



To: Senate Committee on Finance
From: Erich Haslehurst
Date: May 8, 2025
Re: S420 – RELATING TO EDUCATION – TEACHER'S RETIREMENT

Dear Chairman DiPalma and Members of the Finance Committee,

On behalf of the National Education Association Rhode Island (NEARI) and our more than 12,000 members, we submit this testimony in strong support of Senate Bill 420, introduced by Senator Bissaillon.

This legislation proposes a modest but meaningful change to Rhode Island's retirement system by standardizing and reducing the penalties for early retirement across the pension system. Specifically, this bill would reduce the current varied and often steep early retirement penalties to a uniform cumulative annual reduction of three percent (3%), with a monthly reduction of twenty-five hundredths percent (0.25%).

This change is both fair and fiscally responsible. The current penalty structure imposes significant financial losses on employees who retire even slightly before the designated retirement age, often with reductions far exceeding 3% per year. These penalties disproportionately affect teachers, state workers, and municipal employees who may need or choose to retire early due to health concerns, caregiving responsibilities, or long service histories.

This legislation does not open the door to mass early retirements—it simply provides a more predictable and reasonable penalty structure for those who retire before full eligibility. It brings clarity, fairness, and consistency to a system that has grown increasingly complex and, for many, punitive.

Importantly, this bill supports retention and workforce planning. By establishing a clearer and more manageable early retirement framework, public employers and employees alike can make more informed decisions. And for educators and others who begin their careers early and serve for decades, this bill offers a more dignified exit path—without an outsized financial penalty.

Retirement should not be a punishment. It should be a transition that reflects both the needs of the workforce and the realities of long-term service in physically and emotionally demanding public roles.

For all these reasons, NEARI strongly supports Senate Bill 420 and urges its passage.

Thank you for your time and consideration.

Sincerely,

Erich Haslehurst
National Education Association Rhode Island