

RE-EMPLOYED RETIREES

(La. R.S. 11:416)

If you retired regularly and return to state service in a LASERS eligible position, you must select from one of three options when you are rehired (if you retired under Disability, see chapter 16 on Disability Retirement for re-employment options). The selection is irrevocable, and is effective for the full term of your re-employment. If you return to state service in any capacity, you will be considered a re-employed retiree.

LASERS retirees who retired with at least ten years of service credit are subject to re-employed retiree provisions when returning to work in positions including, but not limited to:

- Part time
- Work-as-needed (WAE), except under the Department of Revenue
- Temporary
- Job appointments
- Seasonal employees

These restrictions do not apply to any member who retired prior to June 30, 2001, was re-employed prior to May 9, 2002, and has remained continually employed. These options do not apply if you are employed in private industry or you are in a public position that is not eligible to participate in LASERS.

Re-employed Retiree Option 1A – 50 Percent Earnings Limitation

You may elect to limit your earnings in any fiscal year to 50 percent of your annual retirement benefit. The earnings limit is calculated by taking your monthly benefit, adjusted for inflation based on the Consumer Price Index (CPI-U), divided by two, multiplied by 12. You will continue to receive your monthly retirement benefit, and no contributions will be paid to LASERS. You should consider other options if your anticipated earnings for the fiscal year will exceed the earnings limit. At the end of each fiscal year, your agency will report your actual earnings to LASERS. If your actual earnings exceed the limit, you will owe LASERS the amount of the excess earnings. You are responsible for monitoring your earnings limit.

You may be exempt from an earnings limitation under Re-employed Retiree Option 1A if you have been retired one year, and are appointed by the Secretary of State to fill the position of Commissioner of Elections.

EXAMPLE

Mary retired in 2005, and currently receives a monthly retirement benefit of \$4,500.00. She returned to work in August 2008 under Option 1A, so her earnings limit for the 2008-2009 fiscal year is calculated as follows:

$$\begin{array}{ccccccc} \$54,000.00 & \times & 215.303 / 195.30 & / & 2 & = & \$29,700.00 \\ \text{annual retirement} & & \text{2008 CPI-U / 2005 CPI-U} & & & & \text{(earnings limit for} \\ \text{benefit} & & & & & & \text{the fiscal year)} \end{array}$$

Mary's earnings limit for the 2008–2009 fiscal year is \$29,700.00. Regardless of when the time is worked within the fiscal year, her total earnings for the fiscal year cannot exceed this limit.

Re-employed Retiree Option 1B

If you retired with 30 years of service credit and are at least 70 years of age, you can select Re-employed Retiree Option 1B. You will be exempt from any suspension or reduction in benefits so that you may receive your full retirement benefit and your salary without any limits. If you elected to convert your unused leave to credit at the time of retirement, it cannot be used to meet the 30 year service credit requirement.

Re-employed Retiree Option 2 - Regain LASERS Membership

You may regain membership in LASERS by repaying all benefits received since you retired plus interest at an actuarial rate. LASERS will send you an invoice stating the total amount owed. Once the invoice is paid in full, all of your service credit will be restored as if you had not retired. You will become an active member of LASERS, and employee and employer contributions will resume. ***This option is not available if you participated in the Deferred Retirement Option Plan (DROP), took the Initial Benefit Option (IBO), or retired with an early retirement. (Note: The 20 years at any age retirement option is not an early retirement.)***

Re-employed Retiree Option 3 - Suspension of Retirement Benefits

You may suspend your retirement benefits effective the date of your re-employment, and become a contributing member of LASERS. Employee and employer contributions must be paid, and there is no limit on earnings. Upon subsequent retirement, your original retirement benefit will resume.

As an Option 3 Re-employed Retiree, if you work less than three years, your employee contributions will be refunded to you. If you work three or more years, a supplemental benefit will be calculated for the additional employment based on your service credit and average compensation for that time. Your

benefit will resume effective the day following your termination date. If you should die during this period of employment, benefits will be paid to your named beneficiary based on the retirement option you selected at the time of your original retirement.

You may be exempt from suspension of retirement benefits under Re-employed Retiree Option 3 if you have 25 years of service credit with LASERS, have been retired for one year, and you are appointed by the Governor to an unclassified position. ■

APPLICATION PROCESS

To return to work as a re-employed retiree, you must submit the following to LASERS:

- ***Form 10-02: Re-employment of Retiree.***
If the form is not submitted when you are re-employed, you will be re-employed under the provisions of Re-employed Retiree Option 3. You and the employing agency shall be responsible for retirement contributions from the date of your employment to your date of termination. You shall be responsible for the repayment of all funds received from LASERS since the date of your re-employment.



EMPLOYER FORMS

Available to HR reps only.

Form 10-02: Re-employment of Retiree