

**Chairperson Jim Kelly**  
**Proposed Working After Retirement Modifications<sup>1</sup>**

<b>Great-Grandfathered Positions</b>	July-Dec. 2016 Count of Retirees	Earnings Limit	Current Employer Contribution	Chairperson Jim Kelly Proposed changes to Employer Contribution
Different Employer Hired before 7/1/2006	113	No Limit	None	None
Same Employer Hired before 7/1/2006	44	\$25,000	None	None
<b>Total Great-Grandfathered Positions</b>	<b>157</b>			

<b>Grandfathered Positions</b>	July-Dec. 2016 Count of Retirees	Earnings Limit	Current Employer Contribution	Chairperson Jim Kelly Proposed changes to Employer Contribution
State and Local Same Employer	570	\$25,000	None	None
State and Local Different Employer	263	No Limit	Actuarial Rate+6% from first dollar earned (State=15.62% in FY 18/ Local=14.46% in CY 17)	25% from first dollar earned
Non-covered before 7/1/2016	296	No Limit	None	None
<i>Subtotal Non-School Grandfathered Positions</i>	<i>1,129</i>			

<i>School Member Types</i>				
Same Employer - Licensed	594	No Limit	Actuarial Rate+8% from first dollar earned (24.38% in FY 2018)	25% from first dollar earned
Same Employer - Licensed 3rd Party	1	No Limit	Actuarial Rate+8% from first dollar earned (24.38% in FY 2018)	25% from first dollar earned
Different Employer - Licensed	452	No Limit	Actuarial Rate+8% from first dollar earned (24.38% in FY 2018)	25% from first dollar earned
Different Employer - 3rd Party Licensed	2	No Limit	Actuarial Rate+8% from first dollar earned (24.38% in FY 2018)	25% from first dollar earned
Same Employer - Non-Licensed	775	\$25,000	None	None
Different Employer - Non-Licensed	344	No Limit	Actuarial Rate+6% from first dollar earned (22.38% in FY 2018)	25% from first dollar earned
<i>Subtotal School Grandfathered Positions</i>	<i>2,168</i>			
<b>Total Grandfathered Positions</b>	<b>3,297</b>			

<b>New Working After Retirement Positions</b>				
Basic Rule <sup>2,3</sup>	1,986	\$25,000	Statutory Rate from first dollar earned (St/Sch=10.81% in FY 2017/ Local=8.46% in CY 2017)	0% on first \$25,000 30% after \$25,000
Hardship <sup>4</sup>	9	No Limit	30% from first dollar earned	Collapsed into single "special exemption"
Hard-to-fill <sup>4</sup>	23	No Limit	30% from first dollar earned	Collapsed into single "special exemption"
Special Education <sup>4</sup>	49	No Limit	30% from first dollar earned	Collapsed into single "special exemption"
New Special Exemption	N/A	No Limit	N/A	30% from first dollar earned
Local Elected Officials	14	No Limit	None	None
State Retired Nurses	13	No Limit	Actuarial Rate+6% from first dollar earned (15.62% in FY 2018)	Actuarial Rate+6% from first dollar earned (15.62% in FY 2018)
3rd Party/Independent Contractor	49	\$25,000	Statutory Rate from first dollar earned (St/Sch=10.81% in FY 2018/ Local=8.46% in CY 2017)	0% on first \$25,000 30% after \$25,000
<b>Total New Working After Retirement Positions</b>	<b>2,143</b>			

<b>Grand Total July-December 2016 Count of Retirees</b>	<b>5,597</b>
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<sup>1</sup> These provisions remain in place: 60-day waiting period, certificate of no pre-arrangements at retirement and rehire, and periodic review of the \$25,000 earnings limit and the 30% employer contribution rate. For the "special" exemption category, all current exemption requirements remain in place, including documentation of efforts to fill with active member and review by the Joint Committee on Pensions and Benefits.

<sup>2</sup> Retirees who are not grandfathered but returned to work before 7/1/2017 would remain under the \$25,000 earnings limit. However, the 10.81% employer contribution rate would be eliminated (replaced by 0% contributions on first \$25,000 and 30% employer contribution rate if retiree continues working past the \$25,000 earnings limit).

<sup>3</sup> Daily call substitute teachers would be subject to the basic working after retirement rules (i.e. \$25,000 earnings limit, with employer contributions if a retiree opts to work beyond the \$25,000 earnings limitation).

<sup>4</sup> Retirees hired before 7/1/2017 under these exemptions will transfer to the new special exemption (with one of three years of eligibility used).