



*Distinctive Communities
Powerful Alliance*

March 24, 2026

The Honorable Stephen M. Casey, Chair
House Municipal Government and Housing
Rhode Island House of Representatives
82 Smith Street
Providence, RI 02903

RE: HOUSE BILL 7566 – AN ACT RELATING TO TOWNS AND CITIES -- RETIREMENT OF MUNICIPAL EMPLOYEES

Dear Chair Casey and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, we write to express appreciation for the intent behind House Bill 7566, as amended. Supporting retired police officers and firefighters receiving disability pensions is important, and this bill provides additional flexibility for beneficiaries to engage in gainful employment and supplement their income.

This proposal is narrowly tailored to apply to beneficiaries retiring under Chapter 21.2 of Title 45, building upon an existing statutory framework governing post-retirement earnings. In that context, it represents a targeted policy change rather than a broad restructuring of the system.

At the same time, the language establishes a significantly higher earnings threshold for this group of beneficiaries, allowing income up to five times the rate of earnable compensation for the position held prior to retirement. While limited in scope, this adjustment is a notable departure from traditional limitations associated with disability retirement and may raise questions related to equity across different classes of retirees, as well as the broader intent of disability benefits.

Although the amendment does not directly increase pension benefit levels, there could be longer-term implications for municipal retirement systems depending on its influence on retirement patterns or actuarial assumptions. For this reason, a formal fiscal note would be beneficial to better understand any potential long-term impacts on municipal pension obligations.

Implementation of a higher and variable earnings threshold may also require additional oversight and coordination by retirement boards to ensure consistent application and compliance.

There is a willingness to work collaboratively with the bill sponsor and members of the General Assembly to evaluate this proposal and ensure it appropriately balances the needs of beneficiaries with the long-term sustainability and equity of municipal retirement systems.

Thank you for the opportunity to present our perspective.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Rossi", is written over a light blue horizontal line.

Randy R. Rossi
Executive Director

Cc: Honorable Members of House Municipal Government and Housing