the disability
8 retirement allowance shall continue as long as the individual remains disabled, and regardless of
9 service or age. Upon retirement for accidental disability that has been found by the board to be
10 permanently and totally disabling from any employment, a teacher shall receive a retirement
11 allowance equal to sixty-six and two-thirds percent (66 2/3%) of the rate of the teacher's
12 compensation at the date of the teacher's retirement subject to the provisions of section 16-16-20.
13 The retirement board shall apply the terms of subsection 28-33-17(b) in determining total
14 disability.

15 **16-16-40. Additional benefits payable to retired teachers.** -- (a) All teachers and all
16 beneficiaries of teachers receiving any service retirement or ordinary disability retirement
17 allowance pursuant to the provisions of this chapter and chapter 17 of this title, on or before
18 December 31, 1967, shall receive a cost of living retirement adjustment equal to one and one-half
19 percent (1.5%) per year of the original retirement allowance, not compounded, for each year the
20 retirement allowance has been in effect. For purposes of computation credit shall be given for a
21 full calendar year regardless of the effective date of the retirement allowance. This cost of living
22 retirement adjustment shall be added to the amount of the service retirement allowance as of
23 January 1, 1970, and payment shall begin as of July 1, 1970. An additional cost of living
24 retirement adjustment shall be added to the original retirement allowance equal to three percent
25 (3%) of the original retirement allowance on the first day of January, 1971, and each year
26 thereafter through December 31, 1980.

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

1 (c) (1) Beginning on January 1, 1981, for all teachers and beneficiaries of teachers
2 receiving any service retirement and all teachers and all beneficiaries of teachers who have
3 completed at least ten (10) years of contributory service on or before July 1, 2005, pursuant to the
4 provisions of this chapter, and for all teachers and beneficiaries of teachers who receive a
5 disability retirement allowance pursuant to sections 16-16-14 -- 16-16-17, the cost of living
6 adjustment shall be computed and paid at the rate of three percent (3%) of the original retirement
7 allowance or the retirement allowance as computed in accordance with section 16-16-40.1,
8 compounded annually from the year for which the cost of living adjustment was determined to be
9 payable by the retirement board pursuant to the provisions of subsection (a) or (b) of this section.
10 Such cost of living adjustments are available to teachers who retire before October 1, 2009 or are
11 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 teachers and all beneficiaries of teachers who have
15 not completed at least ten (10) years of contributory service on or before July 1, 2005 or were not
16 eligible to retire as of September 30, 2009, shall, on the month following the third anniversary
17 date of the retirement, and on the month following the anniversary date of each succeeding year
18 be adjusted and computed by multiplying the retirement allowance by three percent (3%) or the
19 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
24 decreased from the retirement allowance provided immediately before such adjustment. This
25 section shall not apply to all teachers and beneficiaries of teachers who receive a disability
26 retirement allowance pursuant to sections 16-16-14 -- 16-16-17.

27 (d) The provisions of sections 45-13-7 -- 45-13-10 shall not apply to this section.

28 SECTION 5. Section 8-3-7, 8-3-8 of the General Laws in Chapter 8-3 entitled "Justices
29 of Supreme, Superior, and Family Courts" is hereby amended to read as follows:

30 **8-3-7. Retirement of justices on reduced pay -- Assignment as associate justices. --(a)**
31 Whenever any person engaged as a judge: (1) on or before [July 2, 1997] has served as a justice
32 of the supreme court, the superior court, the family court, the district court, or any combination
33 thereof for twenty (20) years, or has so served for ten (10) years and has reached the age of sixty-
34 five (65) years, that justice may retire from active service and thereafter the justice shall receive

1 annually during life a sum equal to three-fourths (3/4) of the annual salary that the justice was
2 receiving at the time of retirement;

3 (2) Subsequent to July 2, 1997 and prior to January 1, 2009, has served as a justice of the
4 supreme court, the superior court, the family court, the district court or any combination thereof,
5 for twenty (20) years, or has so served for ten (10) years and has reached the age of sixty-five
6 (65) years, said justice may retire from active service and thereafter said justice shall receive
7 annually during life a sum equal to three-fourths (3/4) of his or her average highest three (3)
8 consecutive years of compensation;

9 (3) On or after January 1, 2009, has served as a justice of the Supreme Court, the superior
10 court, the family court, the district court or any combination thereof, for twenty (20) years, or has
11 so served for ten (10) years and has reached the age of sixty-five (65) years, said justice may
12 retire from active service and thereafter said justice shall receive annually during life a sum equal
13 to seventy percent (70%) of his or her average highest three (3) consecutive years of
14 compensation.

