



Return to Work Requirements

In general, a member who retires from a TCRS-covered employer cannot return to work with any TCRS-covered employer while continuing to receive one hundred percent (100%) of his/her monthly retirement benefit from TCRS and one hundred percent (100%) of compensation while returning to work with a TCRS-covered employer. Exceptions are as follows:

- 120-day Temporary Employment
- Return to Work 70% of Retirement Benefit for Law Enforcement Officers and Emergency Medical Service Personnel
- Limited Reemployment of Retired Teachers
- Return to Work 70% of Retirement Benefit for Teachers, Bus Drivers and Substitute Teachers

Before accepting a position with a TCRS-covered employer, retirees should contact [RetireReadyTN](#) at (800) 922-7772 to determine how their TCRS retirement benefits may be impacted.

Note: Within a one (1) year period the retiree must not switch from one reemployment position to another or simultaneously be reemployed under more than one reemployment provisions

120-day Temporary Employment Guidelines

Eligibility

Any retired member may return to service after at least sixty (60) calendar days has lapsed since the retirement date without loss of retirement benefits. The member's return to work service is limited to the equivalent of 120 days within a 12-month period; the beginning date of employment for the 12-month period is the date of hire. The anticipated termination date should be one (1) year from the retiree's hire date. Employers may waive the 60-day waiting period, on the [Temporary Employment Report](#), if there are no other qualified personnel to work for the specified period, and the retiree works only half the hours the retiree was working prior to retirement. The Temporary Employment Report form can be found under the "Forms and Guides" section at [RetireReadyTN.gov](#). It is important to note that retirees are not eligible to accrue additional retirement benefits working under the 120-day Temporary Employment provision.

Compensation Limits

A retiree's compensation under 120-day Temporary Employment is limited to 60% of the annual full-time salary received by the retiree in the year immediately prior to retirement. This limit on salary increases by 5% for each year since retirement.

120-day Temporary Employment Guidelines *continued*

Below is an example of salary limits for years 1-3 under Temporary Employment:

Pre-Retirement Annual Salary	Yearly Limits (Final Year's Salary x 1.05 per year x 60%)	Maximum allowable salary under 120-day Temporary Employment
\$50,000	Retired less than 1 year = 60%	\$30,000
\$50,000	Retired 1 year = 63%	\$31,500
\$50,000	Retired 2 years = 66.15%	\$33,075

Annual Notification to TCRS

A Temporary Employment Report must be completed and filed each year with TCRS before the 120-day temporary employment period begins. When completing the form, the beginning date of employment for the 12-month period is the date of hire. The anticipated termination date should be one year from the retiree's hire date. Completion and submission of the form is a shared responsibility between the employer and the employee.

Monthly TCRS Contribution Report

Employees must be reported on the employer's monthly report in a non-participant status while employed under 120-day Temporary Employment.

120-day Conversion to Hours

Generally, one day is equivalent to the number of hours the retiree worked on average each day pre-retirement. For a retired state employee, 7.5 hours will equal one day of temporary employment. In contrast, a retired bus driver who worked 4 hours a day pre-retirement would be limited to 4 hours/day for up to 120 days.

Additionally, days can be converted to hours. If a retiree worked 7.5 hours pre-retirement and takes a position post-retirement working 4 hours per day, he can work a maximum of 900 hours – the equivalent of 120 full days of work - during the 12-month temporary employment period.

Higher Education Teachers and Substitute Teachers

If employed to teach in an institution of higher education, the retiree may teach 24 quarter hours or 18 semester hours annually, up to the compensation limits referenced above.

Effective July 1, 2017, a retired K-12 teacher employed as a substitute teacher may work in addition to 120 days limit during a 12-month period, provided that the additional days would not cause the retiree's salary to exceed the salary rate set by the school system for substitute teachers filling similar vacant positions. This requirement replaces the "90-day limit" previously in place for substitute teachers.

Return to Work 70% of Retirement Benefit for Law Enforcement Officers and Emergency Medical Services Personnel

Eligibility

Eligible law enforcement officers and emergency medical services personnel, who have been retired with TCRS at least sixty (60) days, can return to work in a TCRS covered position and continue to draw their TCRS benefit as long as they meet all of the eligibility requirements. The retiree's retirement benefit will be limited to 70% for the period of reemployment. Additionally, the retiree returning to work as a law enforcement officer must have completed annual training required by Title 38, Chapter 8, Part 1, and as required by the Tennessee peace officer standards and training commission. For emergency medical services personnel, the retiree must possess as of the date of reemployment a current, valid license issued by the emergency medical services board through the Department of Health.

Upon reemployment of the retired member, the employer must certify in writing to TCRS that the retired member has the requisite experience and training for the position to be filled and that no other qualified persons are available to fill the position.

The retiree's retirement benefit will be limited to 70% for the period of reemployment and the retiree must not be drawing a TCRS Disability Benefits.

Annual Notification to TCRS

A [Return to Work with 70% of Retirement Benefit for Law Enforcement Officers and EMS form](#) must be completed and submitted to TCRS each year before the reemployment period begins. The year begins with the date of hire for the retiree, and the notification applies to that year. Completion and submission of the form are shared responsibilities between the employer and the employee. The form can be accessed under the "Forms and Guides" section at [RetireReadyTN.gov](https://www.RetireReadyTN.gov).

Monthly TCRS Contribution Report

Employees must be reported on the employer's monthly report in a non-participant status while employed under the Limited Reemployment of Law Enforcement Officer and Emergency Medical Service Personnel Guidelines. Employers will be invoices for the greater of 5% of the retired member's pay or the employer Actuarially Determined Contributions (ADC) annually. These employers will be invoiced by TCRS when the reemployed law enforcement officer(s) or emergency medical service personnel complete their one-year limited reemployment appointment.

