

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 outline 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 in which a retiree may simultaneously receive both a salary and a pension from the State. This policy covers actively retired members who are rehired under the statutory requirements in §59-1356(5) and §59-1356(6), Idaho Code, *Reemployment of Retired Members*.

State employees who retire under Idaho law and receive a PERSI pension will not receive additional retirement service credit or increased retirement payments for service performed during reemployment.

16C. Definitions

For purposes of this policy:

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

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 from an employer participating in PERSI, the

¹ Must have retired from a PERSI employer.

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, applicable to select public safety employees.

16D. Retiree Reemployment – General Employment Requirements

Agencies who wish to employ retirees must follow these requirements:

- A. **Classified positions:** Retirees must apply or be reinstated, in accordance with IDAPA 15.04.01.123 and meet the minimum qualifications of an open position.
- B. **Benefits:** Retirees must be offered benefits if the position is benefit eligible.
- C. **Eligibility for benefits (other than PERSI):**
 - a. Retirees will not be reinstated any sick leave that was used towards their health insurance premiums at retirement, nor may they convert additional unused sick leave earned during reemployment towards premiums.
 - b. Retirees accrue sick and vacation leave, if eligible, at the rate associated with their credited state service hours at the time of retirement.
 - c. Upon separation, any sick leave accrued during reemployment may not be added to the retiree sick leave account but may be reinstated for up to three years if the employee returns to state service.
- D. **Temporary positions:** The 1,385 hour limit in a 12-month period will not be waived.
- E. **Pre-employment screening:** Depending on the lapse of service, agencies may require applicable pre-employment screening such as background checks and drug screens.

In addition to these general requirements, specific statutory rules apply depending on whether the retiree qualifies under §59-1356(5) (general retirees) or §59-1356(6) (public safety retirees).

16E. Reemployment in Accordance with §59-1356(5), Idaho Code

Agencies may reemploy a retired member under this subsection when the individual:

- a) Is a retired member as defined in §59-1302(27) prior to January 1, 2026; and
- b) Retired on or after age fifty-five (55); and
- c) Is returning to eligible employee status as defined under §59-1302(14)(A).

A retired member reemployment under this subsection may elect to continue receiving retirement benefits and not accrue additional service during reemployment. In this situation, no PERSI contributions are made by the member, and any benefit payable on behalf of the member continues.

This subsection remains in full force and effect and does not expire.

16F. Reemployment in Accordance with §59-1356(6), Idaho Code

Agencies may reemploy a retired public safety officer under this subsection when the

individual:

- a) Is a retired member as defined in §59-1302(27), Idaho Code;
- b) Meets the police officer or firefighter status definitions in §59-1303 and §59-1302(16), Idaho Code;
- c) Retired at age fifty (50) or older; and
- d) Returns to eligible employee status as defined under §59-1302(14)(A) after a qualifying 30 day break in service.²

The retired member may elect to continue receiving retirement benefits and not accrue additional service during reemployment.

Contribution Requirements:

- a) The reemployed member and the employer must continue to make contributions at the applicable rate.
- b) Public safety members who qualify for the Rule of 80 contribution rate must continue paying that rate;
- c) Employees reemployed under this subsection may not make additional contributions to PERSI Choice 401(k).

Duration of Provision:

This subsection remains in effect until June 30, 2027. Employment of qualified retirees under this subsection must end no later than June 30, 2027. At that time, the retiree must either:

- continue employment (which will impact their retirement benefits), or
- separate from employment.

16G. Recruitment Considerations

Both the retiree and the employer must express mutual interest in reemployment. Agencies should consider whether reemployment is in the best interest of the agency and the State. Reemployment may be appropriate to address urgent or critical vacancies.

Agencies should exercise caution when considering retirees for leadership positions and must work with the Division of Human Resources to demonstrate the inability to fill the position through internal promotion. Agencies must also provide a plan for filling the vacancy in the future. Justification may include documentation showing that a recruitment was conducted no qualified candidates were identified.

² Employees who retire under the rule of 80 may only be reemployed into a rule of 80 position.