15 (4) On or after July 1, 2009, shall have served as a justice of the supreme court, the
16 superior court, the family court, the district court, or any of them for twenty (20) years, or has
17 served for ten (10) years, and reached the age of sixty-five (65) years, said justice may retire from
18 regular active service and thereafter said justice shall receive annually during his or her life a sum
19 equal to sixty-five percent (65%) his or her average highest five (5) consecutive years of
20 compensation.

21 (b) Whenever a justice or magistrate shall be granted a leave of absence without pay,
22 such absence shall not be credited towards active service time for the purposes of retirement.

23 (c) Any justice in any of the courts who shall retire in accordance with the provisions
24 of this section or section 36-9-5 may, at his or her own request and at the direction of the
25 chief justice of the supreme court, subject to the retiree's physical and mental competence, be
26 assigned to perform such services as an associate justice of the superior court, or the family court,
27 or the district court as the presiding justice of the superior court, or the chief judge of the family
28 court, or the district shall prescribe. When so assigned and performing such service, the justice
29 shall have all the powers and authority of an associate justice of the superior court, the family
30 court, or the district court but otherwise shall have no powers nor be authorized to perform any
31 judicial duties. Such a retired justice shall not be counted in the number of judges provided by
32 law for the superior court, the family court, or the district court.

33 (d) Any justice of the supreme court who shall retire in accordance with the provisions of
34 this section shall at the direction of the chief justice of the supreme court, subject to the retiree's

1 physical and mental competence, be assigned to perform such services as an associate justice of
2 the supreme court as the chief justice of the supreme court shall prescribe. When so assigned and
3 performing such services, the retiree shall have all the powers and authority of an associate justice
4 of the supreme court, but otherwise he or she shall have no powers nor be authorized to perform
5 any judicial duties relating to the supreme court, except as authorized under section 8-1-1. Such a
6 retired justice shall not be counted in the number of justices provided by law for the Supreme
7 Court.

8 **8-3-8. Retirement of justices on full pay -- Assignment as associate justices. --** (a)

9 Whenever any person engaged as a judge: (1) on or before [July 2, 1997] shall have served as a
10 justice of the supreme court, the superior court, the family court, the district court, or any of them
11 for twenty (20) years and has reached the age of sixty-five (65) years, or has served for fifteen
12 (15) years, and reached the age of seventy (70) years, that justice may retire from regular active
13 service and thereafter the justice shall receive annually during his or her life a sum equal to the
14 annual salary the justice was receiving at the time of his or her retirement.

15 (2) Subsequent to July 2, 1997 and prior to January 1, 2009, shall have served as a justice
16 of the supreme court, the superior court, the family court, the district court, or any of them for
17 twenty (20) years and has reached the age of sixty-five (65) years, or has served for fifteen (15)
18 years, and reached the age of seventy (70) years, said justice may retire from regular active
19 service and thereafter said justice shall receive annually during his or her life a sum equal to his
20 or her average highest three (3) consecutive years of compensation.

21 (3) On or after January 1, 2009, shall have served as a justice of the supreme court, the
22 superior court, the family court, the district court, or any of them for twenty (20) years and has
23 reached the age of sixty-five (65) years, or has served for fifteen (15) years, and reached the age
24 of seventy (70) years, said justice may retire from regular active service and thereafter said justice
25 shall receive annually during his or her life a sum equal to ninety percent (90%) of his or her
26 average highest three consecutive years of compensation.

27 (4) On or after July 1, 2009, shall have served as a justice of the supreme court, the
28 superior court, the family court, the district court, or any of them for twenty (20) years and has
29 reached the age of sixty-five (65) years, or has served for fifteen (15) years, and reached the age
30 of seventy (70) years, said justice may retire from regular active service and thereafter said justice
31 shall receive annually during his or her life a sum equal to eighty percent (80%) his or her
32 average highest five (5) consecutive years of compensation.

33 (b) Whenever a justice or magistrate shall be granted a leave of absence without pay,
34 such absence shall not be credited towards active service time for the purposes of retirement.

1 (c) Any justice of any of the courts who shall retire in accordance with the provisions of
2 this section shall at the direction of the chief justice of the supreme court, subject to the retiree's
3 physical and mental competence, be assigned to perform such services as an associate justice of
4 the superior court, or the family court, or the district court as the presiding justice of the superior
5 court, or the chief judge of the family court, or the district court shall prescribe. When so assigned
6 and performing such service, the retiree shall have all the powers and authority of an associate
7 justice of the superior court, the family court, or the district court but otherwise he or she shall
8 have no powers nor be authorized to perform any judicial duties. Such a retired justice shall not
9 be counted in the number of judges provided by law for the superior court, the family court, or the
10 district court.

