

Postretirement Employment

Limitation on Earnings

A TRS retiree employed with a TRS or ERS member agency may continue to receive full retirement benefits provided the retired member meets **both** of the following conditions:

1. The retiree must not be employed or under contract for permanent, full-time employment.
2. The retiree's salary cannot exceed the limitation on earnings. The limits are subject to change each year based upon the Consumer Price Index (CPI). The limit for the **2012** calendar year is **\$22,000**.

If a retiree's earnings or remunerations exceed the annual limitation on earnings, the retirement benefit will be suspended for the remainder of the calendar year or for the remainder of the month if the retiree is subject to a monthly earnings limitation.

- Retirees who return to work with a TRS or ERS member agency in the same calendar year as their retirement are subject to a prorated earnings limitation based upon the number of months remaining in the year. Retirees who retire effective January 1 of a given year are only subjected to the annual earnings limitation amount.
- Retirees who return to work with a TRS or ERS member agency in a subsequent year from their retirement are subject to a yearly earnings limitation.
- If a TRS or ERS retiree exceeds the annual or monthly limitation on earnings, the employing agency must notify the RSA immediately. Any questions concerning postretirement law should be directed to the TRS.

Employment with the ERS

A TRS retiree who is employed with an ERS member agency in a position eligible for retirement coverage must begin participation in the ERS. The member's TRS retirement account will be terminated and remaining funds and creditable service will be transferred and credited to the new ERS account.

Disability Retiree

A disability retiree employed with a TRS or ERS participating agency is subject to the following limitation: The lesser of the same limitations as a non-disabled retiree or the difference between the average final salary and the annual retirement benefit.

If the retiree is employed with a non-participating agency, earnings cannot exceed the difference between the average final salary and the annual retirement benefit. The earnings restriction is waived upon attaining age 60.

Contract Employment

Retirees providing services to TRS or ERS agencies on a contractual basis may be subject to the limitations on earnings and remunerations. If a TRS or ERS agency has entered into a contract with a TRS or ERS retiree, please provide a copy of the contract to the TRS to confirm whether or not this contract would violate the postretirement employment law.

Private Employment

There are no limitations on earnings for a service retiree employed in private industry, private education, or for any other organization which does not participate in either the TRS or ERS.

Elected Officials

A TRS retiree who is elected or appointed to an office that is covered under the ERS must have their benefit suspended once compensation from the office exceeds the annual limitations on earnings.

A TRS retiree who becomes an elected official and participates in a supernumerary plan may continue to receive his or her retirement benefit while he or she serves in the elected position. However, if the TRS retiree is ultimately eligible to become an “appointment supernumerary official,” he or she would not be able to receive both the TRS retirement benefit and the supernumerary benefit.

Full-Time Employment with the TRS

A TRS retiree who is employed full-time with a TRS member agency must have his or her retirement benefit suspended until he or she withdraws from service again. If the retiree is employed for a period of two years, he or she may petition the TRS Board of Control to permit the resumption of participation in the TRS. Upon approval, the member will pay the contributions over the non-contributing period plus interest and begin contributing on future compensation.

Upon termination of service, the member’s retirement benefit would be recalculated to include service accrued since reemployment. The member will also be allowed to reselect a retirement option and beneficiary.