



# Public Pension Oversight Board Reemployment after Retirement

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# Reemployment After Retirement Legal Requirements



- No prearranged agreement
- Ceased employment with all participating employers prior to retirement
- Break in service between retirement date and reemployment with a participating employer
  - *Exceptions: Independent contractors, leased employees, and volunteers*
- Submission of forms and other information to the KPPA

# Prior to Retirement



Prearranged agreements: Kentucky law prohibits a member from having a prearranged agreement, prior to his or her effective retirement date, to return to employment in any position with any employer participating in any of the systems administered by the KPPA.

Ceased employment with all participating employers: Kentucky law requires a member to cease employment with all participating employers in the systems administered by the KPPA prior to retirement.

\*See KRS 61.590, 61.637, 78.545 and 78.5540



# After Retirement – Break in Service



## Retirement Date Before January 1, 2024

**Required break in service between retirement date and reemployment:**

- **ONE** calendar month: If the member retired from a hazardous duty position and is seeking reemployment in a **full-time hazardous duty** with a participating employer
- **THREE** calendar months: All other reemployment with a participating employer

## Retirement Date On or after January 1, 2024

**Required break in service between retirement date and reemployment:**

- All reemployment requires a **ONE** calendar month break in service

# After Retirement – Required Forms



**IMPORTANT NOTE:** If a member is reemployed within 12 months of his/her effective date, the following forms are required based on reemployment type:

Reemployment Type	Required Member Form	Required Employer Form
Employee (e.g., Regular Full-Time, Part-Time, Seasonal, Temporary, Interim, Substitute, Etc.)	Form 6754, Member Reemployment Certification	Form 6751, Employer Certification Regarding Reemployment
Independent Contractor/ Leased Employee	Form 6754, Member Reemployment Certification	Form 6752, Employer Certification of Independent Contractor/Leased Employee
Volunteer	Form 6754, Member Reemployment Certification	Form 6753, Employer Certification of a Volunteer

Failure to submit the required forms may result in the member's retirement benefits being voided and the member will be required to repay all retirement allowances, dependent child payments, and health plan premiums paid by KPPA.

# Reemployment After Retirement



In 2008, the General Assembly passed House Bill 1, prohibiting retired members who reemploy with a participating employer on or after September 1, 2008 from contributing to a second retirement account.

Different rules for reemployment after retirement may apply for the following:

<b>Position</b>	<b>Break in Service</b>
Mayor and City Council Members	No break in service requirement
Elected officials seeking reelection to a new term of office	12 month break in service requirement
Part-time adjunct professors for the Kentucky Fire Commission	No break in service requirement

# Employer Contributions and Reimbursements for Retired Reemployed Members



Generally, participating employers that reemploy a retired member in a regular full-time position are required to remit employer contributions and reimburse the KPPA for health insurance premiums paid by the systems for that retired member.

<b>Exemptions:</b>	<b>Statutory Reference:</b>	<b># of Ret Reemp</b>
Sheriff Deputies	KRS 70.291-.293	528
City Police Officers	KRS 70.291-.293	426
School Resource Officers	KRS 158.441	197
Postsecondary Institution Employment of Retired Police Officers	KRS 164.950-.980	17