11 (d) Any justice of the supreme court who shall retire in accordance with the provisions of
12 this section shall at the direction of the chief justice of the supreme court, subject to the retiree's
13 physical and mental competence, be assigned to perform such services as an associate justice of
14 the supreme court as the chief justice of the supreme court shall prescribe. When so assigned and
15 performing such services, the retiree shall have all the powers and authority of an associate justice
16 of the supreme court, but otherwise he or she shall have no powers nor be authorized to perform
17 any judicial duties relating to the supreme court, except as authorized under section 8-1-1. Such a
18 retired justice shall not be counted in the number of justices provided by law for the supreme
19 court.

20 SECTION 6. Section 8-8-10 of the General Laws in Chapter 8-8 entitled "District Court"
21 is hereby amended to read as follows:

22 **8-8-10. Retirement of judges.** – Whenever any person has served as a judge in the court
23 for twenty (20) years and has reached the age of sixty-five (65) years or has so served for fifteen
24 (15) years and has reached the age of seventy (70) years, he or she may resign his or her office
25 and thereafter he or she shall receive annually during his or her life a sum equal to (i) three-
26 fourths (3/4) of the annual salary that he or she was receiving at the time of resignation or (ii) for
27 justices engaged on or after July 1 2009, three-fourths (3/4) of his or her average highest five (5)
28 consecutive years annual compensation. For the purposes of eligibility for retirement under this
29 section, service as a justice on any predecessor district court prior to September 15, 1969 shall be
30 included as if that service had been on the district court created by this chapter.

31 SECTION 7. Sections 28-30-15.1 and 28-30-16.2 of the General Laws in Chapter 28-30
32 entitled "Workers' Compensation Court" are hereby amended to read as follows:

33 ~~**28-30-15.1. Retirement of judges engaged after July 2, 1997, on reduced pay.**~~
34 **Retirement of judges engaged after July 2, 1997.** – (a)

1 Whenever any person first engaged as a judge: (1) subsequent to July 2, 1997 and prior to
2 January 1, 2009, has served as a workers' compensation judge for twenty (20) years, or has so
3 served for ten (10) years and has reached the age of sixty-five (65) years, he or she may retire
4 from active service and subsequently he or she shall receive annually during life a sum equal to
5 three-fourths (3/4) of his or her average highest three (3) consecutive years of compensation; (2)
6 On or after January 1, 2009 and prior to July 1, 2009, has served as a workers' compensation
7 judge for twenty (20) years or has so served for ten (10) years and reached the age of sixty-five
8 (65) years, he or she may retire from active service and subsequently he or she shall receive
9 annually during life a sum equal to seventy percent (70%) of his or her average highest three (3)
10 consecutive years or compensation; (3) On or after July 1, 2009, has served as a workers'
11 compensation judge for twenty (20) years, or has served for ten (10) years, and reached the age of
12 sixty-five (65) years, he or she may retire from regular active service and thereafter said justice
13 shall receive annually during his or her life a sum equal to sixty-five (65%) percent his or her
14 average highest five (5) consecutive years of compensation.

15 (b) In determining eligibility under this section, any judge who has served as a general
16 officer may include that service as if that service had been on the workers' compensation court.
17 Whenever a judge or magistrate shall be granted a leave of absence without pay, such absence
18 shall not be credited towards active service time for the purposes of retirement.

19 (c) Any judge who retires in accordance with the provisions of this section may at his or
20 her own request and at the direction of the chief judge of the court subject to the retiree's physical
21 and mental competence, be assigned to perform those services that a judge on the workers'
22 compensation court as the chief judge prescribes. When so assigned and performing those
23 services, he or she shall have all the powers and authority of a judge. A retired judge shall not be
24 counted in the number of judges provided by law for the workers' compensation court.

25 **28-30-16.2. Retirement of judges engaged after July 2, 1997, on full pay.** -- (a)
26 Whenever any person first engaged as a judge: (1) subsequent to July 2, 1997 and prior to January
27 1, 2009, has served as a workers' compensation judge for twenty (20) years and has reached the
28 age of sixty-five (65) years, or has served for fifteen (15) years and reached the age of seventy
29 (70) years, he or she may retire from regular active service and subsequently he or she shall
30 receive annually during his or her life a sum equal to his or her average highest three (3)
31 consecutive years of compensation; (2) On or after January 1, 2009 and prior to July 1, 2009 has
32 served as a workers' compensation judge for twenty (20) years and has reached the age of sixty-
33 five (65) years, or has served for fifteen (15) years and reached the age of seventy (70) years, he
34 or she may retire from regular active service and subsequently he or she shall receive annually

1 during his or her life a sum equal to ninety percent (90%) of his or her average highest three (3)
2 consecutive years of compensation; (3) On or after July 1, 2009 has served as a workers'
3 compensation judge for twenty (20) years and has reached the age of sixty-five (65) years, or has
4 served for fifteen (15) years and reached the age of seventy (70) years, he or she may retire from
5 regular active service and subsequently he or she shall receive annually during his or her life a
6 sum equal to eighty percent (80%) of his or her average highest five (5) consecutive years of
7 compensation.

