



To: Senate Committee on Finance
From: Erich Haslehurst
Date: May 8, 2025
Re: S249 – RELATING TO EDUCATION – TEACHER'S RETIREMENT

Dear Chairman DiPalma and Members of the Finance Committee,

I am writing on behalf of the National Education Association Rhode Island and our 12,000 members to express strong support for Senate Bill 249, sponsored by Senator Sosnowski. This bill proposes meaningful and much-needed adjustments to public retirement benefits that will improve the financial security of both current retirees and their surviving spouses or partners.

This bill includes three critical components:

- An increase to the monthly minimum benefit for spouses, domestic partners, or former spouses receiving a survivor benefit.
- A one-time cost-of-living adjustment (COLA) of 2.89% for eligible retirees who retired after July 1, 2012.
- A modification to reduce federal adjusted gross income for public pension benefits administered by the Employees Retirement System of Rhode Island (ERSRI).

Each of these provisions recognizes the increasing cost of living and the economic realities facing Rhode Island's retired educators and public employees. Importantly, they are fiscally responsible.

It is our understanding that the Teacher Survivor Benefit Plan is currently 192% funded—well above actuarial benchmarks for solvency and sustainability. This suggests that the system is more than capable of absorbing the proposed increase in minimum benefits for survivors without jeopardizing its long-term health. We understand that a formal Pension Impact Statement from the Treasury will be necessary to confirm this, and we support such a review. However, the available data indicates that the fund can handle this modest, humane improvement.

Additionally, the one-time COLA of 2.89% would provide essential relief for retirees who have gone for years with stagnant benefits despite inflationary pressures. Many of these retirees, especially those who left service after July 1, 2012, have been forced to do more with less as the cost of living continues to rise.

Lastly, the proposed modification to reduce state income taxes on public pension benefits would bring Rhode Island in closer alignment with the growing number of states that are taking steps to prevent retirees from being taxed twice on their hard-earned pensions. This is a smart and compassionate policy shift that will help keep Rhode Island competitive for retirees.

For these reasons we urge you to pass this important legislation.

Sincerely,

Erich Haslehurst
National Education Association Rhode Island