

Working After Retirement Heads-Up on Changes

The Legislature recently passed new working-after-retirement rules. The bill is now with the Governor for consideration. Here is a sneak peek at some of the highlights.

Basic changes

Starting July 1, 2017

- Substitute teachers **without a contract** (clarification)
 - Do not enroll
- Retirees in licensed professional positions (teachers, therapists, psychologists, etc.) with any retirement date before January 1, 2018
 - No earnings limit
 - Employer contribution = **ARC rate + 8%**, which could be a significant increase for employers now paying the statutory rate
- Third-party, independent contractor clarification

Starting January 1, 2018

- Other subs (bus driver, custodian, etc.) and part-time/seasonal positions
 - Continue to enroll but no contributions
- No earnings limits for anyone
- Employer contributions change
- Longer waiting period if retiring before age 62

	Retired before 1-1-18		Retired after 1-1-18	
Member Type	Covered position	Non-covered position	Covered position	Non-covered position
Earnings Limit	No limit		No limit	
Employer Contributions	On earnings up to \$25,000 Statutory rate	No contributions (still enroll & report wages)*	On earnings up to \$25,000 Statutory rate	No contributions (still enroll & report wages)*
	On earnings over \$25,000 30%		On earnings over \$25,000 30%	
Waiting Period	60 days**		Retire before age 62 180 Days**	
			Retire age 62 or after 60 Days**	

* Do not enroll or report wages on KPERS retirees who are substitute classroom teachers without contracts.

** No pre-arrangement to work after retirement while member is still active or during the waiting periods.

We'll follow up

In the coming days and weeks, we'll go over other details.

Questions?

- Email employers@kpers.org
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- In Topeka 296-6166