8 (b) Whenever a judge or magistrate shall be granted a leave of absence without pay, such
9 absence shall not be credited towards active service time for the purposes of retirement.

10 (c) Any judge who retires in accordance with the provisions of this section shall at the
11 direction of the chief judge of the court, subject to the retiree's physical and mental competence
12 be assigned to perform those services as a judge that the chief judge prescribes. When so assigned
13 and performing that service, the retiree shall have all the powers and authority of a judge. The
14 retired judge shall not be counted in the number of judges provided by law for the workers'
15 compensation court.

16 SECTION 8. Section 36-10-2 of the General Laws in Chapter 36-10 entitled "Retirement
17 System-Contributions and Benefits" is hereby amended to read as follows:

18 **36-10-2. State contributions.** -- (a) The State of Rhode Island shall make its contribution
19 for the maintenance of the system, including the proper and timely payment of benefits in
20 accordance with the provisions of this chapter and chapters 8, 16, 28, 31 and 42 of this title, by
21 annually appropriating an amount equal to a percentage of the total compensation paid to the
22 active membership. The percentage shall be computed by the actuary employed by the retirement
23 system and shall be certified by the retirement board to the director of administration on or before
24 the fifteenth day of October in each year. In arriving at the yearly employer contribution the
25 actuary shall determine the value of:

- 26 (1) The contributions made by the members;
27 (2) Income on investments; and
28 (3) Other income of the system.

29 (b) The Actuary shall thereupon compute the yearly employer contribution that will:

- 30 (1) Pay the actuarial estimate of the normal cost for the next succeeding fiscal year;
31 (2) Amortize the unfunded liability of the system as of June 30, 1999 utilizing a time
32 period not to exceed thirty (30) years.

33 ~~(3) Provided, that the fiscal year 2009, the employer contribution shall be deferred from~~
34 ~~April 2 until June 30, 2009. The amounts that would have been contributed shall be deposited in a~~

1 ~~special fund and not used for any purpose.~~

2 (c) The State of Rhode Island shall remit to the general treasurer the employer's share of
3 the contribution for state employees, state police, and judges on a payroll frequency basis, and for
4 teachers in a manner pursuant to section 16-16-22.

5 (d) (1) In accordance with the intent of section 36-8-20 that the retirement system satisfy
6 the requirements of section 401(a) of the Internal Revenue Code of 1986, the state shall pay to the
7 retirement system:

8 (i) By June 30, 1995, an amount equal to the sum of the benefits paid to state legislators
9 pursuant to section 36-10-10.1 in excess of ten thousand dollars (\$10,000) per member (plus
10 accrued interest on such amount at eight percent (8%)) for all fiscal years beginning July 1, 1991,
11 and ending June 30, 1995, but this amount shall be paid only if section 36-10-10.1(e) becomes
12 effective January 1, 1995; and

13 (ii) By December 31, 1994, twenty million seven hundred eighty eight thousand eight
14 hundred twelve dollars and nineteen cents (\$20,788,812.19) plus accrued interest on that amount
15 at eight percent (8%) compounded monthly beginning March 1, 1991, and ending on the date this
16 payment is completed (reduced by amortized amounts already repaid to the retirement system
17 with respect to the amounts withdrawn by the state during the fiscal year July 1, 1990 -- June 30,
18 1991); and

19 (iii) By June 30, 1995, the sum of the amounts paid by the retirement system for retiree
20 health benefits described in section 36-12-4 for all fiscal years beginning July 1, 1989, and ending
21 June 30, 1994, to the extent that the amounts were not paid from the restricted fund described in
22 subsection (c).

23 (2) Any and all amounts paid to the retirement system under this subsection shall not
24 increase the amount otherwise payable to the system by the state of Rhode Island under
25 subsection (a) for the applicable fiscal year. The actuary shall make such adjustments in the
26 amortization bases and other accounts of the retirement system as he or she deems appropriate to
27 carry out the provisions and intent of this subsection.

