



December 13, 2023

Mr. George Nee
Mr. Michael DiBiase
Co-Chairs, Pension Advisory Working Group
c/o Office of the Rhode Island General Treasurer
82 Smith Street
Providence, RI 02903

Dear Mr. Nee and Mr. DiBiase:

I am following up from my testimony at the November 30, 2023, Pension Advisory Working Group meeting. A request was made for all those testifying to submit in writing any recommendations we made for improvements to the pension system.

Since the changes and their intended and unintended consequences have impacted different groups of employees differently, the potential recommendations for improvement to the system are equally varied. The National Education Association Rhode Island (NEARI) supports changes to the pension system to positively impact current retirees. NEARI Retired will testify to specific recommendations on December 14, 2023, on how to best address relief for retirees.

As I testified, NEARI makes the following recommendations:

1. separate legacy unfunded liabilities and spread the costs over multiple generations
2. Reduce the early retirement penalty
3. Adjust pension eligibility to a Rule of 90
4. Increase the accrual rate for the defined benefit pension from 1% to 1.5% of salary over the next 5 years
5. Consider enrolling all new teachers/municipal employees in social security regardless of district.
6. Increase the employer contribution to the defined contribution plan and consider in-plan annuitization strategies.



7. Consideration of reform in view of total compensation for public service workers:

- Restore longevity payments to state workers to retain current workers.
- Reduce the cost of health insurance for public service workers to attract new workers.
- Increase the salaries of teachers to reverse the “Teacher Pay Penalty

Please contact me if you have any questions.

Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Mary K. Barden". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mary K. Barden