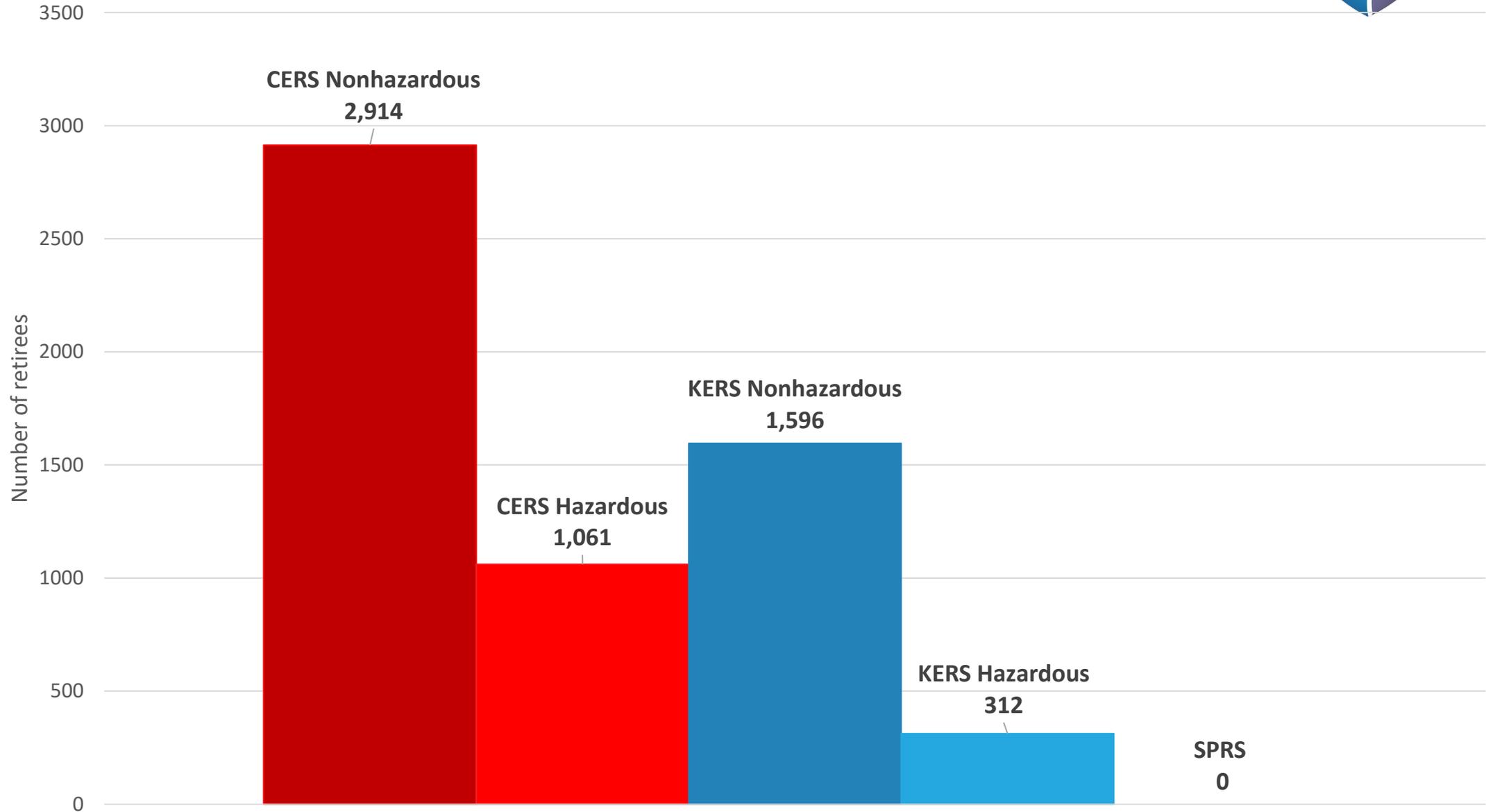
**IMPORTANT NOTE:** Cities and post-secondary institutions may have limits on the number of police officers to whom the exemption may apply.

# Requirements to Qualify for Exemption to Employer Contributions and Reimbursements



- Retired member, participating employer, and position must meet statutory requirements
- Participating employer must timely submit required forms to KPPA
  - Note: Timely submission of required forms applies regardless of whether the retired member has been retired twelve (12) calendar months or less, or the retired member has been retired for more than twelve (12) calendar months

# Retired Reemployed Membership by System as of 6/30/2023



# FY 2023 Employer Contributions



RETIREMENT SYSTEM	HEALTH INSURANCE REIMBURSEMENT CONTRIBUTIONS	RETIRED REEMPLOYED EMPLOYER CONTRIBUTIONS	
		PENSION	INSURANCE
CERS Nonhazardous	\$ 4,922,203	\$ 17,518,503	\$ 2,538,226
CERS Hazardous	\$ 1,611,102	\$ 6,906,707	\$ 1,094,273
KERS Nonhazardous	\$ 5,884,573	\$ 4,589,109	\$ 1,207,579
KERS Hazardous	\$ 1,451,719	\$ 2,939,557	\$0
SPRS	\$0	\$0	\$0
<b>Total</b>	<b>\$ 13,869,597</b>	<b>\$ 31,953,876</b>	<b>\$ 4,840,078</b>



**KPPA**

Kentucky Public Pensions Authority

Questions?