LC006138

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

AN ACT

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

Introduced By: Senators Ciccone, and F. Lombardi

Date Introduced: May 16, 2024

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

SECTION 1. Sections 45-21.2-2 and 45-21.2-5 of the General Laws in Chapter 45-21.2

entitled "Optional Retirement for Members of Police Force and Firefighters" are hereby amended

to read as follows:

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or before June 30, 2012.

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

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

45-21.2-5. Retirement on service allowance.

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

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

- (1) Any member who has attained or attains age seventy (70) shall be retired as stated in § 45-21-16 subject to the discretions contained in that section; provided, that any member who is a member of the Woonsocket fire department who has attained or attains an age of sixty-five (65) years shall be retired. Retirement occurs on the first day of the next succeeding calendar month in which the member has attained the age of sixty-five (65) years.
- (2) Any member may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has attained an age of fifty-five (55) years and has completed at least ten (10) years of total service, and notwithstanding that the member may have separated from service.
- (3) Any member may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has completed at least twenty-five (25) years of total service, and notwithstanding that the member may have separated from service.
- (4) Any member may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has attained an age of fifty (50) years and has completed at least twenty (20) years of total service, notwithstanding that the member may have separated from service; provided, that the service retirement allowance, as determined according to the formula provided in § 45-21.2-6, is reduced one-half of one percent ($^{1}/_{2}$ %) for each month that the age of the member is less than fifty-five (55) years.
- (5) Any member of the South Kingstown police department may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has earned a service retirement allowance of fifty percent (50%) of final compensation pursuant to § 45-21.2-6.1.
- (6) Any member of the Johnston police department may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has earned a service retirement allowance of fifty percent (50%) of final compensation pursuant to § 45-21.2-6.2.
- (7) Any member of the Cranston fire department hired after July 1, 1995, or any member of the Cranston fire department with five (5) years or less of service effective July 1, 1995, may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has earned

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

- (8) Any member of the Cranston police department hired after July 1, 1995, or any member of the Cranston police department with five (5) years or less of service effective July 1, 1995, may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has earned a service retirement allowance of fifty percent (50%) of final compensation for at least twenty (20) years service; final compensation for Cranston police department members is based on the compensation components of weekly salary, longevity and holidays with longevity of the members highest year of earnings and members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date; further, any illness or injury not covered in title 45 relating to the presumption of disability is governed by the collective bargaining agreement between the City of Cranston and members of the Cranston police department.
- (9) Any member of the Hopkinton police department may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has earned a service retirement allowance of fifty percent (50%) of final compensation for at least twenty (20) years service; final compensation for Hopkinton police department members is based on the compensation components of weekly salary, longevity and holidays with longevity of the members highest year of earnings and members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date.
- (10) Any member of the Richmond police department may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement has earned a service retirement allowance of fifty percent (50%) of final compensation for at least twenty-two (22) years' service pursuant to § 45-21.2-6.3.
 - (11) Notwithstanding any provision in this section to the contrary, for any service on or

- after July 1, 2012, final compensation shall be defined in accordance with § 45-21.2-2, and no benefit adjustments shall be provided except as set forth in § 45-21-52(c).
- 3 (12) Notwithstanding any provisions of this section to the contrary, with respect to police 4 officers employed by the town of Johnston, only those police officers hired on or after July 1, 2010, 5 shall be eligible to be members of the Municipal Employees' Retirement System of the state of 6 Rhode Island in accordance with this chapter.
- (b) Retirement of a member on a service retirement allowance eligible to retire on and after
 July 1, 2012, shall be made by the retirement board as follows:

- (1) Any member may retire pursuant to this subdivision upon written application to the board stating at what time the member desires to retire; provided, that the member at the specified time for retirement attained the age of at least fifty-five (55) years and has completed at least twenty-five (25) years of total service, and notwithstanding that the member may have separated from service; or
- (2) Effective July 1, 2015, the member makes contributions to the plan effective July 1, 2015, in accordance with § 45-21.2-14, and (i) The member at the specified time for retirement attained the age of at least fifty (50) years and has completed at least twenty-five (25) years of total service; or (ii) The member has completed at least twenty-seven (27) years of total service regardless of the member's attained age, and notwithstanding that the member may have separated from service; or (iii) Effective as of July 1, 2024, the member has attained the age of at least fifty-seven (57) years and has completed at least twenty (20) years of total service.
- (3) Any member with contributory service on or after July 1, 2012, who has completed at least five (5) years of contributory service but who has not completed twenty-five (25) years of service, shall be eligible to retire upon the attainment of the member's Social Security retirement age.
- (4) If a member had ten (10) or more years of contributory service and attained age forty-five (45) prior to July 1, 2012, and would have been eligible to retire at or prior to age fifty-two (52) in accordance with the rules in effect prior to July 1, 2012, the member may retire upon attainment of age fifty-two (52).
 - (5) Effective July 1, 2015, a member who has completed twenty (20) or more years of total service who has attained an age within five (5) years of the eligible retirement age under subparagraphs (b)(1) or (b)(2) or (b)(3) or (b)(4) above, may elect to retire provided that the retirement allowance shall be reduced actuarially for each month that the age of the member is less than the eligible retirement age under subparagraphs (b)(1) or (b)(2) or (b)(3) or (b)(4) above in accordance with the following table:

1	Year Preceding Retirement	Cumulative Annual Reduction	Cumulative	Monthly
2	Reduction			
3	For Year 1	9%		.75%
4	For Year 2	8%		.667%
5	For Year 3	7%		.583%
6	For Year 4	7%		.583%
7	For Year 5	7%		.583%
8	(6) Notwithstanding any other provisions of this section, a member on June 30, 2012, may			
9	elect to retire at his or her eligible retirement date as determined under the rules in effect on June			
10	30, 2012, provided that a member making an election under this paragraph shall receive the			
11	member's retirement benefit determined and calculated based on the member's service and final			
12	compensation as of June 30, 2012. This provision shall be interpreted and administered in a manner			
13	to protect a member's accrued ben	nefit on June 30, 2012.		
14	SECTION 2. This act shall take effect upon passage.			

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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

1	This act, effective July 1, 2024, would require that "final compensation" for purposes of		
2	calculating police and firefighter's retirement benefits, be based on the employee's highest three (
3	consecutive years compensation, rather than the current five (5) years and would permit police an		
4	firefighters to retire if they have attained the age of at least fifty-seven (57) years and have		
5	completed at least twenty (20) years of total service.		
6	This act would take effect upon passage.		
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