

2022 -- H 8268

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO TOWNS AND CITIES -- RETIREMENT OF MUNICIPAL EMPLOYEES

Introduced By: Representatives Cortvriend, Ruggiero, and Abney

Date Introduced: May 19, 2022

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 45-21-8 of the General Laws in Chapter 45-21 entitled "Retirement  
2 of Municipal Employees" is hereby amended to read as follows:

3 **45-21-8. Membership in system.**

4 Membership in the retirement system does not begin before the effective date of  
5 participation in the system as provided in § 45-21-4, § 45-21.4-2, or § 45-21.4-3 and consists of the  
6 following:

7 (a) Any employee of a participating municipality as defined in this chapter, who becomes  
8 an employee on and after the effective date of participation, shall, under contract of his or her  
9 employment, become a member of the retirement system; provided, that the employee is not  
10 receiving any pension or retirement allowance from any other pension or retirement system  
11 supported wholly or in part by a participating municipality, and is not a contributor to any other  
12 pension or retirement system of a participating municipality. Any employee who is elected to an  
13 office in the service of a municipality after the effective date and prior to July 1, 2012, has the  
14 option of becoming a member of the system, which option must be exercised within sixty (60) days  
15 following the date the employee assumes the duties of his or her office, otherwise that person is not  
16 entitled to participate under the provisions of this section;

17 (b) Any employee or elected official of a participating municipality in service prior to the  
18 effective date of participation, who is not a member of any other pension or retirement system  
19 supported wholly or in part by a participating municipality, and who does not notify the retirement

1 board in writing before the expiration of sixty (60) days from the effective date of participation that  
2 he or she does not wish to join the system, shall automatically become a member; and

3 (c) Any employee of a participating municipality in service prior to the effective date of  
4 participation, who is a member of any other pension or retirement system supported wholly or in  
5 part by a participating municipality on the effective date of participation of their municipality, who  
6 then or thereafter makes written application to join this system, and waives and renounces all  
7 accrued rights and benefits of any other pension or retirement system supported wholly or in part  
8 by a participating municipality, becomes a member of this retirement system and shall not be  
9 required to make contribution under any other pension or retirement system of a participating  
10 municipality, anything to the contrary notwithstanding.

11 (d) Notwithstanding the provisions of this section, present firefighters employed by the  
12 town of Johnston shall establish a pension plan separate from the state of Rhode Island retirement  
13 system. If the town of Johnston is thirty (30) days or more late on employer or employee  
14 contributions to the pension plan, the auditor general is authorized to redirect any Johnston funds  
15 to cover the shortfall or to deduct that amount from any moneys due the town from the state for any  
16 purpose other than for education. Disability determinations of present firefighters shall be made by  
17 the state retirement board, subject to the provisions of § 45-21-19, at the town of Johnston's  
18 expense. All new firefighters hired by the town of Johnston shall become members of the state  
19 retirement system.

20 (e) Notwithstanding the provisions of this section, any city of Cranston employees who are  
21 presently members of Teamsters Local Union No. 251, hired between the dates of July 1, 2005,  
22 and June 30, 2010, inclusive, and who are currently members of the retirement system established  
23 by this chapter may opt out of said retirement system and choose to enroll in a defined contribution  
24 plan (i.e., a 403(b) plan or equivalent thereof) established by the city of Cranston.

25 (f) Notwithstanding the provisions of this section, any city of Cranston employees who are  
26 presently members of the Laborers International Union of North America Local 1322 hired between  
27 the dates of July 1, 2008, and June 30, 2013, inclusive, and who are currently members of the  
28 retirement system established by this chapter may opt out of said retirement system and choose to  
29 enroll in a defined contribution plan (i.e., a 403(b) plan or equivalent thereof) established by the  
30 city of Cranston.

31 (g) Notwithstanding the provisions of this section, any city of Cranston employees who  
32 will be members of Teamsters Local Union No. 251, hired after June 30, 2010, shall be enrolled in  
33 a defined contribution plan (i.e., a 403(b) plan or equivalent thereof) established by the city of  
34 Cranston and shall not be a member of the retirement system established by this chapter.

