



Return to Work 70% of Retirement

Benefit FAQ for K-12 Teachers and Bus Drivers (TCA § 8-36-822)

The law allows retired TCRS members to return to work as K-12 teachers and bus drivers with a Tennessee Consolidated Retirement System (TCRS) covered employer without the suspension of benefits under TCA § 8-36-822. Through this reemployment opportunity for TCRS retirees, members will receive a salary and draw a retirement benefit; however, the member's monthly retirement benefit will be reduced to seventy percent (70%) while reemployed with a TCRS-covered employer.



How does a retiree apply for reemployment as a K-12 bus driver or teacher?

To begin the process, a retiree may obtain a form from RetireReadyTN.gov > Forms and Guides. The form needs to be completed by the retiree and the return-to-work employer then returned to TCRS. Once received, TCRS will review the retiree's eligibility and send a letter to acknowledge eligibility status.

Once the form has been approved for the qualifying retiree, TCRS will reduce the member's monthly gross benefit by 30%. While working under this reemployment statute, the member will not accrue additional TCRS service credit.

Reminder: once approved by TCRS, the thirty percent (30%) reduction will remain in place until the member separates from their return-to-work employment.

Who qualifies to return to work as a K-12 bus driver or teacher under this reemployment option?

Retirees who are returning to work as bus drivers or teachers with K-12 public school systems, except those receiving a disability benefit.

How long does a member have to be retired before being eligible for reemployment under TCA § 8-36-822?

The member must be retired for at least sixty (60) days.

Are retirees returning to work eligible to accrue additional service or salary for the purposes of increasing their retirement benefit?

No, retirees returning to work under this provision do not accrue additional retirement benefits as a result of such reemployment.

Does a retiree returning to work as a teacher or a bus driver have to re-apply every year?

After the initial Return to Work application, a retiree returning to work as a teacher, or a bus driver does not have to re-apply every year if reemployed under TCA § 8-36-822.

Is this the only reemployment option for retired teachers?

No. Tennessee law provides several options to retired teachers to return to work with a TCRS-covered employer. Teachers may be reemployed under 1) TCA § 8-36-805 as a 120-day employee; 2) TCA § 8-36-821; or 3) TCA § 8-36-822.

Can a retiree returning to work switch between different Return to Work programs within a one (1)-year period?

No. A retiree returning to work is not allowed to break their current contract. A retiree must finish their current one-year contract before switching. Additionally, a retiree cannot be simultaneously re-employed under more than one re-employment position.

How does a retiree have their full benefit reinstated?

A retiree must be fully separated from the TCRS-covered employer to have their full benefit reinstated. Once the retiree separates employment with the return-to-work employer, Section 3 of the return to work form will need to be completed and returned to TCRS. Once TCRS processes the updated application, the 30% reduction to the member's benefit will be removed in the month following the end of employment, prior to payroll run.

Are employer contributions required on the salary the retiree makes while reemployed under TCA § 8-36-822?

Payments by the employer are required. The retiree's employer must agree to report the member on the monthly contribution report as a Non-Participant under the Limited Re-Employment category. While under these provisions, the employer must also agree to remit either: 5% of the retired member's compensation or the employer's Actuarially Determined Contributions (ADC) to TCRS annually, whichever is greater. Employers will be invoiced by TCRS when the retiree completes each year of reemployment under TCA § 8-36-822.

See page three for an example of two similar retired teachers.

Retiree 1 on Limited Reemployment under TCA § 8-36-821:

TCRS retirement benefit: \$2,000 monthly/gross
Salary returning to work as a teacher: \$65,000/gross

This member could draw his or her entire TCRS benefit (\$2,000) but the member's teacher salary is limited to 85% of the member's rate of compensation upon reemployment. Based on this, the member could make \$55,250 teaching while receiving \$2,000 a month in retirement benefits. The monthly gross amount for both the retirement benefit and salary would be \$6,604 ($\$55,250/12 + \$2,000$) for Retiree 1.

Additional considerations: Retiree 1 must meet eligibility requirements and be retired one (1) year to qualify for this provision.

Retiree 2 on Return to Work 70% of Retirement Benefit under TCA § 8-36-822:

TCRS benefit: \$2,000 monthly gross minus 30% reduction for return to work = \$1,400 per month gross

Salary returning to work as a teacher: \$65,000/gross

This member would have the 30% reduction to his or her TCRS retirement allowance, such that they would draw \$1,400/month until they stopped working full time. In addition to the reduced retirement allowance, the member would also receive his/her teacher salary of \$65,000.

The monthly gross amount for both the retirement benefit and salary would be \$6,816 ($\$65,000/12 + \$1,400$) for Retiree 2.

Additional considerations: Retiree 2 must meet eligibility requirements and be retired 60 days to qualify for this provision.

Quick Reference Guide

In general, a TCRS member who retires from a TCRS-covered employer cannot return to work with a TCRS-covered employer while continuing to receive both 100% of his/her monthly retirement benefit from TCRS and 100% of compensation while returning to work with a TCRS-covered employer. Below is a quick reference chart outlining certain exceptions to this general rule for retired TCRS members to return to work for a TCRS-covered employer in a certain capacity while earning a salary and receiving a retirement benefit.

Classification	Reduction in Salary	Reduction in Benefit	Law
120-Day Temporary Employment	Yes—60% of salary plus 5% added annually (40% reduction)	No	TCA § 8-36-805
Limited Reemployment as Law Enforcement Officer	No	Yes—70% of retirement benefit (30% reduction)	TCA § 8-36-809
Limited Reemployment as Emergency Medical Services Personnel	No	Yes—70% of retirement benefit (30% reduction)	TCA § 8-36-811
Limited Reemployment of Retired Teachers*	Yes—85% of salary (15% reduction)	No	TCA § 8-36-821
Return to Work as K-12 Teacher, Bus Driver, or Substitute Teacher**	No	Yes—70% of retirement benefit (30% reduction)	TCA § 8-36-822

* Please be advised that teachers may be reemployed under TCA §§ 8-36-805, 8-36-821, or 8-36-822.

** Any retired TCRS member may be reemployed as substitute teachers under TCA §§ 8-36-805 and 8-36-822.

Contact Us

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

Call (800) 253-9981 Retiree Insurance (Benefits Administration)

Website: www.RetireReadyTN.gov



@RetireReadyTN

Please include your Member ID and your current address on any correspondence.