Earnings After Retirement

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KNOW THE RULES BEFORE WORKING IN RETIREMENT

What you need to know as a Service Retiree...
- Retirement & Social Security Law (RSSL)
  - Section 212
  - Section 211
- New State Laws and Executive Orders
- Suspending Your Pension
- Section 503.11
Important information about post-retirement earnings, including the rules governing work as a consultant can be found in the pamphlet Working in Retirement which is available on our website at nystrs.org.
Under Section 212 of RSSL, you can have unlimited income from the following:

- NYS public employment beginning in the calendar year you turn 65.
- Private or federal employment.
- Public employment outside NYS.
- Work as an elected official.
- Working as a consultant for a public employer if your date of membership is prior to May 31, 1973. All contracts must be reviewed by NYSTRS before employment begins.
Limited Earnings for Retirees Under Age 65

You can earn up to a legislated limit under Section 212 of RSSL, which is currently $35,000 per calendar year, in NYS public employment without it impacting your NYSTRS pension.
Are retired public workers who returned to work during the COVID-19 crisis subject to the Section 212 earnings limit?

The earnings limit has been temporarily suspended at times by New York State executive orders during the COVID-19 pandemic, which resulted in no earnings limit for pay earned:

- From Jan. 1, 2021 through June 24, 2021. (The governor rescinded the executive order effective June 25, 2021; therefore pay earned from June 25, 2021 through Sept. 26, 2021 counted towards the annual $35,000 earnings limit.)
- From Sept. 27, 2021 through Nov. 26, 2022.
Chapter 56 of the Laws of 2022, extends the retirement earnings cap suspension through June 30, 2023. The new law only applies to retirees who return to work at a public school district or BOCES. Employment at a charter school, community college, SUNY, or any other public employment is not covered by this law.
NEWLY ENACTED LEGISLATION

For the most up-to-date information on Earnings After Retirement you can visit the Retirees section of our website at NYSTRS.org.
If you work for a NYSTRS participating employer, you must provide your NYSTRS EmplID to your employer. The employer is required to submit your post-retirement earnings through monthly payrolls.
When do I need to report my post-retirement earnings to NYSTRS?
How do I report my earnings?
REPORTING YOUR EARNINGS

Welcome to MyNYSTRS

Sign In

Username
Password

Don't Have a MyNYSTRS Account?
Register now to access your personal NYSTRS information. It's quick and easy!

Trouble Logging In?
- Forgot Username
- Forgot Password

Routine maintenance is performed Tuesdays and Thursdays from 5:30 a.m. EST which may result in a brief interruption of our site.

All data presented on this website is subject to audit, verification and recomputation, and is provided as a convenience to you. It is not meant to constitute a representation binding on the Retirement System. Any error contained on this website is subject to correction in accordance with Education Law Section 125 and the practices of the System. Use of this online system is limited to active members and retirees.
Alternatively, you may complete and submit the *Reporting Your New York State Public Employment Earnings* (RMS-64.1) form as soon as you reach the limit in a calendar year. Even if you don’t reach the limit, all yearly public employment earnings must be reported no later than March 31 of the following calendar year.
Prior to approaching the $35,000 limitation, you will need to decide if you will:

1. Voluntarily suspend your pension for the rest of the calendar year by sending us a written request; or,
2. Stop working in public service prior to reaching the earnings limit; or,
3. Speak with your employer about requesting a waiver
REQUESTING A WAIVER

Can I exceed the limit without impacting my pension?
REQUESTING A WAIVER

Under Section 211, your employer could obtain a waiver on your behalf from the entity with jurisdiction over the job *prior to* the start of your employment. The employer must demonstrate that there is an urgent need for your services or that there are no available, qualified non-retired persons to fill the position.

Waivers are granted by the:
- New York State Department of Education.
- Chancellor of the New York City Department of Education.
- Trustees of the City University of New York.
- SUNY or community college president.
- New York State or New York City Civil Service Commission.
Section 211 Waivers are generally not granted to retirees seeking to return to the same or similar position within one year of retirement, and waivers will be limited to one year and can only be renewed once except in extreme instances.
LIMITED WAIVER

Your earnings will be limited if you received pay from that employer in the two years prior to retirement, and if those salaries were used in your Final Average Salary (FAS).

- You may earn up to the difference between your FAS (or, if greater, the salary you would be receiving had you not retired) and your Maximum retirement benefit.
Can I have unlimited earnings without a waiver?
Who can suspend?

Any retiree may choose to suspend their pension. Generally, suspending a pension is only advantageous if:

(a) a retiree expects to exceed the Section 212 earnings limit for post-retirement earnings in NYS employment before the calendar year they turn age 65 (currently $35,000) and the employer is not willing or able to obtain a Section 211 waiver, or

(b) a retiree anticipates an improvement in his retirement benefit by qualifying for a recalculation that uses additional salary/service in the recalculation.
SUSPENDING YOUR PENSION

Section 503.11

- If you return to work for a NYSTRS-participating employer, you may rejoin the System under Section 503.11 as an active member in your first year of post-retirement employment.
- If your work for a NYSTRS-participating employer continues into a second year, membership is mandatory.
PROTECTION FOR A BENEFICIARY

What happens to my option?