1 (h) Notwithstanding the provisions of this section, any city of Cranston employees who are  
2 presently members of the Laborers International Union of North America Local 1322 hired after  
3 April 23, 2013, shall be enrolled in a defined contribution plan (i.e., 403(b) plan or equivalent  
4 thereof) established by the city of Cranston and shall not be a member of the retirement system  
5 established by this chapter.

6 (i) Notwithstanding the provisions of this section, any city of Cranston employees defined  
7 in subsections (e) and (f) of this section shall be precluded from purchase of service credit for time  
8 served on or after July 1, 2010, while participating in the defined contribution plan (i.e., a 403(b)  
9 plan or equivalent thereof) established by the city of Cranston should the member cease  
10 employment with the city of Cranston or Teamsters Local Union No. 251 and re-enter the system  
11 with another participating employer who has accepted the provisions as defined, in § 45-21-4.

12 (j) Notwithstanding the provisions of this section, any town of Middletown employees,  
13 who will be members of the Teamsters Local Union No. 251 bargaining unit, hired after June 30,  
14 2012, and who are not at the time of hire active members of the retirement system established by  
15 this chapter and who were never active members of the retirement system established by this  
16 chapter, and any town of Middletown employees who are employed as full-time civilian  
17 dispatchers, hired after June 30, 2012, and who are not at the time of hire active members of the  
18 retirement system established by this chapter and who were never active members of the retirement  
19 system established by this chapter, and any town of Middletown employees who are not affiliated  
20 with any recognized collective bargaining representative or union hired after June 30, 2012, and  
21 who are not at the time of hire active members of the retirement system established by this chapter  
22 and who were never active members of the retirement system established by this chapter, shall be  
23 enrolled in a defined contribution plan (i.e., a 403(b) plan or equivalent thereof) established by the  
24 town of Middletown and shall not be members of the retirement system established by this chapter.  
25 Said town of Middletown employees defined herein shall be precluded from the purchase of service  
26 credit for time served on or after July 1, 2012, while participating in the defined contribution plan  
27 (i.e., a 403(b) plan or equivalent thereof) established by the town of Middletown should the member  
28 cease employment with the town of Middletown or in the Teamsters Local Union No. 251  
29 bargaining unit and re-enter the system with any participating employer who has accepted the  
30 provisions as defined in § 45-21-4. Any town of Middletown employees hired after June 30, 2022,  
31 who are at the time of hire active members of the retirement system established by this chapter or  
32 who were previously active members of the retirement system established by this chapter shall  
33 remain as such active members or shall be re-instated as active members, as the case may be, and  
34 shall not be enrolled in a defined contribution plan (i.e., a 403(b) plan or equivalent thereof)

1 established by the town of Middletown. Moreover, any town of Middletown employee who was at  
2 the time of hire an active member of the retirement system established by this chapter or who was  
3 previously an active member of the retirement system established by this chapter, but who was  
4 forced to become or remain an inactive member by virtue of their having been hired by the town  
5 of Middletown at a time when such was required by law, may (by December 31, 2022, and not  
6 thereafter) request in writing to be dis-enrolled from the town of Middletown's defined contribution  
7 plan and to have their contributions refunded to them; to be reinstated as an active member of the  
8 retirement system established by this chapter; and to be allowed to purchase service credit for their  
9 service while participating in Middletown's defined contribution plan (notwithstanding the  
10 preclusion provided above in this subsection), which request, if timely made, shall be allowed. To  
11 be clear, persons reinstated under the terms of this section as active members of the retirement  
12 system established by this chapter shall be reinstated only with such service credits, if any, as they  
13 may have earned or purchased in accordance with the law and are thereafter subject to all laws and  
14 rules otherwise applicable to active members.