28 (e) In addition to the contributions provided for in subsection (a) through (c) and in order
29 to provide supplemental employer contributions to the retirement system, commencing in fiscal
30 year 2006, and each year thereafter:

31 (1) For each fiscal year in which the actuarially determined state contribution rate for
32 state employees is lower than that for the prior fiscal year, the governor shall include an
33 appropriation to that system equivalent to twenty percent (20%) of the rate reduction for the
34 state's contribution rate for state employees to be applied to the actuarial accrued liability of the

1 state employees' retirement system for state employees for each fiscal year;

2 (2) For each fiscal year in which the actuarially determined state contribution rate for
3 teachers is lower than that for the prior fiscal year, the governor shall include an appropriation to
4 that system equivalent to twenty percent (20%) of the rate reduction for the state's share of the
5 contribution rate for teachers to be applied to the actuarial accrued liability of the state employees'
6 retirement system for teachers for each fiscal year;

7 (3) The amounts to be appropriated shall be included in the annual appropriation bill and
8 shall be paid by the general treasurer into the retirement system.

9 (f) While the retirement system's actuary shall not adjust the computation of the annual
10 required contribution for the year in which supplemental contributions are received, such
11 contributions once made may be treated as reducing the actuarial liability remaining for
12 amortization in the next following actuarial valuation to be performed.

13 SECTION 9. Section 16-16-22 of the General Laws in Chapter 16-16 entitled "Teachers'
14 Retirement" is hereby amended to read as follows:

15 **16-16-22. Contributions to state system.** -- (a) Each member shall contribute into the
16 system nine and one-half percent (9.5%) of compensation as his or her share of the cost of
17 annuities, benefits, and allowances. The employer contribution on behalf of teacher members of
18 the system shall be in an amount that will pay a rate percent of the compensation paid to the
19 members, according to the method of financing prescribed in the State Retirement Act in chapters
20 8 -- 10 of title 36. This amount shall be paid by the state, and sixty percent (60%) by the city,
21 town, local educational agency, or any formalized commissioner approved cooperative service
22 arrangement by whom the teacher members are employed, with the exception of teachers who
23 work in federally funded projects. Provided, however, that the rate percent paid shall be rounded
24 to the nearest hundredth of one percent (.01%).

25 (b) The employer contribution on behalf of teacher members of the system who work in
26 fully or partially federally funded programs shall be prorated in accordance with the share of the
27 contribution paid from the funds of the federal, city, town, or local educational agency, or any
28 formalized commissioner approved cooperative service arrangement by whom the teacher
29 members are approved.

30 (c) In case of the failure of any city, town, or local educational agency, or any formalized
31 commissioner approved cooperative service arrangement to pay to the state retirement system the
32 amounts due from it under this section within the time prescribed, the general treasurer is
33 authorized to deduct the amount from any money due the city, town, or local educational agency
34 from the state.

1 (d) The employer's contribution shared by the state shall be paid in the amounts
2 prescribed in this section for the city, town, or local educational agency and under the same
3 payment schedule. Notwithstanding any other provisions of this chapter, the city, town, or local
4 educational agency or any formalized commissioner approved cooperative service arrangement
5 shall remit to the general treasurer of the state the local employer's share of the teacher's
6 retirement payments on a monthly basis, payable by the fifteenth (15th) of the following month,
7 ~~provided that the employer contribution from the effective date of this act shall be deferred until~~
8 ~~June 30, 2009. The amounts that would have been contributed shall be deposited by the state in a~~
9 ~~special fund and not used for any purpose.~~ The general treasurer, upon receipt of the local
10 employer's share, shall effect transfer of a matching amount of money from the state funds
11 appropriated for this purpose by the general assembly into the retirement fund, ~~provided that for~~
12 ~~the period beginning April 2 to June 30 the general treasurer shall not make such transfer.~~

13 ~~Upon reconciliation of the final amount owed to the retirement fund for the employer~~
14 ~~share, the state shall ensure that any local education aid reduction assumed for the FY 2009~~
15 ~~revised budget in excess of the actual savings is restored to the respective local entities.~~

16 (e) This section is not subject to sections 45-13-7 through 45-13-10.

