

WAC 415-108-710 What are the return to work rules for PERS Plan 1, Plan 2, and Plan 3? (1) How soon can I return to work after I retire without impacting my PERS retirement benefit?

(a) You may begin working immediately after you retire without impacting your PERS retirement benefit if:

(i) You go to work for a private employer;

(ii) You are an independent contractor as defined in WAC 415-02-110;

(iii) Your only employment is as an elected official and you end your PERS membership under RCW 41.40.023 (3)(b); or

(iv) You are a PERS Plan 1 retiree elected to office or appointed to office by the governor.

(b) If you retire and then return to work sooner than thirty consecutive calendar days from your accrual date (effective retirement date), your monthly retirement benefit will be reduced in accordance with RCW 41.40.037(1) until you remain absent for at least thirty consecutive calendar days.

(c) If you retire and remain absent at least thirty consecutive calendar days from your accrual date, you may return to work in any position (eligible or ineligible), for any employer whose retirement plan is administered by the department of retirement systems (DRS) or a public institution of higher education, without impacting your PERS retirement benefit until you reach your applicable hour limit.

(2) **What is the annual hour limit?** Except as provided in subsection (5) of this section regarding the 2008 early retirement factors (ERFs), after being absent at least thirty consecutive calendar days as described in subsection (1)(c) of this section, your annual hour limit will be based on the position you return to.

(a) **No limit.** You may work as many hours as you want without affecting your retirement benefit if you work:

(i) In a position that is not eligible for membership in a DRS or higher education retirement plan;

(ii) As an independent contractor;

(iii) For a private employer;

(iv) If you end your PERS membership as an elected official under RCW 41.40.023 (3)(b); or

(v) As a PERS Plan 1 retiree elected to office or appointed to office by the governor.

(b) **Eight hundred sixty-seven-hour limit.** You may work up to eight hundred sixty-seven hours in a calendar year, in a position that is eligible for membership in a DRS or a public institution of higher education retirement plan, before your retirement allowance is suspended.

(3) **What hours count toward the limit?**

(a) **Counted toward the eight hundred sixty-seven-hour limit:** All compensated hours that are worked in an eligible position covered by a DRS or higher education retirement plan, including the use of earned sick leave, vacation days, paid holidays, compensatory time, and cashouts of compensatory time.

(b) **Not counted toward the hour limit:** Cashouts of unused sick and vacation leave.

(4) **What happens if I work more than the annual eight hundred sixty-seven-hour limit?**

(a) If you work more than the annual limit, your retirement benefit will be suspended. The suspension will be effective the day after you exceed the hour limit. DRS will prorate your retirement benefit for the month in which you exceed the hour limit.

(b) Your retirement benefit will be restarted beginning the next calendar year (January) or the day after you terminate all eligible employment, whichever occurs first.

(c) DRS will recover any overpayments made to you for the month(s) in which you exceeded the work limit and received a retirement benefit. See RCW 41.50.130.

(5) What if I am a PERS Plan 2 or Plan 3 member and retired using the 2008 early retirement factors (ERFs)?

(a) If you retire using the 2008 ERFs and then return to work before age sixty-five:

(i) You will not receive your retirement benefit for any month in which you are an employee in a position covered by a DRS or higher education retirement plan including, but not limited to, permanent, non-permanent, project, temporary, eligible and ineligible positions.

(ii) You will not receive your retirement benefit for any month in which you earn compensation for service performed as a contractor, or as the result of service performed by those in your employ, for an employer covered by a DRS or higher education retirement plan.

(iii) Your retirement benefit will stop effective the first day of the month you return to work and will restart the first day of the month after you stop working.

(6) Can I return to PERS membership?

(a) If you retire from PERS, you have the option to return to membership if you are employed by a PERS employer and meet the eligibility criteria. The option to return to membership is prospective from the first day of the month following the month in which you request to return to membership. See RCW 41.40.023(12).

(b) If you reenter PERS membership and later choose to retire again, DRS will recalculate your retirement benefit under the applicable statutes and regulations. See WAC 415-108-830. You will be subject to the return to work rules in place at the time of your reretirement.

(c) If you are a retiree from another retirement system administered by DRS, you may choose to enter PERS membership if you are eligible. See WAC 415-108-725. The option to enter membership is prospective from the first day of the month following the month in which you request membership. See RCW 41.40.270 and 41.40.023.

(7) What if I retired from PERS and another DRS retirement system?

(a) If you retired from PERS using the 2008 ERFs and another DRS retirement system, and are under age sixty-five:

(i) Your PERS retirement benefit will be impacted as described in subsection (5) of this section.

(ii) The retirement benefit from the other DRS retirement system will be impacted based on the rules for that system.

(b) If you retired from PERS and another DRS retirement system without using the 2008 ERFs, or using the 2008 ERFs and have reached age sixty-five, see WAC 415-113-300 to determine the effect of returning to work.

Note: You may have a choice of returning to membership. See the following WAC sections for more information: WAC 415-108-725, 415-110-725, 415-112-546, 415-106-725, and 415-104-111.

(8) Terms used.

(a) 2008 Early retirement factors (ERFs) - RCW 41.40.630 (3) (b) for PERS Plan 2 or RCW 41.40.820 (3) (b) for PERS Plan 3.

(b) Accrual date - RCW 41.40.193, 41.40.680, 41.40.801.

(c) PERS: Public employees' retirement system.

(d) Elected official - WAC 415-108-550.

- (e) Eligible position - RCW 41.40.010; WAC 415-108-680 through 415-108-700.
- (f) Ineligible position - RCW 41.40.010.
- (g) Month - Calendar month as defined in WAC 415-02-030.
- (h) Public institution of higher education - RCW 28B.10.400.
- (i) Membership - RCW 41.40.023.

[Statutory Authority: RCW 41.50.050(5). WSR 16-17-047, § 415-108-710, filed 8/11/16, effective 9/11/16. Statutory Authority: RCW 41.50.050(5), 41.40.010(42), 41.40.037. WSR 04-04-037, § 415-108-710, filed 1/29/04, effective 3/1/04. Statutory Authority: RCW 41.50.050(5) and chapter 41.40 RCW. WSR 02-18-046, § 415-108-710, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801. WSR 02-02-060, § 415-108-710, filed 12/28/01, effective 1/1/02. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-108-710, filed 7/25/95, effective 8/25/95.]