



State of Rhode Island
Office of the General Treasurer

James A. Diossa
General Treasurer

16 April 2026

The Honorable Marvin Abney
Chair, House Committee on Finance

The Honorable Members of the House Committee on Finance

RE: *2026-H 8170 – An Act Relating to Education – Teachers’ Retirement*

Chair Abney:

I write in opposition to 2026-H 8170, which would permit teachers, administrators, and school staff members to exceed post-retirement employment limitations set out in titles 16, 36, and 45 (respectively) of the Rhode Island General Laws. This bill represents the sixth consecutive extension of post-retirement employment limitations for teachers, and reinstates a previously repealed provision extending the same benefits to administrators and school staff.

As routinely confirmed by the actuary in prior pension impact notes concerning this bill’s predecessors, post-retirement employment legislation has a negative impact on a pension system, particularly where it changes employee behavior. This bill represents the sixth consecutive extension of post-retirement employment limitations for teachers. When temporary permissions are routinely renewed year to year, they become predictable for effected employees. This Office first warned in 2023 that “there is likely to be an appreciable impact that will only increase with each extension” “[s]hould this bill be the first in a series intended to incrementally relax or pause post-retirement employment restrictions.” Letter to Chair Marvin Abney RE: 2023-H 5040aa (Mar. 14, 2023). That pattern has since continued unabated.

At this Office’s urging, the legislature amended last year’s proposal to include a number of guardrails on post-retirement employment for teachers intended to limit the impact continued post-retirement legislation would have on the Employees’ Retirement System of Rhode Island (“ERSRI”). Currently, a local education authority (“LEA”) must certify that there exists a specialized need to fill the position with a retired member on a temporary basis, must attest to a good-faith effort to fill a position with an active member, and must make the employer contribution as if a position were held by an active member. *See* R.I. Gen. Laws § 16-16-24.2. The number of retired teachers cannot exceed 5% of the total number of certified teachers within an LEA. *Id.*

Further, retired members must wait at least one year after retirement before they can be rehired.
Id.

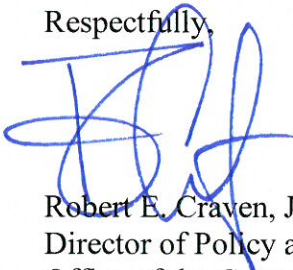
The policy rationale for this proposal has always been – and continues to be – tied to a documented shortage of teachers in certain school districts. Consequently, this temporary permission was tailored to address that *specific* need. It was never intended to supplant normal post-retirement employment rules, or to allow members to retire, collect a benefit, and return to work absent an exigent need. Unlike with teachers, Treasury has never been presented with compelling data to suggest a shortage of school administrators. Indeed, LEAs *have filled* administrative positions previously held by retirees with active members after the General Assembly excluded administrators last year. This alone suggests the absence of a compelling need to deviate from normal post-retirement employment rules.

Yet this bill attempts to extend this temporary waiver of post-retirement rules to administrators and to staff members. Both administrators and school staff are *already* allowed to work up to 90 days post-retirement – more than either state employees or municipal employees.

Notwithstanding the merits of this proposed legislation, 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. Laws §§ 36-10-39; 45-21-42.2 (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 the impact the proposed legislation may have on both the State budget, and the sustainability of the pension system. The Chairperson of the House Finance Committee – with the approval of the Speaker of the House – can request a pension impact note concerning proposed legislation originating in the House. *See* R.I. Gen. Laws §§ 36-10-39; 45-21-42.2.

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 William O'Brien