



State of Rhode Island
Office of the General Treasurer

James A. Diossa
General Treasurer

27 March 2025

The Honorable Stephen Casey
Chair, House Committee on Municipal Government and Housing

The Honorable Members of the House Committee on Municipal Government and Housing

RE: *2025-H 5700, An Act Relating to Towns and Cities – Relief of Injured and Deceased Fire Fighters and Police Officers*

Chair Casey:

I write with regard to 2025-H 5700, which would increase the accrual rate for certain police officers and firefighters in the Municipal Employees' Retirement System. By its express terms, this bill will increase the accrual rate for "all members, regardless of age or years of service" from 2% to 2.5%, and increase the accrual rate from 2.25% to 2.5% for members that are 57 years of age or older and have at least 30 years of service. Since this legislation purports to enhance retirement benefits, it will have an impact on municipal police units within the Municipal Employees' Retirement System ("MERS").

Consistent with Rhode Island law, legislation concerning MERS should not be approved without the benefit of a pension impact note. *See* R.I. Gen. Laws § 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 will have on both the State budget, and the sustainability of the pension system. The Chair 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 of Representatives. *See* R.I. Gen. Laws § 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