

**WSR 25-19-015
PERMANENT RULES
DEPARTMENT OF
RETIREMENT SYSTEMS**

[Filed September 4, 2025, 3:19 p.m., effective September 5, 2025]

Effective Date of Rule: September 5, 2025.

Other Findings Required by Other Provisions of Law as Precondition to Adoption or Effectiveness of Rule: This rule implements chapter 284, Laws of 2025, which went into effect on May 15, 2025. Because the law is already in effect, the department of retirement systems (DRS) is putting the rule into effect one day after filing.

Purpose: Revising rules to implement changes from chapter 284, Laws of 2025, regarding certain school employee postretirement employment restrictions. The restrictions were set to expire on July 1, 2025, but as a result of this law, they won't expire until January 1, 2030, so DRS needed to update three WAC sections to implement these changes.

Citation of Rules Affected by this Order: Amending WAC 415-108-710, 415-110-710, and 415-112-525.

Statutory Authority for Adoption: RCW 41.50.050 and chapter 284, Laws of 2025.

Adopted under notice filed as WSR 25-15-101 on July 16, 2025.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 3, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 3, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: September 4, 2025.

Kathryn Leathers
Director

RDS-6399.1

AMENDATORY SECTION (Amending WSR 23-24-091, filed 12/5/23, effective 12/7/23)

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 30 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 30 consecutive calendar days.

(c) If you retire and remain absent at least 30 consecutive calendar days from your accrual date, if you meet the definition of separation in WAC 415-02-115, you may return to work in any position, 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.

(d) If you worked prior to retirement in an ineligible position and continue to work in the same ineligible position beyond retirement, this will not be considered a violation of the 30 consecutive days in (b) and (c) of this subsection if separation from your employer, as defined in WAC 415-02-115, was satisfied.

(e) Examples:

(i) Pat works for Snohomish County and fully separates employment at the age of 60. Pat then moves to Spokane and begins employment with the Spokane Transit Authority in a position that is not eligible for retirement benefits. This employment continues and the position remains ineligible for retirement benefits. At age 65 Pat is eligible to begin collecting the PERS retirement benefit earned while working at Snohomish County, without terminating employment from Spokane Transit Authority.

(ii) Skyler works for the local library district until age 65 in a retirement eligible position, then begins working part time for the same library in a position that is not eligible for retirement. Skyler is not eligible to begin receiving a retirement benefit because they have not yet separated from employment with the employer they participated in the retirement system with.

(iii) Taylor works for two different employers concurrently. The position with employer one is a retirement eligible position and the position with employer two does not meet the requirements for retirement eligibility. Prior to age 65 Taylor separates from employment with employer one but continues to work for employer two in the ineligible position. When Taylor reaches age 65 they are eligible to begin receiving their retirement benefit because they have separated from employment with the employer they participated in the retirement system with.

(2) **What is the annual hour limit?** All retirees including those retired under the alternate early retirement factors after separating from employment and being absent at least 30 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 867 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.

(c) **One thousand forty-hour limit.** From March 23, 2022, through (~~June 30, 2025~~) January 1, 2030, if you had a 100-day break from your accrual date, you may work up to 1,040 hours in a calendar year, at a school district in a nonadministrative position that is eligible for membership in a DRS retirement plan, before your retirement allowance is suspended.

(d) **One thousand forty-hour limit.** From April 14, 2023, through July 1, 2026, if you had a 30-day break from your accrual date, you may work up to 1,040 hours in a calendar year, at a state agency or higher education institution in a nonadministrative position as a licensed nurse.

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

(a) **Counted toward the annual 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 annual hour limit:** Cashouts of unused sick and vacation leave.

(4) **What happens if I work more than the annual 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) **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.

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.

(6) **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.
- (j) Alternate early retirement factors - RCW 41.40.630(3).

RDS-6401.2

AMENDATORY SECTION (Amending WSR 23-24-091, filed 12/5/23, effective 12/7/23)

WAC 415-110-710 What are the return to work rules for SERS Plan 2 and Plan 3? (1) How soon can I return to work after I retire without impacting my SERS retirement benefit?

- (a) You may begin working immediately after you retire without impacting your SERS 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; or
 - (iii) Your only employment is as an elected official and you end your SERS membership under RCW 41.35.030 (2) (b).
- (b) If you retire and then return to work sooner than 30 consecutive calendar days from your accrual date (effective retirement date), your monthly retirement benefit will be reduced in accordance with RCW 41.35.060(1) until you remain absent for at least 30 consecutive calendar days.
- (c) If you retire and remain absent at least 30 consecutive calendar days from your accrual date, if you meet the definition of separation in WAC 415-02-115, you may return to work in any position 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 SERS retirement benefit until you reach your applicable hour limit.
- (d) If you worked prior to retirement in an ineligible position and continue to work beyond retirement, this will not be considered a violation of the 30 consecutive days in (b) and (c) of this subsection assuming that separation from your employer as defined in WAC 415-02-115 was satisfied.

