

# WORKING AFTER RETIREMENT

## Standard Option

There are special restrictions on returning to employment in the PERS, the Teachers' Retirement System (TRS), Judicial Retirement System (JRS), and the University Optional Retirement Program if you retired under a RIP or retired early.

When you go back to work, your retirement benefit will be suspended until you terminate employment. PERS contributions will be deducted from your paycheck and you will accrue PERS service. Health coverage will also end.

If you have reemployed in a PERS-covered position and are once again making PERS contributions, you will earn an additional retirement benefit calculated on the service and salaries earned by your second period of employment.

## Retirement Incentive Programs

If you retired under a RIP and are considering returning to work in a position covered by either the PERS, the TRS, or the JRS, please contact the Division before accepting employment because you will:

- Forfeit the three years of incentive credit you received;
- For the 1986 and 1989 RIPs, owe the PERS 110% of the additional benefits you received as a result of your participation in the RIP, including any costs for health insurance if you were not otherwise eligible to retire;
- For the 1996–2000 PERS classified school district RIP, owe the PERS 110% of the additional benefits you received as a result of your participation in the RIP, including any costs for health insurance if you were not otherwise eligible to retire; and
- For the 1996–2000 PERS (nonschool district) RIP, owe the PERS 150% of the benefits you received as a result of your participation in the RIP, including any costs for health insurance if you were not otherwise eligible to retire.

An indebtedness will be established for what you owe and will be reduced by the amount that you paid to participate in the RIP.

Interest (currently 7%) will accrue on your indebtedness from the date you become reemployed until the indebtedness is either completely paid or you retire again. Any balance remaining when you retire again will

result in an actuarial reduction to your future retirement benefits.

State of Alaska RIP retirees cannot contract with the state agency from which they were employed at the time of appointment to retirement.

## Exceptions

- Personal services contracts may be allowed by the University Board of Regents for the University, and the Commissioner of Administration for the State, when there is a compelling reason to hire an employee who has specialized or extensive experience relating to a particular program or project;
- Personal services contracts with the legislature are allowed during legislative sessions for hourly individuals who are not eligible for retirement, health, or leave benefits;
- Personal services contracts with the University of Alaska may be allowed for individuals who are employed to teach or perform research duties; or
- Personal services contracts during the three or five year restrictions with a state agency or the University of Alaska if it is determined that there is a compelling reason to do so because of an individual's specialized or extensive experience that relates to a particular program or project.

## Earlier Retirement Incentive Programs

If you retired under the 1986 RIP or 1989 RIP and return to PERS-covered employment, you will owe the PERS 110% of the additional benefits that you received as a result of your participation in the program, as well as any costs for health insurance. That amount will be reduced by the amount that you paid to participate in the RIP. All other provisions apply as listed in the 1996–2000 RIP, except:

- No time restriction before reemployment can occur under the 1986 program and one year restriction under the 1989 program;
- No restriction on rehiring with the same agency from which you retired; and
- Under the 1986 or 1989 RIP, participants will lose the three-year RIP credit if they are hired under the University Optional Retirement Program.

For more information please read the brochure *PERS Working After Retirement*.