

STATE OF DELAWARE

OFFICE OF MANAGEMENT AND BUDGET, OFFICE OF PENSIONS

PENSIONER RETURN TO WORK

FAQ'S

1. Can I return to work for the state after retirement and while I am receiving a pension benefit from the State Employees' Pension Plan?

Yes, however all of the following criteria must be met:

1. If you are under age 65, you must have at least a six month separation from the date of retirement to the starting date of your new employment.
2. You cannot have a pre-arranged agreement with the State to return to work after retirement.
3. You cannot work in a pension creditable position. You must be in one of the following types of positions:
 1. Temporary Employee –hired for a specific project or task and for a finite period of time that will not exceed 12 months in duration.
 2. Casual/Seasonal – employed by the State of DE under 29 Del C. §5903(17) and work less than 30.0 hours per week (a non-permanent position).
 3. Substitute – employed in a school and compensated on a daily basis and work less than 30.0 hours per week.

2. Do these guidelines apply to all retirees regardless of retirement date?

Yes

3. I am a substitute teacher. Can I work four days a week?

You must work less than 30 hours per week.

4. Can I receive a monthly pension benefit and be appointed to a position by the Governor before six months has expired (i.e. Board Members, Justice of the Peace)?

5. No. If you are under the age of 65, you must wait six months after retirement before performing any work for the State of DE including those of an appointed position. **Can the school or agency title me as a casual/seasonal or contractual worker to meet the State and Federal guidelines for retirees returning to work?**

No, not if the position would normally be pension creditable. It would be viewed as a sham transaction to title the position differently in order to hire a State of Delaware retiree.

6. I am a teacher who retired effective July 1st and I am under the age of 65. Can I teach summer school beginning July 1st?

No. You must wait six months from the date of your retirement before you return to work with the State of Delaware.

7. Can a retired State Trooper return to work with the State in a non-State Police Pension Plan position?

Yes. The under age 65 retired trooper does not have to wait six months to work in a position in the State Employees' Pension Plan that is casual/seasonal, substitute or temporary or that would normally be pension creditable in the State Employees' Pension Plan.

8. I am retired from a pension plan other than the State Employees' Pension Plan (e.g. County/Municipal General Employees Plan, County/Municipal Police Plan, Judicial Plan, a non-State of DE pension plan, etc.) Can I return to work with the State of DE in a State Employees Pension Plan position and continue to receive benefits from my retirement plan?

Yes. The IRS views the employers from plans other than the Delaware State Employees' Pension Plan to be different employer than the State of DE.

You cannot return to work for an employer who participates in the same pension plan from which you are receiving a benefit without meeting the established guidelines.

9. I work more than one casual/seasonal job for the State. Can I work more than 30 hours?

No, you can work a maximum of 29.75 (less than 30) hours for the State of Delaware in all casual/seasonal jobs added together.

10. I am under age 65. Why can't I be an independent contractor or work for a contractor on a State of Delaware site without waiting six months?

You must meet the Internal Revenue Service guidelines of an independent contractor under the degree of control and independence.

11. Can I choose to not contribute to the pension fund while working for the State?

No. Contributions to the pension fund are mandatory if you are working in a pension creditable position.

12. I did not wait six months after I retired to begin working for the State again. Will my pension benefits be adjusted?

The Pension Office will review adjusting pension benefits for anyone who returns to work within six months of retirement for those retirees with an effective date of retirement on or after January 1, 2012. For those retirees with earlier effective dates but still within six months of retirement and have returned to work, the Pension Office will review on a going forward basis.

13. Who should I speak to if I have questions?

Please contact your agency Human Resources office or the State Pension Office (302) 739-4208 if you have any questions.

DISCLAIMER: If there is any conflict in interpretation between the FAQ's and existing law, the law governs.