



WORKING AFTER RETIREMENT

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

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 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 the same employer within ninety (90) days from retiring, or the early retired member is guaranteed reemployment with the same employer, 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 the same employer in any capacity including, but not limited to, independent contractor, leased employee, or temporary services.

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. If the retired member becomes an eligible employee, the member's retirement benefit payments will be suspended and contributions will be paid to PERSI until such time the member terminates employment and again retires.

If a member who is retired with an unreduced benefit for at least six months becomes PERSI-eligible as a result of being elected to an office other than the one held at the time of retirement, the member has a choice between suspending his/her benefit and accruing additional service credit or continuing receiving the benefit while not accruing additional service credit.

State Employees: The State of Idaho is considered one employer.

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. **The employee must repay all benefit payments received after your reemployment date plus interest. This applies to all retirees, regardless of age.**

Once employment ends, contributions stop and you may once again begin receiving your original pension benefits. A separate allowance based on your reemployment period will be added.

THIS RELATES TO PERSI BENEFITS ONLY AND DOES NOT PROVIDE GUIDANCE ON ANY OTHER EMPLOYEE BENEFITS.

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If your 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. If you are working less than 20 hours per week or less than 5 consecutive months, no contributions are required and you will continue to receive your monthly pension payments. **Please complete Certification of Employment of a Retired Member Form RS132.**

QUESTIONS & ANSWERS

If you have questions about PERSI Membership, call the PERSI Member Services Answer Center toll-free at 1-800-451-8228 or 208-334-3365 from the Treasure Valley area.

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 Retirement Plan Counselor:

Ali Belden, CRPC®
ali.belden@empower-retirement.com
Direct: 208-345-1120
Toll-free: 1-844-446-8658, ext. 20431

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