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Honorable Pension Advisory Working Group
Rhode Island State, Room 102
Providence, RI 02903

Dear members,

I am a retired member of the Rhode Island State Police, serving with the department from 1990 – 2014, and I retired at the rank of Captain and Executive Officer for the Department of Public Safety. I held many roles throughout my tenure, however I primarily worked in white collar investigative units and held the position of Officer in Charge of the Financial Crimes Unit for many years.

Throughout many personal discussions on cost-of-living adjustments for state police retirees there is seemingly a misconception that state police retirees received a compounding percentage adjustment to their pensions. This was not the case, as according to R.I. Gen. Laws § 42-28-22, since at least 1991, state police retirees received a non-compounding, $1,500 flat dollar amount adjustment to pensions that began three years after retirement. Using a non-compounding flat dollar amount created an equitable adjustment for retirees who left a various ranks and salaries over disparate periods of time.

Prior to 2012, a generation of state police retirees were compelled to retire upon reaching 25 years of service. This term limited employment was made palatable by a non-compounding $1,500 adjustment which provided a reasonable hedge against customary inflation.

Unlike many other state employees, troopers were not allowed to participate or contribute to Social Security during their years of service. Thousands of other state employees whose cost-of-living adjustments were frozen in 2011 receive full Social Security benefits, troopers do not. Social Security includes an annual adjustment, recently as high as 8.7%, to protect the retiree against inflation. While non-participation saved the employee the required contribution amount it saved the State of Rhode Island millions of dollars in contributions.

With the benefit of time to help perspective, it likely made sense to exclude troopers from the Social Security program during their service years as a flat dollar increase to retiree pensions protected the member in retirement. This is no longer case.

Those state police retirees who are fortunate enough to move to a second career and contribute the required 40 quarters to qualify for Social Security, have their earned Social Security benefit substantially reduced due to the 1983 Windfall Elimination Provision Act. When you combine the fact that retiree pensions are frozen with the inability to receive full social security, retiree income becomes stagnant and buying power significantly eroded with the high inflation the United States has undergone over the past several years.

Troopers hired after 1987 have paid into the state police pension fund at the established percentages. Since the plan is now well above 80% funding threshold that is considered "healthy", the relatively small number of retirees in this plan should not continue to be linked by the status of funds for thousands of state employees and teachers as their funds slowly move towards the 80% threshold. The state police are a much smaller and different group of retirees, who operated under significantly different employment terms and conditions and consideration should be given to such. Reference to June of 2022 Gabriel, Roeder, & Smith report.

Respectfully,

Brian K. Casilli

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