Examples:

- (i) Pat works for Evergreen School District and fully separates employment at the age of 60. Pat then moves to Spokane and begins employment with the Spokane Library District in a position that is not eligible for retirement benefits. This employment continues and the position remains ineligible for retirement benefits. At age 65 Pat is eligible to begin collecting the school employees' retirement system (SERS) retirement benefit earned while working at Evergreen School

District, without terminating employment from Spokane Library District.

(ii) Skyler works for Odessa School District until age 65 in a retirement eligible position, then begins working part time for the same school in a position that is not eligible for retirement. Skyler is not eligible to begin receiving their retirement benefit because they have not yet separated from employment with the employer they participated in the retirement system with.

(iii) Parker works for Spokane Public Schools until age 63 at which point, they separate employment and have their name placed on the on-call substitute (~~(teacher)~~) list at a number of local school districts. Parker substitutes occasionally for the Deer Park, Mead, and Cheney schools. At age 65 they are eligible to begin collecting the (~~(TRS)~~) SERS benefit that was earned while working at the Spokane Public Schools without terminating employment from the substitute positions.

(iv) Taylor works for two different employers over the same period of time. The position with employer one is a retirement eligible position and the position with employer two does not meet the requirements for retirement eligibility. Prior to age 65 Taylor separates from employment with employer one but continues to work for employer two in the ineligible position. When Taylor reaches age 65 they are eligible to begin receiving their retirement benefit because they have separated from employment with the employer they participated in the retirement system with.

(2) **What is the annual hour limit?** All retirees including those retired under the alternate early retirement factors after separating from employment and being absent at least 30 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; or

(iv) If you end your SERS membership as an elected official under RCW 41.35.030 (2)(b).

(b) **Eight hundred sixty-seven-hour limit.** You may work up to 867 hours in a calendar year, in a position which is eligible for membership in a DRS or public institution of higher education retirement plan, before your retirement benefit is suspended.

(c) **One thousand forty-hour limit.** From March 23, 2022, through (~~(June 30, 2025)~~) January 1, 2030, you may work up to 1,040 hours in a calendar year, at a school district in a nonadministrative position that is eligible for membership in a DRS retirement plan, before your retirement allowance is suspended.

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

(a) **Counted toward the annual 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 annual hour limit:** Cashouts of unused sick and vacation leave.

(4) **What happens if I work more than the annual hour limit?**

(a) If you work more than the annual hour 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 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 annual hour limit and received a retirement benefit. See RCW 41.50.130.

(5) Can I return to SERS membership?

(a) If you retire from SERS, you have the option to return to membership if you are employed by a SERS 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 41.35.030(3).

(b) If you reenter SERS membership and later choose to retire again, DRS will recalculate your retirement benefit under the applicable statutes and regulations. See WAC 415-110-830. 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 SERS membership if you are eligible. See WAC 415-110-725. The option to enter membership is prospective from the first day of the month following the month in which you request membership. See RCW 41.04.270 and 41.35.030.

(6) What if I retired from SERS and another DRS retirement system? If you return to work after retirement from SERS and another DRS retirement system, 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.

(7) Terms used.

(a) Accrual date - RCW 41.35.450, 41.35.640.

(b) Elected official - WAC 415-110-550.

(c) Eligible position - RCW 41.35.010; WAC 415-110-680 through 415-110-700.

(d) Ineligible position - RCW 41.35.010.

(e) Member - RCW 41.35.010.

(f) Month - Calendar month as defined in WAC 415-02-030.

(g) Nonadministrative position - WAC 415-02-030.

(h) Public institution of higher education - RCW 28B.10.400.

(i) SERS - School employees' retirement system.

RDS-6400.1

AMENDATORY SECTION (Amending WSR 23-24-091, filed 12/5/23, effective 12/7/23)

WAC 415-112-525 What are the return to work rules for TRS Plan 1, Plan 2, and Plan 3? (1) How soon can I return to work after I retire without impacting my TRS retirement benefit?

(a) You may begin working immediately after you retire without impacting your TRS 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; or

(iii) You are a TRS Plan 1 retiree, your only employment is as an elected official, and you end your TRS membership under RCW 41.32.263.

(b) If you retire and then return to work for a public employer except as provided in (a) of this subsection, sooner than 30 consecutive calendar days from your accrual date (effective retirement date), your retirement allowance will be reduced until you remain absent for at least 30 consecutive calendar days. See RCW 41.32.570 (TRS Plan 1), 41.32.802 (TRS Plan 2), or 41.32.862 (TRS Plan 3).

