State of Rhode Island
Office of the General Treasurer

James A. Diossa
General Treasurer

11 May 2026

The Honorable Louis DiPalma
Chair, Senate Committee on Finance

The Honorable Members of the Senate Committee on Finance

RE: *2026-S 2027, An Act Relating to Public Officers and Employees – Contributions and Benefits*

Chair DiPalma:

I write with regard to 2026-S 2027, which would increase the earnings cap for retired teachers or state employees working as certified driver education instructors after retirement from $15,000 to $25,000. During the 2024 legislative session, the General Assembly approved similar legislation that increased the post-retirement earnings cap for professors at state colleges and universities, from $18,000 to $25,000. The earnings cap was last adjusted in 2004, when it was increased by $3,000. *See* Pub. Laws 2004, ch. 495 § 1.

Since this legislation purports to expand post-retirement benefits of retired members of the Employees' Retirement System of Rhode Island, it likely has an impact on the state's 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 actuarily 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 pension system. The Chairperson of the Senate Finance Committee – with the approval of the Senate President – can request a pension impact note concerning proposed legislation originating in the Senate. *See* R.I. Gen. Law § 36-10-39.

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
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cc: The Honorable Peter Appollonio