

RETIRED ANNUITANT RULES

There are two types of retired annuitant employment: “extra help” and interim (or acting) “vacant position” employment.

Extra Help Positions

The retired annuitant employment restrictions for extra help positions are authorized by Government Code sections 7522.56, 21224, 21227, and 21229. You must meet the following restrictions:

- **Limited-Duration Work**

You have skills needed to perform work of limited duration or your employment is needed during an emergency (such as floods, earthquakes, etc.) to prevent stoppage of public business. While these workloads may last more than one fiscal year, the employment should terminate when the limited-duration work you were hired to perform is completed. Examples of work of limited duration are work to eliminate a backlog, work on a special project, and work that is in excess of what regular staff can do. You cannot be employed in any regular staff position such as “seasonal,” “permanent intermittent,” “exempt from civil service,” “exempt from membership,” “TAU,” or any other “temporary” position other than a retired annuitant position.

- **Compensation**

The hourly pay rate you receive cannot be less than the minimum or exceed the maximum paid to other employees performing comparable duties as listed in the employer’s publicly available pay schedule. Also, you cannot receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate. For example, vacation benefits cannot be provided to a retired annuitant. **The only exception** would be if the employee is being reimbursed for job-related expenses (for example, mileage reimbursement).

- **960-Hour Limit**

The hours you work cannot exceed 960 hours in a fiscal year (July 1 through June 30) for employment with all CalPERS employers combined. **There are no exceptions to this limit.** Your employer must enroll and report your hours to CalPERS, per Government Code section 21220.

California State University (CSU) academic staff retirees can work as retired annuitant academic staff for CSU employers as authorized by Government Code sections 7522.56 and 21227. However, the hours worked for all CSU employers cannot exceed 960 hours in a fiscal year or 50 percent of the hours employed during the last fiscal year prior to retirement, **whichever is less.**

- **Unemployment Insurance Payments**

You cannot be appointed as a retired annuitant if you received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to your appointment date. Upon accepting employment, you must certify in writing to the employer that you comply with this requirement. See additional information in the section “Unemployment Insurance Payments” on page 12.

Vacant Positions

You may be appointed to an interim position by the governing body of an employer, as authorized by Government Code sections 7522.56 and 21221(h). The employment must meet all the requirements above for extra help positions and the following additional requirements below. Examples of these positions include city manager, police chief, fire chief, individual department head, director, CEO, etc.

- **Active Recruitment**

Before you are hired, the employer must have in place an active recruitment for a permanent replacement for the vacant position.

- **Limited-Duration Work**

You can be hired only as an interim or acting appointment during the period of recruitment; you cannot work in a permanent capacity or for an indefinite period of time.

- **Single Appointment**

You can be appointed only once to the vacant position.

- **Compensation**

Your hourly pay rate cannot be less than the minimum or exceed the maximum for the vacant position as listed on the employer’s publicly available pay schedule. As noted above, you cannot receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate.

Eligibility Requirements for Retired Annuitants

In addition to the requirements on the previous pages, all retirees must meet **both** of the following two requirements to be eligible to work for a CalPERS employer:

1) Bona Fide Separation in Service Requirement

You cannot be employed as a retired annuitant if you are younger than the “normal retirement age” on your retirement date, unless both of the following conditions are met:

- There was no verbal or written agreement to return to work as a retired annuitant between you and any CalPERS employer before you retired.
- There is a termination of employment (separation in service) for 60 days between your retirement date and the date your limited-duration employment as a retired annuitant will begin.

All retirees who are under normal retirement age at retirement must meet the bona fide separation in service requirement even if an exception to the 180-day wait period applies (see below). These two requirements may be served concurrently. The only exception to this restriction is for employment due to the specific emergency conditions as defined in Government Code section 8558. This bona fide separation requirement is in California retirement law and regulations to comply with Internal Revenue Code tax regulations.

2) 180-Day Wait Period Requirement

You cannot be employed as a retired annuitant for a period of 180 days after your retirement date, unless you qualify for one of the following exceptions. The 180-day wait period begins on your retirement date.

Exceptions

- Before you begin work, your employer must certify the nature of the employment and that the appointment is necessary to fill a critically needed position sooner than 180 days. The appointment must be approved by the employer’s governing body, in a public meeting, and must be approved as an action item, rather than on a consent calendar.
- You will participate in the California State University’s (CSU) Faculty Early Retirement Program (FERP) pursuant to a collective bargaining agreement with CSU that existed prior to January 1, 2013, or has been included in subsequent agreements.
- You are a retired firefighter or retired public safety officer as defined in Government Code section 3301 (peace officer) who will perform firefighter or peace officer retired annuitant work.
- You are a CalSTRS retiree who is subject to sections 24212, 24214.5, or 26812 of the Education Code. Call CalSTRS at (800) 228-5453 for more information.

The 180-day wait period applies without exception if you receive a golden handshake or any other employer incentive to retire.

Normal retirement age is the oldest age listed in your retirement benefit formulas.

State Employer Civil Service Eligibility Requirement

Retired annuitant employment with a state agency is limited to retirees who have civil service eligibility from previous state agency employment or who qualify for appointment under an applicable civil service employment list. Visit the California Department of Human Resources website at www.calhr.ca.gov for more information. Retired State of California employees can apply for retired annuitant positions via the Boomerang website at boomerang.ca.gov.

Unemployment Insurance Payments

California law prohibits appointment of a retired annuitant by a CalPERS employer if, during the 12-month period before an appointment, you received unemployment insurance compensation for prior retired annuitant employment with any CalPERS employer. Upon accepting employment, you must certify in writing to the employer that you comply with this requirement.

If you are working as a retired annuitant and it is discovered that during the previous 12 months you were paid unemployment insurance compensation based on prior retired annuitant employment with any CalPERS employer, your employment must be terminated on the last day of the current pay period. You will not be eligible for appointment as a retired annuitant with any CalPERS employer for 12 months following the termination date of the current employment. Violation of this unemployment insurance compensation restriction does not result in mandatory reinstatement from retirement.

Exceptions to Retired Annuitant Requirements

Elected or Appointed Offices

You can serve in an elected or appointed office after retirement without reinstatement from retirement. However, if you serve without reinstatement and part or all of your retirement allowance is based on service in that elected or appointed office, the portion of your allowance based on service in that office must be suspended for your time in office. When you leave office, your allowance will be unsuspended going forward.

If you wish to earn additional CalPERS service credit for your time in the elected or appointed office and that office is subject to CalPERS membership, you must reinstate from retirement.

If you are serving in an elected or appointed office for which you have CalPERS membership and wish to retire before your term expires, you must resign from that office.