



State of Rhode Island
Office of the General Treasurer

James A. Diossa
General Treasurer

13 April 2026

The Honorable Marvin Abney
Chair, Senate Committee on Finance

RE: 2026-H 7683 – *An Act Relating to Education – Teacher's Retirement*

Chair Abney:

I write with regard to 2026-H 7683, which would adjust and index the minimum benefit under the Teachers' Survivor Benefit Plan (the "TSB" plan). The TSB Plan is for teachers in participating school districts who contribute to the fund, in lieu of Social Security, to provide benefits for their survivors in the event of their death.

Since this legislation would expand retirement benefits for the beneficiaries of certain retired teachers, it will have an impact on the pension system. Consistent with Rhode Island law, legislation concerning the pension system should not be approved without the benefit of a pension impact note. *See* R.I. Gen. Law § 36-10-39 (Legislation impacting the pension system "shall *not* be approved by the general assembly unless an explanatory statement or note . . . is appended to the proposed legislation which actuarially calculates . . . the projected twenty (20) year cost of the proposed legislation") (emphasis added). This independent assessment will clarify any impact the proposed legislation may have on both the State budget, and the sustainability of the TSB plan. The Chairperson of the House Finance Committee – with the approval of the Speaker – can request a pension impact note concerning proposed legislation originating in the House of Representatives. *See* R.I. Gen. Law § 36-10-39.

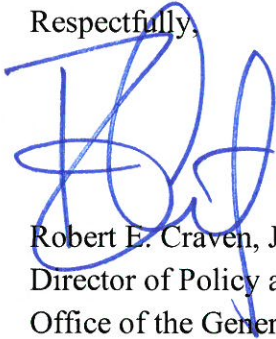
Notwithstanding the pension impact associated with some of the proposed changes, the General Assembly has periodically adjusted the benefits provided under the TSB plan. Within the past 20 years, the legislature has adjusted TSB base benefits twice: once in 2004 and once in 2017. *See*

Pub. Law 2004, Ch. 4, § 547; Pub. Law 2017, Ch. 17, § 413. This bill would mitigate the need for any such legislation in the future by providing an automatic index.¹

Per the state actuary, the TSB plan is “very well-funded” and maintains a 202% funded ratio as of the most recent actuarial valuation. Rhode Island Teachers’ Survivor Benefit Plan, *Actuarial Valuation Report*, Exhibit 1 at *1 (Jun. 30, 2025).

Please feel free to reach out by email at Robert.CravenJr@treasury.ri.gov or by phone at (401) 330-0661 with any further questions.

Respectfully,



Robert E. Craven, Jr.
Director of Policy and Intergovernmental Affairs
Office of the General Treasurer

cc: The Honorable Carol McEntee

¹ Should this legislation proceed, the Office of the General Treasurer requests the proposed language be amended to clarify whether the “yearly adjustment of the base benefit,” is to increase by the amount of the cost-of-living adjustment provided in the previous fiscal year, by the annual social security adjustment, or by some other amount.