17 SECTION 10. Section 8-3-17 of the General Laws in Chapter 8-3 entitled "Justices of
18 Supreme, Superior, and Family Courts" is hereby amended to read as follows:

19 **8-3-17. State contributions.** -- The state of Rhode Island shall make its contribution for
20 the maintaining of the system established by section 8-3-16 and providing the annuities, benefits,
21 and retirement allowances in accordance with the provisions of this chapter by annually
22 appropriating an amount which will pay a rate percent of the compensation paid after December
23 31, 1989 to judges engaged after December 31, 1989. Such rate percent shall be computed and
24 certified in accordance with the procedures set forth in sections 36-8-13 and 36-10-2 under rules
25 and regulations promulgated by the retirement board pursuant to section 36-8-3. ~~Provided, that~~
26 ~~the employer contribution from the effective date of this act shall be deferred until June 30, 2009.~~
27 ~~The amounts that would have been contributed shall be deposited in a special fund and not used~~
28 ~~for any purpose.~~

29 SECTION 11. Section 42-28-22.2 of the General Laws in Chapter 42-28 entitled "State
30 Police" is hereby amended to read as follows:

31 **42-28-22.2. State contributions.** -- The state of Rhode Island shall make its contribution
32 for the maintaining of the system established by section 42-28-22.1 and providing the annuities,
33 benefits, and retirement allowances in accordance with the provisions of this chapter by annually
34 appropriating an amount which will pay a rate percent of the compensation paid after July 1, 1989

1 to members of the state police hired after July 1, 1987. This rate percent shall be computed and
2 certified in accordance with the procedures set forth in sections 36-8-13 and 36-10-2 under rules
3 and regulations promulgated by the retirement board pursuant to section 36-8-3. ~~Provided, that~~
4 ~~the employer contribution from the effective date of this act shall be deferred until June 30, 2009.~~
5 ~~The amount that would have been contributed shall be deposited in a special fund and not used~~
6 ~~for any purpose.~~

7 SECTION 12. Section 35-6-1 of the General Laws in Chapter 35-6 entitled "Accounts
8 and Control" is hereby amended to read as follows:

9 **35-6-1. Controller -- Duties in general.** -- (a) Within the department of administration
10 there shall be a controller who shall be appointed by the director of administration pursuant to
11 chapter 4 of title 36. The controller shall be responsible for accounting and expenditure control
12 and shall be required to:

13 (1) Administer a comprehensive accounting and recording system which will classify the
14 transactions of the state departments and agencies in accordance with the budget plan;

15 (2) Maintain control accounts for all supplies, materials, and equipment for all
16 departments and agencies except as otherwise provided by law;

17 (3) Prescribe a financial, accounting, and cost accounting system for state departments
18 and agencies;

19 (4) Preaudit all state receipts and expenditures;

20 (5) Prepare financial statements required by the several departments and agencies, by the
21 governor, or by the general assembly;

22 (6) Approve the orders drawn on the general treasurer; provided, that the preaudit of all
23 expenditures under authority of the legislative department and the judicial department by the state
24 controller shall be purely ministerial, concerned only with the legality of the expenditure and
25 availability of the funds, and in no event shall the state controller interpose his or her judgment
26 regarding the wisdom or expediency of any item or items of expenditure;

27 (7) Prepare and timely file, on behalf of the state, any and all reports required by the
28 United States, including, but not limited to, the internal revenue service, or required by any
29 department or agency of the state, with respect to the state payroll; and

30 (8) Prepare a preliminary closing statement for each fiscal year. The controller shall
31 forward the statement to the chairpersons of the house finance committee and the senate finance
32 committee, with copies to the house fiscal advisor and the senate fiscal and policy advisor, by
33 September 1 following the fiscal year ending the prior June 30 or thirty (30) days after enactment
34 of the appropriations act, whichever is later. The report shall include but is not limited to:

1 (i) A report of all revenues received by the state in the completed fiscal year, together
2 with the estimates adopted for that year as contained in the final enacted budget, and together
3 with all deviations between estimated revenues and actual collections. The report shall also
4 include cash collections and accrual adjustments;

5 (ii) A comparison of actual expenditures with each of the actual appropriations,
6 including supplemental appropriations and other adjustments provided for in the Rhode Island
7 General Laws;

8 (iii) A statement of the opening and closing surplus in the general revenue account; and

9 (iv) A statement of the opening surplus, activity, and closing surplus in the state budget
10 reserve and cash stabilization account and the state bond capital fund.

11 (b) The controller shall provide supporting information on revenues, expenditures,
12 capital projects, and debt service upon request of the house finance committee chairperson, senate
13 finance committee chairperson, house fiscal advisor, or senate fiscal and policy advisor.

14 (c) Upon issuance of the audited annual financial statement, the controller shall provide a
15 report of the differences between the preliminary financial report and the final report as contained
16 in the audited annual financial statement.

17 (d) Upon issuance of the audited financial statement, the controller shall transfer all
18 general revenues received in the completed fiscal year net of transfer to the state budget reserve
19 and cash stabilization account as required by section 35-3-20 in excess of those estimates adopted
20 for that year as contained in the final enacted budget to the employees' retirement system of the
21 state of Rhode Island as defined in section 36-8-2.

