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Employer Memorandum

Date: July 24, 2025

To: PAYROLL COORDINATORS

From: Eric Motta, Director of Retirement Business Systems

Subject: **New Law – RIGL 16-16-24.3.** Substitute teaching and

post-retirement teachers.

• 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 postretirement 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 <u>employer</u> 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.