- If the payment for the cost of option is current during the suspension, and the member dies before the original pension is reactivated, then NYSTRS will pay the beneficiary as if the member had not suspended the pension.

- If the cost of option payments have not been maintained, no optional coverage will be in effect and no payment to the beneficiary can be made.
How is the cost of the option determined?

Maximum Pension       $62,000
- 50% Pop-up Option      $59,525
Cost of Option               $ 2,475

$2,475/12= $206.25 Monthly Cost
If you or someone you know is considering the possibility of suspending and rejoining as an active member of NYSTRS, please have them contact our Retired Member Services Unit at (800) 348-7298, Ext. 6150.
How do I suspend and rejoin under Section 503.11?
Once NYSTRS receives a written request from the retiree to suspend and rejoin under Section 503.11, NYSTRS will send the *Application for Membership (NET-2)* to the retiree. The retiree will need to write "503.11" on top of the first page of the application.
What happens when I re-retire?

Generally, by rejoining the System, you can receive an additional retirement benefit after earning two or more years of service credit. (For Tier 3 retirees, five or more years of service credit are required.)
Eligibility for Recalculation

If you rejoin and earn five years or more of additional service credit, you will have the option to have your original retirement benefit recalculated instead of collecting two separate benefits.
You can keep up to date by visiting the Pending Legislation page on our website at NYSTRS.org.
Examples of 503.11 Estimates

Mary Member
DOB 3/20/1951
Tier 4

Original Membership
DOR: 3/20/2006
Age: 55
Total Service: 22-2
Gross Annual: $28,696
Suspended: 12/1/2006
Option: 100% Survivor
Estimate "A" - Assumes we combine the service from the first retirement and the current membership, and member repays the monies collected under the previous retirement, **plus interest**.

The lump sum amount they would need to pay is approximately **$32,235**.

The new estimated annual gross would be **$62,826**.

Annual increase per year would be **$34,130**.
Estimate "B" - Assumes we combine the service from the first retirement and the current membership, and reduce their annual lifetime benefit by $3,145, which represents the actuarial equivalent of the monies they received under the first retirement, plus interest.

The new estimated annual gross would be $60,254.

Annual increase per year would be $31,558.
Estimate “C” - Assumes they receive two separate benefits from this System.

This estimate is for the service credited since they last rejoined the System. The estimated annual gross would be $17,088.

In addition, they would receive the original benefit under the first retirement, which was established as $28,696.

Total of two separate benefits equals an annual gross of $45,784.
Example of Recalculation Under 503.11

Original Membership
DOR: 3/20/2006
Age: 55
Total Service: 22-2
Option: 100% Survivor
Gross Annual: $28,696

503.11 Membership
DOR: 12/01/2016
Age: 64
Total Service: 10-4
Option: 100% Survivor
Gross Annual: $60,254
You will need to submit a completed Application for Retirement (RET-54) form and write "503.11" on top of the first page of the application.
What happens if you don’t qualify for an additional or recalculated benefit?
While suspended:

**Tiers 2-6** are eligible:

- If member does not rejoin under 503.11 and passes away, the Paragraph 2 death benefit (if any) would still be payable.
- If the member rejoins, the new membership is covered under Paragraph 1 once the member has 3 months of service credit under the new membership.
- If the member dies while working under the second membership the death benefit payable would be either the Paragraph 2 under the first membership, or the Paragraph 1 under the second membership, whichever is better.
Active Member Death Benefit (Tiers 2-6)

Final Salary  X  Service (up to 3 years)

Years of Service  Active Paragraph 2 Calculation (assuming $50,000 Final Salary*)

1  1 X $50,000 = $50,000
2  2 X $50,000 = $100,000
3 + 3 X $50,000 = $150,000

Lump-sum reduced 4% per year from age 60-70

Active Member Death Benefit (Tier 1)

Years of Service  X  Final Salary (Last 12 months)
12
System retirees receiving disability retirement benefits are subject to a separate set of rules. For more information you should contact our Disability Unit at (800) 348-7298, Ext. 6010.
The Social Security Administration (SSA) has its own rules for earnings while collecting a Social Security payment.

For information about these limitations, contact the SSA at (800) 772-1213 or visit their website at ssa.gov.
NYSTRS RESOURCES AND CONTACT US

- Visit “Retirees” information at nystrs.org
- Email to: communit@nystrs.org
- Send a secure message through your MyNYSTRS account and the System can respond with account specifics.
- Hotline for recorded news: (800) 782-0289
- Contact the Information and Communication Center for general info: (800) 348-7298, Ext. 6250