22 (9) The controller shall create a special fund not part of the general fund and shall deposit
23 amounts equivalent to all deferred contributions under this act into that fund. ~~Any amounts~~
24 ~~remaining in the fund on June 30 shall be transferred to the general treasurer who shall transfer~~
25 ~~such amounts into the retirement fund as appropriate.~~ From the special funds for deferred
26 contributions to the retirement system, the controller shall transfer the amounts due to the
27 retirement system to the general treasurer who shall transfer such amounts into the retirement
28 fund as appropriate.

29 SECTION 13. Section 8-3-11 of the General Laws in Chapter 8-3 entitled "Justices of
30 Supreme, Superior, and Family Courts" is hereby amended to read as follows:

31 **8-3-11. Allowances to surviving spouses, domestic partners or minor children of**
32 **deceased justices.** -- (a) Whenever any justice of the supreme court, the superior court, the family
33 court, or the district court who was engaged as a judge prior to January 1, 2009, dies after
34 retirement or during active service while eligible for retirement, or during active service after

1 having served fifteen (15) years or more in office, his or her surviving spouse or domestic partner
2 shall receive annually thereafter, during his or her lifetime and so long as he or she remains
3 unmarried or not in a domestic partnership, an amount equal to one-half (1/2) of the annual
4 payment that the justice was receiving by way of salary or retirement pay at the time of his or her
5 death. Whenever a justice of any of the courts shall die without having become eligible to retire
6 either under section 8-3-7 or 8-3-8 and has served seven (7) years or more in office, his or her
7 surviving spouse or domestic partner shall receive annually thereafter, during his or her lifetime
8 and so long as he or she remains unmarried or not in a domestic partnership, one-third (1/3) of
9 the annual salary that the justice was receiving at the time of his or her death. Whenever a justice
10 of the courts shall die without having become eligible to retire either under section 8-3-7 or 8-3-8
11 and has not served seven (7) years in office, his or her surviving spouse or domestic partner shall
12 receive annually thereafter, during his or her lifetime and so long as he or she remains unmarried
13 or not in a domestic partnership, one-fourth (1/4) of the annual salary that the justice was
14 receiving at the time of his or her death.

15 (b) Any justice of the courts who is engaged as a judge on or after January 1, 2009 may
16 elect to receive retirement pay that is reduced by an additional ten percent (10%) of the average
17 of the highest three (3) consecutive years annual compensation (i.e., ninety percent (90%)
18 reduced to eighty percent (80%) or seventy percent (70) reduced to sixty percent (60%)), and
19 where such option is exercised by giving the general treasurer notice in writing thereof within
20 ninety (90) days after the date of his or her retirement his or her surviving spouse or domestic
21 partner or minor children shall receive annually one-half (1/2) of his or her retirement pay during
22 his or her lifetime so long as he or she remains unmarried or not in a domestic partnership, or the
23 children are under twenty-one (21) years of age.

24 (c) Whenever any justice of the supreme court, the superior court, the family court, or the
25 district court who was engaged as a judge on or after January 1, 2009, dies during active service
26 while eligible for retirement, or during active service after having served fifteen (15) years or
27 more in office, his or her surviving spouse or domestic partner shall receive annually thereafter,
28 during his or her lifetime and so long as he or she remains unmarried or not in a domestic
29 partnership, an amount equal to one-half (1/2) of the annual payment that the justice was
30 receiving by way of salary.

31 (d) Whenever a justice of any of the courts who was engaged as a judge on or after
32 January 1, 2009, shall die without having become eligible to retire either under sections 8-3-7 or
33 8-3-8 and has served seven (7) years or more in office, his or her surviving spouse or domestic
34 partner shall receive annually thereafter, during his or her lifetime and so long as he or she

1 remains unmarried or not in a domestic partnership, one-third (1/3) of the annual salary that the
2 justice was receiving at the time of his or her death.

3 (e) Whenever a justice of the courts who was engaged as a judge on or after January 1,
4 2009, shall die without having become eligible to retire either under sections 8-3-7 or 8-3-8 and
5 has served seven (7) years or more in office, his or her surviving spouse or domestic partner shall
6 receive annually thereafter, during his or her lifetime and so long as he or she remains unmarried
7 or not in a domestic partnership, one-fourth (1/4) of the annual salary that the justice was
8 receiving at the time of his or her death.