15 (k) Notwithstanding the provisions of this section, any town of Middletown employees,  
16 who will be members of the Middletown Municipal Employees Association NEARI Local 869  
17 bargaining unit hired after June 30, 2012, and who are not at the time of hire active members of the  
18 retirement system established by this chapter and who were never active members of the retirement  
19 system established by this chapter, shall be enrolled in a defined contribution plan (i.e., a 403(b)  
20 plan or equivalent thereof) established by the town of Middletown and shall not be members of the  
21 retirement system established by this chapter. Said town of Middletown employees defined herein  
22 shall be precluded from the purchase of service credit for time served on or after July 1, 2012, while  
23 participating in the defined contribution plan (i.e., a 403(b) plan or equivalent thereof) established  
24 by the town of Middletown should the member cease employment with the town of Middletown or  
25 in the Middletown Municipal Employees Association NEARI Local 869 bargaining unit and re-  
26 enter the system with any participating employer who has accepted the provisions as defined in §  
27 45-21-4. Any town of Middletown employees hired after June 30, 2022, who are at the time of hire  
28 active members of the retirement system established by this chapter or who were previously active  
29 members of the retirement system established by this chapter shall remain as such active members  
30 or shall be re-instated as active members, as the case may be, and shall not be enrolled in a defined  
31 contribution plan (i.e., a 403(b) plan or equivalent thereof) established by the town of Middletown.  
32 Moreover, any town of Middletown employee who was at the time of hire an active member of the  
33 retirement system established by this chapter or who was previously an active member of the  
34 retirement system established by this chapter, but who was forced to become or remain an inactive

1 member by virtue of their having been hired by the town of Middletown at a time when such was  
2 required by law, may (by December 31, 2022, and not thereafter) request in writing to be  
3 disenrolled from the town of Middletown's defined contribution plan and to have their contributions  
4 refunded to them; to be reinstated as an active member of the retirement system established by this  
5 chapter; and to be allowed to purchase service credit for their service while participating in  
6 Middletown's defined contribution plan (notwithstanding the preclusion provided above in this  
7 subsection), which request, if timely made, shall be allowed. To be clear, persons reinstated under  
8 the terms of this section as active members of the retirement system established by this chapter  
9 shall be reinstated only with such service credits, if any, as they may have earned or purchased in  
10 accordance with the law and are thereafter subject to all laws and rules otherwise applicable to  
11 active members.

12 (l) Notwithstanding the provisions of this section, any Cranston public school employees  
13 who will be members of National Association of Government Employees (NAGE), Local RI-153,  
14 hired after June 30, 2012, shall be enrolled in a defined contribution plan (i.e., a 401(a) plan or  
15 equivalent thereof) established by the Cranston school department and shall not be a member of  
16 the retirement system established by this chapter.

17 (m) Notwithstanding the provisions of this section, any Cranston public school employees  
18 defined in subsection (l) shall be precluded from the purchase of service credit for time served on  
19 or after July 1, 2012, while participating in the defined contribution plan (i.e., a 401(a) plan or  
20 equivalent thereof) established by the Cranston public schools should the member cease  
21 employment with the Cranston public schools or National Association of Government Employees  
22 (NAGE), Local RI-153 and re-enter the system with another participating employer who has  
23 accepted the provisions as defined in § 45-21-4.

24 (n) Notwithstanding the provisions of this section, the chief of police for the city of  
25 Cranston who was hired on or about September 2014, shall be enrolled in a defined contribution  
26 plan (i.e., 401(a) plan or any equivalent thereof) established by the city of Cranston, and shall not  
27 be a member of the retirement system established by this chapter.

28 ~~(o) Notwithstanding the provisions of this section, any town of Middletown employees,~~  
29 ~~who will be members of the Middletown Fraternal Order of Police, Lodge #21, and hired as full-~~  
30 ~~time police officers after June 30, 2021, shall be enrolled in a defined contribution plan (i.e., a~~  
31 ~~401(a) plan or equivalent thereof) established by the town of Middletown and shall not be members~~  
32 ~~of the retirement system established by this chapter. Said town of Middletown employees defined~~  
33 ~~herein shall be precluded from the purchase of service credit for time served on or after July 1,~~  
34 ~~2021, while participating in the defined contribution plan (i.e., a 401(a) plan or equivalent thereof)~~

1 ~~established by the town of Middletown, should the member cease employment with the town of~~  
2 ~~Middletown or in the Middletown Fraternal Order of Police, Lodge #21 bargaining unit and re-~~  
3 ~~enter the system with any participating employer who has accepted the provisions as defined in §~~  
4 ~~45-21-4.~~

5 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES -- RETIREMENT OF MUNICIPAL EMPLOYEES

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1           This act would allow town of Middletown employees hired after June 30, 2022, various  
2 options relating to enrollment in the town's defined contribution plan up to and including December  
3 31, 2022.

4           This act would take effect upon passage.

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