(c) If you retire and remain absent at least 30 consecutive calendar days from your accrual date, if you meet the definition of separation in WAC 415-02-115, you may return to work in any position 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 TRS retirement benefit until you reach your applicable annual hour limit.

(d) If you worked prior to retirement in an ineligible position and continue to work in the same ineligible position beyond retirement, this will not be considered a violation of the 30 consecutive days in (b) and (c) of this subsection assuming that separation from your employer as defined in WAC 415-02-115 was satisfied.

(e) Examples:

(i) Pat works for Evergreen School District and fully separates employment at the age of 60. Pat then moves to Spokane and begins employment with the Spokane Library District in a position that is not eligible for retirement benefits. This employment continues and the position remains ineligible for retirement benefits. At age 65 Pat is eligible to begin collecting the TRS retirement benefit earned while working at Evergreen School District, without terminating employment from Spokane Library District.

(ii) Skyler works for Odessa School District until age 65 in a retirement eligible position, then begins working part time for the same school in a position that is not eligible for retirement. Skyler is not eligible to begin receiving their retirement benefit because they have not yet separated from employment with the employer they participated in the retirement system with.

(iii) Parker works for Spokane Public Schools until age 63 at which point, they separate employment and have their name placed on the on-call substitute teacher list at a number of local school districts. Parker substitutes occasionally for the Deer Park, Mead, and Cheney schools. At age 65 they are eligible to begin collecting the TRS benefit that was earned while working at the Spokane Public Schools without terminating employment from the substitute positions.

(iv) Taylor works for two different employers over the same period of time. The position with employer one is a retirement eligible position and the position with employer two does not meet the requirements for retirement eligibility. Prior to age 65 Taylor separates from employment with employer one but continues to work for employer two in the ineligible position. When Taylor reaches age 65 they are eligible to begin receiving their retirement benefit because they have separated from employment with the employer they participated in the retirement system with.

(2) **What is the annual hour limit?** All retirees including those retired under the alternate early retirement factors after separating from employment and being absent at least 30 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:

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

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

(iii) You are a TRS Plan 1 retiree, and:

(A) Your only employment is as an elected official, and you end your TRS membership under RCW 41.32.263; or

(B) You go to work for a nonpublic educational institution.

(iv) You are a TRS Plan 2 or Plan 3 member working as an on-call substitute teacher.

(b) **Eight hundred sixty-seven-hour limit.** You may work up to 867 hours in a year (July through June for TRS Plan 1, January through December for TRS Plan 2 and Plan 3) before your retirement benefit is suspended.

(c) **One thousand forty-hour limit.** From March 23, 2022, through (~~June 30, 2025~~) January 1, 2030, you may work up to 1,040 hours in a year, (July through June for TRS Plan 1, January through December for TRS Plan 2 and Plan 3) in a position that is eligible for a DRS retirement plan, in:

(i) A nonadministrative position at a school district before your retirement allowance is suspended; or

(ii) An administrative position (as a district superintendent or an in-school administrator) before your retirement allowance is suspended if, you retired before January 1, 2022, and returned to a TRS position at a second-class school district.

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

(a) **Counted toward the annual hour limit:** All compensated hours that are worked in an eligible position, including the use of earned sick leave, vacation days, paid holidays, compensatory time, and cashouts of compensatory time.

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

(4) **What happens if I work more than the annual hour limit?**

(a) If you work more than the annual hour 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 limit.

(b) Your retirement benefit will be restarted beginning the next year (July for TRS Plan 1, January for TRS Plan 2 or Plan 3) 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 hour limit and received a retirement benefit. See RCW 41.50.130.

(5) **Can I return to TRS membership?**

(a) You may choose to return to membership if you are employed by a public educational institution and are otherwise eligible. Membership will be prospective from the first day of the month following the month in which you request to return to membership. See RCW 41.32.044.

(b) If you reenter TRS membership and later choose to retire again, DRS will recalculate your retirement benefit under the applica-

ble statutes and regulations. 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 TRS membership if you are eligible. See WAC 415-112-546. The option to enter membership is prospective from the first day of the month following the month in which you request membership. See RCW 41.04.270 and 41.35.030.

(6) **What if I retired from TRS and another DRS retirement system?**

If you return to work after retirement from TRS and another DRS retirement system, 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: 415-108-725, 415-110-725, 415-112-546, 415-106-725, and 415-104-111.

(7) **Terms used.**

(a) "Accrual date" - WAC 415-112-520; RCW 41.32.795, 41.32.855.

(b) "Eligible position" - RCW 41.32.010.

(c) "Employer" - RCW 41.32.010.

(d) "Nonadministrative position" - WAC 415-02-030.

(e) "Second-class school district" - RCW 28A.300.065.

(f) "Year."

(i) For TRS Plan 1, a "year" is July 1st through June 30th.

(ii) For TRS Plan 2 and Plan 3, a "year" is January 1st through December 31st.