



UTAH RETIREMENT SYSTEMS

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RULES OF POST-RETIREMENT EMPLOYMENT

Utah Retirement Systems (URS) retirees who have returned, or plan to return, to employment with a URS participating employer are subject to post-retired restrictions in effect at the time of their re-employment. These restrictions require a separation from employment with any participating employer, including part-time and contract arrangements, for one year from their URS retirement date. Limited re-employment is permitted as discussed in Senate Bill 127 below.

Certifying employees online will guide you through proper coding and reporting, but if you have reporting questions contact your employer support technician. For further information on retirees who return to employment within one year of their URS retirement date, contact our Retirement Department at 801-366-7770 or 800-695-4877.

Retirees whose re-employment hire date is more than 60 days but less than one year after their retirement dates with URS may be rehired in a position with no benefits, limited earnings, and without earning additional service credit. (See Senate Bill 127 guidelines and contribution reporting requirements below.)

Retirees rehired by a participating employer after one year from their retirement date, will choose one of the following options:

- They will retain their retirement allowance and forfeit any retirement-related contributions from the employer; OR
- They will cancel their retirement allowance and return to active member status earning additional service credit, if eligible. Re-employed retirees must work a minimum of two additional years to qualify for an additional benefit.

Retirees electing to continue to receive their pension must sign Form RTRT-27A. The employer must sign and send Form RTRT-51 to URS, indicating this election. These forms are required for **all** retirees, including substitute teachers, who return to employment after July 1, 2010.

The Commissioner of Public Safety, elected sheriffs, and appointed chiefs of police who have previously qualified to retire, then exempt, are now considered post-retired rehires and subject to the post-retirement employment regulations currently in effect.

Senate Bill 127

Allows retirees to accept employment with a URS participating employer 60 days after their retirement date as long as the re-employment does not provide ANY benefits and the annual earnings do not exceed \$15,000 or 50% of their final average salary at the time of retirement, whichever is less. Retirees accepting this limited employment postpone their one-year required separation from employment, which will reset on their termination. Each recurrence of limited employment again resets the one-year break regulation. Retirees exceeding these restrictions will have their retirement allowance cancelled.

Senate Bill 308

Part-time elected officials are no longer subject to the post-retired re-employment restrictions.

Utah Retirement Systems
Rules of Post-retirement Employment

Senate Bill 43 (2010)

Prohibits employers from paying any savings plan benefit to ANY provider on behalf of retirees hired on or after July 1, 2010.

Employer Responsibilities for Rehiring Retirees

1. Access our online certification process to receive status information identifying retirees and their retirement dates.
2. Complete the online certification process and follow guidelines on salary limitations for retirees returning to work within 60 days of their URS retirement date.
3. If our office notifies you the employee has elected to cancel his/her retirement benefit and continue to earn service credit, use the Employers section of the URS website to certify the employee eligible for coverage. If you hired the employee more than 60 days before our notification, complete a paper *Certification* form (EMCE-1) for URS. **Note:** In this instance, the employee is NOT considered a re-employed retiree because he/she has chosen cancellation of the retirement benefit.
4. Include all retirees in your contribution reporting. Contribution reporting instructions are detailed in their own section below.
5. For re-employed retirees who subsequently leave employment, complete and send our office an *Employee Separation Notice* (ADNT-3).

Changes to your Contribution Reporting

ALL post-retired employees must be reported on the electronic file to URS, regardless of their full-time, part-time, temporary, or contractual status. Their records should be flagged P (for post-retired) in column 97 of the MEM33 records, and both retirement and gross salary should be reported.

Employers are **required** to pay the AMORTIZATION contribution rate for retirees re-employed on or after July 1, 2010, at the rate matching the retirement system chosen during certification. These amortized contributions are payable for **all** retirees with a re-employment date on or after July 1, 2010. *Employers may not make any savings plan contributions, to any provider, on behalf of retirees with required amortization contributions.*

For re-employed retirees hired prior to July 1, 2010, employer 401(k) and 457 contributions are strictly voluntary; however, the total amount an employer can pay into savings plans on behalf of re-employed retirees may not exceed the *NORMAL* Cost as listed in the Contribution Rates. The calculated amount should be based on retirement eligible salary, not gross salary, and any contributions made to outside providers must be included in the maximum allowance.