LC005559

### 2018 -- S 2956

# STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2018

#### AN ACT

#### RELATING TO PUBLIC OFFICES AND EMPLOYEES - RETIREMENT

Introduced By: Senator Hanna M. Gallo

Date Introduced: June 07, 2018

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

SECTION 1. Section 36-9-20 of the General Laws in Chapter 36-9 entitled "Retirement
 System - Membership and Service Credits" is hereby amended to read as follows:

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#### 36-9-20. Credit for service as a teacher, municipal employee, or legislator.

4 (a) Any state employee who shall have rendered service as a teacher as defined under the 5 provisions of chapters 16 and 17 of title 16 shall be entitled to credit for that service for the various purposes of this system, provided the member shall have been a contributing member of 6 7 this system for that period. Any state employee who shall have been a contributing member of the municipal system as defined under the provisions of chapter 21 of title 45 shall be given credit for 8 9 that service for the various purposes of this system, provided the member's contributions are 10 transferred to this system. All contributions made by the member shall be transferred in toto to 11 this system for the periods of service and the retirement system shall calculate the full actuarial 12 value of the accrued benefit with the former employer. If the full actuarial value of the accrued 13 benefit with the former employer is greater than the total employee contributions transferred, the 14 retirement system shall also transfer the difference between the full actuarial value of the accrued 15 benefit with the former employer and the employee's contributions from the account of the former employer to the account of the current employer. In any case in which a member shall have 16 17 received a refund or refunds of contributions made to the system, the allowance of the aforesaid 18 credit for service shall be conditioned upon the payment of the full actuarial cost as defined in 19 subsection 36-8-1(10). Any service as defined herein for which no contributions were made may

1 be granted provided the member pays to the retirement system the full actuarial cost as defined in 2 § 36-8-1(10). Any state employee or teacher as defined under the provisions of chapters 16 and 3 17 of title 16 who shall have been employed by a municipality which did not elect to accept 4 chapter 21 of title 45 as provided in § 45-21-4 shall be given credit for that service for the various 5 purposes of this system, provided that the employee shall have met the definitional requirements of "employee" as stated in § 45-21-2(7) and provided the member pays to the retirement system 6 7 an amount equal to the full actuarial value of the credit as certified by the retirement board; 8 provided, however, that any state employee who shall have been employed by a municipality 9 which did not elect to accept chapter 21 of title 45 as provided in § 45-21-4 shall be given credit 10 for that service for the various purposes of this system, to a maximum period of four (4) years, 11 provided the member pays to the retirement system the full actuarial cost as defined in subsection 12 36-8-1(10). Nothing in this section shall be deemed to allow the purchase of four (4) years of 13 service for credit in more than one retirement system.

14 (b) Any member who shall have rendered service both as a state employee under § 36-10-

15 9, and service as a correctional officer under § 36-10-9.2(a), shall be eligible to elect to combine

the member's service as a correctional officer and service as a state employee to determine the
 member's retirement eligibility date under § 36-10-9. For any member making this election, the

- 18 <u>member will receive a single benefit equal to the member's accrued benefit as a correctional</u>
- officer computed under § 36-10-10.2, plus the member's accrued benefit as a state employee
  computed under § 36-10-10.
- (b)(c) The retirement board shall fix and determine rules and regulations to govern the
   provisions of this section.
- 23 SECTION 2. Section 36-10-9.2 of the General Laws in Chapter 36-10 entitled
  24 "Retirement System Contributions and Benefits" is hereby amended to read as follows:
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### <u>36-10-9.2. Retirement on service allowance -- Correctional officers.</u>

- (a) This section shall apply to the retirement of members employed as assistant director
  (adult services), assistant deputy director, chief of inspection, and associate directors, correctional
  officer, chief of security, work rehabilitation program supervisor, supervisor of custodial records
  and reports, and classification counselor within the department of corrections.
- 30 (b) (i) Any member who has attained the age of fifty (50) years may be retired subsequent 31 to the proper execution and filing of a written application; provided, however, that the member 32 shall have completed twenty (20) years of total service within the department of corrections and 33 who retires before October 1, 2009 or is eligible to retire as of September 30, 2009.
- 34 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are

available to members who have attained the age of fifty-five (55) and have completed at least twenty-five (25) years of total contributory service within the department of corrections. For members in service as of October 1, 2009 who were not eligible to retire as of September 30, 2009 but who are eligible to retire on or prior to June 30, 2012, the minimum retirement age of fifty-five (55) will be adjusted downward in proportion to the amount of service the member has earned as of September 30, 2009. The proportional formula shall work as follows:

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

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

12 (3) The fraction determined in (2) shall then be multiplied by the age difference13 determined in (1) to apply a reduction in years from age fifty-five (55).

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

(d) Any member who shall have rendered service both as a state employee under § 36-109, and service as a correctional officer under § 36-10-9.2(a), shall be eligible to elect to combine
the member's service as a correctional officer and service as a state employee to determine the
member's retirement eligibility date under § 36-10-9. For any member making this election, the
member will receive a single benefit equal to the member's accrued benefit as a correctional
officer computed under § 36-10-10.2, plus the member's accrued benefit as a state employee
computed under § 36-10-10.

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

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### EXPLANATION

### BY THE LEGISLATIVE COUNCIL

### OF

# AN ACT

## RELATING TO PUBLIC OFFICES AND EMPLOYEES - RETIREMENT

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1 This act would allow state employees who had also been a correctional officer to elect to 2 combine their service time earned from each job, for the determination of their retirement 3 eligibility date and calculation of retirement benefits.

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This act would take effect upon passage.

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