



## **#94 Clarification of Post-Retirement OPSRP Retiree Work Restrictions (Revised Employer Announcement #90)**

Oregon statute provides that when an OPSRP retiree is employed by a PERS employer in a “qualifying position,” the retired member reestablishes active membership, and PERS is required to stop their pension payments.

For an OPSRP retiree, a position is considered “qualifying” if:

- 1) The employer hire intent designates the position as “qualifying”; or
- 2) The employee actually performs 600 hours or more total service with one or more PERS employers in the same calendar year (even though the employer hire intent designated the position(s) as “non-qualifying”).

Whether the hours worked pre-retirement count towards an OPSRP retiree’s 600 hour calendar year limit was recently re-examined. Historically, PERS had administered the 600 hour limit for OPSRP retirees to parallel Tier One/Two’s 1040 hour limit, which counted hours post-retirement separately from hours counted pre-retirement. However, in February 2015 we informed employers that a more strict reading of the statute may look at the calendar year as a whole in judging “qualifying position,” without distinguishing between pre- and post-retirement hours, leaving some retired members who go out later in the year unable to return to work until the next calendar year resets the clock. Based upon employer and member feedback, PERS developed a broader interpretation of statute through rulemaking to provide more explicit authority for the historic practice that “resets the clock” within the calendar year that the member retires by applying the 600 hour limit to hours worked “as a retired member.” The rule amendment was adopted at the July 31, 2015 Board Meeting, and will be applied to all OPSRP retirees as a clarification of PERS practice.

With this clarification, OPSRP retirees who wish to maintain their “retired member” status may work up to 599.99 total hours in “non-qualifying” jobs in any calendar year “as a retiree,” and still be considered a retired member. However, if an OPSRP retiree is hired into a position designated by the employer as “qualifying,” or hired into a “non-qualifying” position, but meets or exceeds the 600 hours calendar year work limit as a retiree, then active OPSRP membership is established, the individual’s former retirement is canceled, and any monthly retirement benefit payment will stop. If the active member receives retirement benefits to which he or she is not entitled, the member will be required to repay those benefits to PERS.

Please direct all questions on this subject to: [PERS.WorkAfterRetirement@pers.state.or.us](mailto:PERS.WorkAfterRetirement@pers.state.or.us) rather than your ESC Account Team representative.

**References: ORS 238A.245, OAR 459-075-0300**

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