

Idaho Division of Human Resources
Executive Branch Statewide Policy
Section 16: Reemployment of Retired Public Employees

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16A. Purpose

The purpose of this policy is to provide the parameters for the reemployment of certain retired¹ state employees who may return to public service without any impact to their retirement benefit.

16B. Background

There are limited circumstances to which a retiree can simultaneously receive both a salary and a pension from the State. This policy specifically covers actively retired members who are rehired under the statutory requirements outlined in §59-1356(5)² and §59-1356(6)³, Idaho Code, Reemployment of Retired Members.

State employees who retire under Idaho Law and will be collecting a pension from PERSI, will not receive additional retirement time credit or increased payments as a result of any additional service during reemployment.

16C. Definitions

For purposes of this policy, the following definitions shall apply:

Benefit Eligible: an employee who normally works twenty (20) hours or more per week for an agency, for five months or more.

Bona Fide Separation: occurs when a retiree has been separated from state service for a determined amount of time, has completed all retirement notifications, and been deemed eligible for retirement by PERSI. Under no circumstances shall the member be guaranteed reemployment with the employer otherwise the member shall be considered to have continued in the status of an employee and not have separated from service.

¹ Must have retired from a PERSI employer.

² House Bill [555](#), 2022.

³ Senate Bill [1054](#), 2023. Last date of PERSI contribution must be 7/1/2023 or after.

Credited State Service: the aggregate of membership service, prior service, and disabled service.

Eligible Employee: those employees defined in §59-1302(27) and §59-1303, Idaho Code.

Retirement: the acceptance of a retirement allowance under this chapter, §59-1302, Idaho Code, upon termination of employment and, unless otherwise provided by law, requires a termination of employment from an employer participating in PERSI, the judge's retirement fund, the firefighter's retirement fund or the optional retirement plan.

Rule of 80: years of service plus age must equal 80, for select public safety employees.

16D. Retiree Reemployment – General Employment Requirements

Agencies who wish to employ retirees must do so under these provisions:

- A. If the position is classified, the retiree must apply for, or be reinstated in accordance with IDAPA 15.04.01.124 and meet the minimum qualifications of an open position.
- B. The retiree must be offered benefits if the position is benefit eligible.
- C. The retiree is eligible for all benefits, aside from PERSI.
 - a. Retirees will not be reinstated any sick leave that was used towards their health insurance premiums upon retirement, nor will they have the ability to convert additional accrued unused sick leave following their retirement towards their insurance premiums.
 - b. The retiree will accrue sick and vacation hours, if the position is eligible, at the rate of the credited state service hours they held when they retired.
 - c. Upon separation, any additional sick leave accrued during reemployment may not be applied to the members retiree sick leave account but will remain eligible for reinstatement for up to three years.
- D. If the position is temporary, the hour limit of 1,385 hours in a 12-month period will not be waived.
- E. Depending on the lapse of service time, the agency may require applicable pre-employment screening such as background checks and drug screens.

16E. Retiree Reemployment – Specific Requirements

In addition to the general employment requirements as outlined in 16D, there are specific requirements that apply to different populations of retirees. Retirees reemployed according to §59-1356(5), Idaho Code, apply to the general population of retirees who retired prior to January 1, 2022. Retirees reemployed according to §59-1356(6), Idaho Code, apply to public safety, rule of 80, employees only.

Reemployment in Accordance with §59-1356(5), Idaho Code

Agencies who wish to employ retirees under these provisions may only rehire an employee who:

- a) Retired *prior to* January 1, 2022;
- b) Retired on or after age fifty-five (55) years;
- c) Is rehired effective April 1, 2022, or after.

No PERSI contributions will be made by the member during reemployment if rehired under these provisions.

Reemployment in Accordance with §59-1356(6), Idaho Code

Agencies who wish to employ retirees under these provisions may only rehire an employee who:

- a) Meets eligibility as defined in 16C;
- b) Retired after July 1, 2023, and had a bona fide separation of employment of at least 30 calendar days⁴;
- c) Is rehired effective August 2, 2023, or later;
- d) Returns solely to a position within a state agency who makes the higher contributions to PERSI for eligible employees⁵.

Additional Obligations:

- a) Public safety employees who return to work under this statute will continue to make contributions to PERSI in accordance with §59-1536(6), Idaho Code. Members who have access to this benefit enhancement must continue to pay the rule of 80 contribution rate;
- b) Both the agency and the reemployed member must pay the required contribution into PERSI;
- c) Employees are prohibited from making additional contributions to PERSI Choice 401(k).

16F: Recruitment Considerations

Both the retiree and the employer must express mutual desire to explore reemployment options. Agencies should take into consideration if the reemployment of a retiree is in the best interest of the agency and the State. In some cases, the reemployment of a retiree may be to fill an urgent need as the result of critical vacancies. Agencies should take caution when considering reemployment into a leadership position and shall work with the Division of Human Resources to demonstrate the inability to fill the position through department

⁴ There is no "retire by" date for these employees.

⁵ Employees who retire under the rule of 80 may only be reemployed into a rule of 80 position.

promotions and provide a plan for how to fill the vacancy in the future. Justification may include proof the agency has conducted a search and found no qualified candidates for the vacancy.

16G. Sunset Clause

The provisions of this policy shall be null, void, and of no force and effect after June 30, 2027. Employment of qualified retirees will end no later than June 30, 2027. At that time, the retiree must decide if they wish to continue their employment with the state, which will impact their retirement benefits, or submit their resignation.