

SUMMARY OF 2025 PENSION PROVISIONS

1. Post-Retirement Employment

- **Who it applies to:** Teachers who have retired under the provisions of Title 16

Note: Unlike last year, this provision applies to **teachers providing student instruction**, and not administrators, general school employees, or state employees. *Previous provisions applied to retired administrators, school employees, and state employees but those provisions were not renewed by legislature. Administrators, school employees and state employees must abide by applicable post-retirement employment limits (see RIGL §16-16-24)*

- **What it does:** This year's change allows a local education authority ("LEA") to hire retired teachers to provide teaching in a classroom on a temporary basis upon written notice to ERSRI of a specialized need. No more than 5% of certified teachers in each LEA may exceed the 90-day limit.

- **Teachers retired under Title 16 are permitted to exceed statutory limits on post-retirement employment without impacting pension benefits only after they have been retired for at least one year.**

- *Note: Teachers who have been retired less than one year will be limited to 90 days of post-retirement employment, consistent with statutory caps (see RIGL §16-16-24)*

- LEAs are required to make the **employer** contribution after the retiree exceeds the statutory cap as if the district had hired a new employee. That cap is 90 days for teachers. ERSRI will bill the employers for contributions under this provision based on data transmitted to us.

Note: Retirees are not required to contribute, and do not accrue additional service credit.

- **When Effective:** From June 20, 2025 through June 26, 2026. Contribution payments by employers will begin once employees exceed the pertinent post-retirement employment cap.

2. Police Officer Heart Disease and Hypertension Presumption

- **Who it applies to:** Active municipal police officers in the Municipal Employees' Retirement System ("MERS"), or members of the Employees' Retirement System of Rhode Island ("ERSRI") limited to deputy sheriffs, members of the fugitive task force, capitol police officers, environmental police officers or criminal investigators employed by the Department of Environmental Management, or police officers employed by the Rhode Island Airport Corporation that have been diagnosed with debilitating heart disease or hypertension, or who have suffered a debilitating stroke.
- **What it does:** Eligible law enforcement officers seeking an accidental disability benefit from MERS or ERSRI are entitled to the benefit of a presumption that diagnosed heart disease, stroke, or hypertension was the result of their on-the-job duties. This presumption is overcome by a showing of clear and convincing evidence. Fire fighters have received the benefit of this presumption since 2023.

Fire fighters or police officers hired after July 1, 2025 are not entitled to the presumption if:

- (1) A physical examination conducted at the time of hiring revealed pre-existing heart disease or hypertension; and
 - (2) A fire fighter or police officer seeking the benefits of the presumption has not regularly or habitually used tobacco products within the five-year period before a stroke or heart disease or hypertension diagnosis.
- **When Effective:** June 30, 2025

3. Changes to the Final Average Salary (“FAS”) Formula

- **Who it applies to:** State police officers hired before July 1, 2007
- **What it does:** Modifies a member’s FAS from the average highest five (5) consecutive years of compensation to the average highest three (3) consecutive years of compensation for service earned on or after July 1, 2012.
- **When Effective:** Eligible state police officers with **retirement dates on or after July 1, 2024**

4. Target Funded Ratio

- **Who it applies to:** Workers’ Compensation judges **who retired on or after July 1, 2012.**
- **What it does:** This provision reduces the minimum funded requirement for full statutory COLA from 80% to 75%, mirroring legislative changes made for other retirees in 2024.
- **When Effective:** Retroactive to July 1, 2024

5. Excess Revenue

- **What it does:** The Fiscal Year 2026 budget as enacted includes a \$21.6 million transfer of excess state revenue to ERSRI, which will help continue to reduce unfunded liabilities.

6. Video Recording and Archiving of Retirement Board Meetings

- **What it does:** ERSRI is required to video record and archive all meetings of the Retirement Board. Recordings are available to the public under the “Quick Links” section of ERSRI’s homepage – ERSRI.org – or on YouTube at “ERSRI-video-library.”