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## **Most Parties in Rhode Island Pension Lawsuit Settle the Case.**

PROVIDENCE, R.I. — A deal in the legal fight over the state's 2011 landmark public pension system overhaul was unveiled in court Thursday, affecting about 59,000 past and present state employees.

Frank Williams, a retired Rhode Island Supreme Court chief justice who worked to broker a settlement, said most of the retirees and public unions suing the state had accepted the terms, calling it an "awesome achievement."

Gov. Gina Raimondo said the settlement provides certainty for public employees and for municipalities, locks in 90 percent of the savings from the pension reform and resolves six of nine lawsuits against the state.

"It's in the best interest of all Rhode Islanders, now and into the future," she said at a news conference after the hearing.

The deal, however, does not end years of legal wrangling over the higher retirement ages and cuts to cost-of-living increases that were designed to save the state \$4 billion over 20 years.

The parties have to be notified and the settlement has to be formally approved by the judge. The pension reform was done legislatively, so the settlement terms have to be incorporated into the law and approved by the General Assembly.

The unions representing municipal police, Cranston police and Cranston fire, which collectively represent about 800 people, did not agree to the terms. Their lawsuits are continuing and will be addressed by the court after the settlement is implemented.

In light of the settlement with most of the plaintiffs, Judge Sarah Taft-Carter vacated the April 20 trial date. She gave the parties until May 18 to implement the settlement.

The settlement provides for cost-of-living increases and one-time stipends for retirees.

The cap for calculating the benefits would increase for some retirees, and the calculation would be based on a new formula using both the performance of investments and the Consumer Price Index. Employees would be allowed to retire earlier if they meet set requirements.

Carly Beauvais Iafrate, an attorney for the retirees, said Thursday's announcement was the beginning of a "second process," and she's pleased it is starting because it is the best possible resolution.

House Speaker Nicholas Mattiello said that there's no timetable for legislation incorporating the terms and that the House needs to "conduct its due diligence."

Both Mattiello and Senate President Teresa Paiva Weed said the settlement was in the best interests

of everyone involved.

Roger Boudreau, who leads the Rhode Island Public Employees' Retiree Coalition, said the retirees won't be happy with the settlement because they're getting "a fraction" of what they were promised, and they made plans based on what they expected to receive when they retired.

But they're also mindful that their chances of prevailing at trial are "very slim at best," he added.

Treasurer Seth Magaziner said the past several years have been characterized by uncertainty for public employees, retirees and the state. He said the state's credit is rated below average because of the pension lawsuit.

A previous settlement was rejected after police union members voted it down.

"It's a sad chapter in our state's history," Magaziner said. "Now we can finally turn the page and move forward."

By THE ASSOCIATED PRESS

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