This law sunsets 6/30/2025.

Limited Reemployment of Retired Teachers Guidelines

Eligibility

Any person retired from a TCRS-covered employer for one year or longer may accept an appointment as a K-12 teacher without loss of retirement benefits provided that the retiree possesses an active, professional teacher's license.

Certain minimum and maximum salaries apply. This information may be found on the [Limited Reemployment of Retired Teachers form](#). It is important to note that the retiree is not eligible to accrue additional retirement benefits as a retired teacher working under the limited reemployment guidelines.

Annual Notification to TCRS

Completion and submission of the form is a shared responsibility between the employer and the employee. The form can be accessed under the "Forms and Guides" section at [RetireReadyTN.gov](#).

Monthly TCRS Contribution Report

Employees must be reported on the employer's monthly report in a non-participant status while employed under the Limited Reemployment of Retired Teachers Guidelines.

Return to Work 70% of Retirement Benefit for Teachers, Bus Drivers and Substitute Teachers

Eligibility

Beginning July 1, 2022, law allows bus drivers, teachers, and substitute teachers, who have been retired at least sixty (60) days, to return to work without suspension of benefits under the Return to Work 70% of Benefit guidelines.

The retiree's retirement benefit will be limited to 70% for the period of reemployment and the retiree must not be drawing a TCRS Disability Benefit.

Notification to TCRS

A [Return to Work 70% of Retirement Benefits form](#) Completion and submission of the form is a shared responsibility between the employer and the employee. The form can be accessed under the "Forms and Guides" section at [RetireReadyTN.gov](#).

Monthly TCRS Contribution Report

Employees must be reported on the employer's monthly report in a non-participant status while employed under the Return to Work 70% of Retirement Benefit guidelines. Employers will be invoiced for the greater of 5% of the retired member's pay or the employer Actuarially Determined Contributions (ADC) annually. These employers will be invoiced by TCRS when the retiree completes each year of the Return to Work with 70% of Retirement Benefit program.

For more information on the Return to Work 70% Retirement Benefit provision please see the FAQ at [RetireReadyTN.gov](#).

Returning to Work Full-time with a TCRS-covered Employer

If a retired member returns to service with a TCRS-covered employer under any circumstance other than the specified exceptions, the TCRS retirement allowance is suspended during reemployment.

Any retiree who returns to service after July 1, 2018 with a TCRS-covered employer must be reported to TCRS as a participating employee and will accrue additional TCRS retirement credit. A reemployed retiree who completes three or more years of creditable service will have TCRS benefits recomputed based on the total number of years of service and the highest average final compensation.

If the retiree selected the Social Security Leveling Plan at retirement, the member must repay the supplement received under the leveling plan in order to have the benefit recalculated. If the additional service is less than three years, benefits are separately computed for the last period of active service and added to the original benefit.

Other Considerations for Employees Returning to Work with a TCRS-covered Employer

State of Tennessee Deferred Compensation Plan Participation

Retirees returning to work with a TCRS-covered employer under the return to work exceptions are eligible to participate in the State of Tennessee 401(k) and 457(b) plans if adopted by the employer's governing body. Generally, retirees returning to work under the specified return to work exceptions are not eligible for employer contributions since they are not receiving TCRS service credit.

TCRS Disability Retirement Benefits

TCRS Disability retirees returning to work full time must suspend their TCRS Disability Retirement Benefit. Members returning to work at a TCRS-covered employer will be enrolled in TCRS.

Retirees receiving TCRS disability retirement benefits must report annual earnings. TCRS provides notification to retirees receiving disability retirement benefits annually of this obligation. If a retiree who is receiving TCRS disability retirement benefits returns to any employment, whether with a TCRS-covered employer or private employer, which results in earnings in excess of the Social Security Administration's definition of Substantial Gainful Activity (SGA), the TCRS disability benefit will be suspended. The amount of earnings considered as SGA is published annually by the Social Security Administration.

Returning to Work with a Private Employer or Public Employer not covered by TCRS

Retired TCRS members may be employed with a non-TCRS entity and continue to receive their TCRS retirement benefit. Please note, a TCRS retiree cannot return to work as an independent contractor, or through employment with a separate entity, doing the same job with a TCRS-covered employer that the retiree had as an employee. TCRS strongly encourages all employers to check with TCRS first before entering into a contractual relationship with a TCRS retiree.

TCRS monitors compliance with Return to Work requirements for retirees. Exceeding the employment limits on the exceptions and/or not notifying TCRS upon returning to work full-time (after retirement or while receiving disability retirement benefits) will result in a suspension of retirement benefits and may result in an overpayment of benefits that must be repaid to TCRS by the employee (retiree). Additionally, the employer is responsible for accurately reporting all Return to Work employees.

If you have any questions regarding returning to work as a TCRS retiree, please call *RetireReadyTN* at (800) 922-7772.

Contact Us

Call (800) 922-7772 Monday through Friday 8:00 a.m. to 7:00 p.m. CT

Visit www.RetireReadyTN.gov



@RetireReadyTN

The information in this document is general in nature and may be subject to change without notice. In the event of a conflict between this guide and plan documents, the plan documents will take precedence. Additionally, the value of a 401(k) account will fluctuate and it is possible for the value to be less than what was contributed. The risks associated with investing are numerous, and as with any investment, it is possible to lose money. The state of Tennessee and its employees are not authorized to provide legal, financial or tax advice. For legal and tax advice concerning your situation you should consult your personal legal, tax, or other advisers.