9 ~~(e)(f) In the event the deceased justice shall have no surviving spouse or domestic~~
10 ~~partner, or the surviving spouse or domestic partner should predecease their minor children, then~~
11 ~~the benefits conferred by this section shall be received in equal shares by the minor children, if~~
12 ~~any, until each shall attain the age of twenty-one (21) years. Any justice of the courts who retires~~
13 ~~under the provisions of section 8-3-7, 8-3-8, or 8-3-12 may at his or her option elect to receive~~
14 ~~three-fourths (3/4) of his or her retirement pay, and where such option is exercised by giving the~~
15 ~~general treasurer notice in writing thereof within two (2) years after the date of his or her~~
16 ~~retirement, his or her surviving spouse or domestic partner or minor children shall receive~~
17 ~~annually one-half (1/2) of his or her retirement pay during his or her lifetime so long as he or she~~
18 ~~remains unmarried or not in a domestic partnership, or the children are under twenty-one (21)~~
19 ~~years of age.~~

20 SECTION 14. Section 28-30-17 of the General Laws in Chapter 28-30 entitled "Workers'
21 Compensation Court" is hereby amended to read as follows:

22 **28-30-17. Allowance to surviving spouses and domestic partners of deceased judges.**

23 (a) Whenever any judge of the workers' compensation court who was engaged as a judge prior
24 to January 1, 2009 dies after retirement or during active service while eligible for retirement or
25 during active service after having served fifteen (15) years or more in office, his or her surviving
26 spouse or domestic partner shall receive annually thereafter during his or her lifetime and so long
27 as he or she remains unmarried or not in a domestic partnership, an amount equal to one-half (
28 1/2) of the annual payment that the judge was receiving by way of salary or retirement pay at the
29 time of his or her death.

30 (b) For those engaged as a judge on or after January 1, 2009, the judge may elect to
31 receive retirement pay that is reduced by an additional ten percent (10%) of the average of the
32 highest three (3) consecutive years annual compensation (i.e., ninety percent (90%) reduced to
33 eighty percent (80%) or seventy percent (70%) reduced to sixty percent (60%)) and where such
34 option is exercised by giving the general treasurer notice in writing thereof within ninety (90)

1 days after the date of his or her retirement his or her surviving spouse or domestic partner or
2 minor children shall receive annually one-half (1/2) of his or her retirement pay during his or her
3 lifetime so long as he or she remains unmarried or not in a domestic partnership, or the children
4 are under twenty-one (21) years of age.

5 (c) Whenever a judge of the workers' compensation court dies without having become
6 eligible to retire either under section 28-30-15 or 28-30-16 and has served seven (7) years or more
7 in office, his or her surviving spouse or domestic partner shall receive annually thereafter during
8 his or her lifetime and so long as he or she remains unmarried or not in a domestic partnership
9 one-third (1/3) of the annual salary that the judge was receiving at the time of his or her death.

10 ~~(d) Any judge who retires under the provisions of section 28-30-15 or 28-30-16 may at~~
11 ~~his or her option elect to receive three fourths (3/4) of his or her retirement pay, and where that~~
12 ~~option is exercised by giving the general treasurer notice in writing within two (2) years after the~~
13 ~~date of his or her retirement, his or her surviving spouse or domestic partner or minor children~~
14 ~~shall receive annually one half (1/2) of his or her retirement pay during his or her lifetime so~~
15 ~~long as he or she remains unmarried or not in a domestic partnership or the children are under~~
16 ~~twenty one (21) years of age.~~

17 (d) Whenever any judge of the workers' compensation court who was engaged as a judge
18 on or after January 1, 2009 dies during active service whole eligible for retirement or during
19 active service after having served fifteen (15) years or more in office, his or her surviving spouse
20 or domestic partner shall receive annually thereafter during his or her lifetime and so long as he
21 or she remains unmarried or not in a domestic partnership, an amount equal to one-half (1/2) of
22 the annual payment that the judge was receiving by way of salary or retirement pay at the time of
23 his or her death.

24 (e) Whenever a judge of the workers' compensation court dies without having become
25 eligible to retire either under section 28-30-15 or 28-30-16 and has not served seven (7) years in
26 office, his or her surviving spouse or domestic partner shall subsequently receive annually during
27 his or her lifetime and so long as he or she remains unmarried or not in a domestic partnership,
28 one fourth (1/4) of the annual salary that the judge was receiving at the time of his or her death.

29 (f) In the event the deceased judge has no surviving spouse or domestic partner or the
30 surviving spouse or domestic partner predeceases their minor children, the benefits conferred by
31 this section shall be received in equal shares by the minor children, if any, until each attains the
32 age of twenty-one (21) years.

33 SECTION 15. This article shall take effect upon passage.

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