
Returning to Work after Retirement

There are two laws governing retirees returning to work in a position eligible for TRSL membership, and these laws may affect retirement benefits. Different laws affect service, Deferred Retirement Option Plan (DROP), Initial Lump-Sum Benefit (ILSB), and disability retirees. Failure to comply with these laws, including provisions that TRSL be notified of such employment, may result in substantial financial liability on the part of the retiree.

Retirees returning to work in a position not normally eligible for TRSL membership will have no return-to-work restrictions — no waiting period, no contributions, and no TRSL reporting requirement. So, if any TRSL retiree takes a job as a school bus driver, maintenance worker, or as a classified employee at any public education entity, he or she will not have a waiting period or earnings limit and will not have to make TRSL contributions.

Service, DROP, and ILSB retirees

◆ LSA-R.S. 11:710—Full Benefits

Beginning July 1, 2001, all retirees (except disability retirees) may return to work **after a 12-month waiting period** in a position eligible for TRSL membership and receive both full salary and full retirement benefits. The 12-month waiting period begins on the date of retirement.

Both the retiree and the employer **must make contributions** to TRSL during any reemployment. The retiree will not earn any additional service credit from these contributions, and only the retiree's contributions, without interest, will be refunded upon request after termination of employment. These contributions will not be made on a tax-sheltered basis.

Reemployment in any TRSL-covered position, including teacher assessor or substitute teacher, during the 12-month waiting period will result in a suspension of benefits for the duration of reemployment or to the end of the waiting period, whichever occurs first. Unsheltered contributions must still be made during reemployment, regardless of the 12-month waiting period.

The earliest you can return to work is the day **after** your retirement date. You must have a break in service of at least one weekday (Monday through Friday) to be eligible to return to work. For example, if your last day of work were a Friday, then your date of retirement would be a Saturday. You could return to work on Tuesday, since Monday would be the one weekday break in service. You must also cash, deposit, or negotiate your first retirement check in order to be officially retired. The direct deposit of any retirement benefit check is also considered as negotiating a check. Once you have negotiated a retirement check, you are retired and subject to return-to-work laws. You must

also submit a *Direct Deposit of Benefits* (Form 15D) in order to retire.

Service retirees

◆ LSA-R.S. 11:738—Repay Benefits and Regain Membership

This law allows a **service** retiree employed in a TRSL-eligible position to regain membership in TRSL by returning all retirement benefits paid to him or her plus interest at the assumed actuarial valuation rate.

The retiree must also pay **both employee and employer contributions** that would have been paid had the retiree become a member on the date he or she returned to active service.

Upon regaining membership, the member will be required to remain in active service for at least six years in order to be eligible for a retirement benefit recomputation. **This provision is not available to DROP, ILSB, or disability retirees.**

Disability retirees

Louisiana R.S. 11:780(C) and (D) allow a disability retiree to work **outside** the field of education and to earn the difference between his or her average compensation, adjusted by a Consumer Price Index factor, and his or her disability retirement benefit, with no effect on the benefit.

However, a disability retiree may not return to work in the field of public or private education. Those who do so will have their disability benefit terminated (LSA-R.S. 11:780.1).

To avoid the possibility of having their disability retirement benefits terminated, disability retirees should contact a TRSL counselor before accepting any employment with any state agency, school board, school, or educational organization.

Unsure about returning to work? Ask questions!

If you are thinking about returning to work in any public employment, be sure you understand all applicable laws. If you are unsure about any legal provision, contact TRSL.

Employers who do not comply with applicable laws can find they are liable for payment of contributions owed to TRSL.

Disability retirees who return to work in any job in public or private education will forfeit their pensions. **For example, even if a disability retiree takes a job painting a school, he or she will forfeit his or her disability pension.**

Refund of contributions after reemployment ends

If you return to work and make contributions to TRSL, you may request a refund of those funds upon termination of employment by completing and submitting a *Retiree Refund Application* (Form 7A). This form is available from the employer or on TRSL's website at www.trsl.org.

Once TRSL receives the application, the refund will be issued approximately 60 days after the date of termination to allow time for employers to report all employee contributions to TRSL.

Returning to work in a public job that doesn't affect TRSL benefits

Effective July 1, 2001, TRSL retirees, including former DROP and ILSB participants but excluding disability retirees, may return to public employment without affecting their retirement benefit, if they return in a position not normally eligible for TRSL membership. Public employment that would not affect a TRSL benefit includes positions that do not meet the definition of "teacher" as found in LSA-R.S. 11:701(33).

If you are unsure about whether a position in public employment is eligible for TRSL membership, contact TRSL..



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