

# WORKING AFTER RETIREMENT

*For Teachers & Administrators, please see Working After Retirement: Teachers & Administrators brochure.*

If you are considering returning to public sector work after retirement, it's important to understand how Idaho state law may affect your retirement benefit should you return to work.

If there is any discrepancy between this publication and the law, the provisions of the law will prevail.

As a PERSI retiree, you may work for any private-sector employer as long as you want and for as many hours as you want without affecting your retirement benefits. However, if you want to receive your PERSI pension benefit and work for any employer belonging to PERSI, the following restrictions apply:

## **BREAK IN SERVICE & NO PROMISE OF FUTURE EMPLOYMENT**

According to Idaho Code 59-1356(1), if an early retired member is reemployed with an employer participating in PERSI within ninety (90) days from retiring, or the early retired member is guaranteed reemployment with an employer participating in PERSI, the member shall be considered not to have separated from service. The retirement will be negated, and any pension benefit payments received plus interest must be paid back to PERSI, and member and employer will be billed for delinquent contributions. For purposes of PERSI, reemployment includes performing services for an employer participating in PERSI in any capacity including, but not limited to, independent contractor, leased employee, substitute teacher, or temporary services. Per Idaho Code 59-1302(13A) "Early Retirement" means retirement by a member prior to age sixty (60) years for police officer members or age sixty-five (65) years for general members.

A member who is retired under a service retirement may return to work in an ineligible position with any PERSI employer without a 90-day break in service and continue to receive monthly retirement benefits. Per Idaho Code 59-1302(34A) "Service Retirement" means retirement by a member at or after age sixty (60) years for police officer members or at or after age sixty-five (65) years for general members.

## **20-HOUR PER WEEK LIMIT**

If you want to work for a PERSI employer and continue to receive your monthly pension payments, Idaho Code 59-1302(14) states: you cannot work 20 hours or more per week (teachers working a half-time contract or more) for 5 consecutive months or more. Doing so means your monthly retirement payments must stop, and both employee and employer contributions must be paid to PERSI from the beginning date of reemployment. All benefit payments received after your reemployment date, plus interest, must be repaid to PERSI per Idaho Code 59-1356(6). This applies to all retirees, regardless of age.

Limited exceptions exist in Idaho Code and IDAPA rule which may allow a retired member to exceed the limit:

- Elected and Appointed Officials: Idaho Code 59-1356(3), IDAPA 59.01.01.533, IDAPA 59.01.01.534, and IDAPA 59.01.01.539
- School teachers and administrators, bus drivers, and school resource officers: Idaho Code 59-1356(4)
- Retired members who retired prior to January 1, 2022: Idaho Code 59-1356(5)

*continued...*

**THIS RELATES TO PERSI RETIREMENT BENEFITS (EXCLUDING DISABILITY BENEFITS). THIS DOES NOT PROVIDE GUIDANCE ON ANY OTHER EMPLOYEE BENEFITS. IF THERE IS ANY DISCREPANCY BETWEEN THIS PUBLICATION AND THE LAW, THE PROVISIONS OF THE LAW WILL PREVAIL.**

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## SUSPENDING RETIREMENT

If the retired member becomes an eligible employee, retirement benefit payments are suspended and contributions will be paid to PERSI. Additional service is earned during the reemployment period, and upon termination from employment, the monthly benefit is recalculated and reinstated.

If the period of reemployment ends up being less than 5 months, PERSI will return contributions to you and your employer, and you will receive retroactive benefit payments covering the reemployment period.

## QUESTIONS & ANSWERS

The decision to return to work as a PERSI retiree should be discussed with your new employer and communicated to PERSI using the correct certification form.

If you have questions about your PERSI membership, call the PERSI Answer Center at 1-800-451-8228 or 208-334-3365.

If the employer HR/Payroll representative has questions about your eligibility for working after retirement, they may contact the PERSI Employer Service Center at 1-866-887-9525 or 208-287-9525.



## WHAT HAPPENS TO YOUR CHOICE 401(k) PLAN

If you have money in the PERSI Choice 401(k) Plan, returning to work for a PERSI employer will affect your ability to access those funds. If your account contains money that was rolled in from another retirement plan (“rollover contribution”) you can withdraw from that at any time. In-service withdrawals are also available beginning at age 70 ½. Otherwise, plan withdrawals are available when all employment with a PERSI employer ends.

If you work in a position that allows you to keep receiving your monthly PERSI Base Plan payment, contributing to the plan is limited. If you maintain a Choice Plan account balance, you can roll pre-tax retirement plan money into it at any time (“rollover contribution”), but you would not be able to make paycheck contributions.

If you’re working in a position that meets PERSI eligibility criteria and your Base Plan payments are suspended as a result, you would be able to make pre-tax salary deferrals. Rollover contributions from another pre-tax retirement plan you might have would also be an option.

If you have questions about your Choice 401(k) Plan, you can contact Empower Retirement at 1-866-437-3774. You’re also welcome to contact our Empower Retirement Representative:

- Ali Belden  
Direct 208-345-5201  
Toll-Free (844) 446-8658 Ext. 20461  
[ali.belden@empower-retirement.com](mailto:ali.belden@empower-retirement.com)
  
- Bruce Singkhaophet  
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