

INFORMATION FOR REHIRED ANNUITANTS



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This brochure will help Wisconsin Retirement System members understand how returning to work after retirement may affect their WRS annuity benefits; it is not a comprehensive citation of applicable federal and state statutes, administrative rules and policies representing all possible scenarios regarding rehired annuitants. If you have specific questions, please contact the Department of Employee Trust Funds.

What is a WRS Annuitant?

An annuitant is a person who is receiving a retirement benefit (an annuity) from the Wisconsin Retirement System. To receive a retirement annuity, you must meet the following eligibility criteria:

1. Be at least minimum retirement age (MRA) for your employment category. For most employees, MRA is age 55. For protective category employees, MRA is age 50.
2. Have a valid termination of employment that meets the WRS-eligibility criteria for participating employees.
3. Satisfy any applicable vesting requirements.

What is a Valid Termination of Employment?

A valid termination, as defined by Wis. Admin. Code ETF 10.08, meets *all* of the following conditions:

1. The employee ceases to render *compensable* services. Compensable refers not only to wages, but also includes contributions to a section 457, 403(b), 401(k) or any other Internal Revenue Code retirement savings account, as well as any other item of value.
2. The employee and employer comply with the employer's policies for voluntary termination, including filing a letter of resignation.
3. As of the termination date, the employer has no *rights* to any future services to be rendered by the employee that meet the qualifications for WRS coverage for which compensation has or will be paid.

This restriction includes *emeritus* programs, where compensation in any form is a condition for future services. Entering into an emeritus agreement with a retiring employee prior to termination, regardless of the number of future work hours expected, may violate ETF 10.08 and result in termination of the employee's WRS benefit.

No agreement for future services can be entered into prior to the employee's termination. School districts or other employers seeking to establish such programs need to wait until after the employee terminates before entering into such agreements.

This means the rule:

- Prohibits an agreement as of the termination date for any future WRS compensable employment with the same WRS employer, regardless of whether that employment would meet WRS-participation standards.
- Prohibits an agreement as of the termination date for future employment with a different WRS employer that would meet WRS-participation standards.

Note: Contracts or agreements for WRS employment entered into during the minimum break-in-service period bring into question whether the termination was done in *good faith*.

To ensure compliance with section 401(a) of the federal Internal Revenue Code (IRC), ETF may investigate situations where it appears a contract or agreement was entered into during the minimum break-in-service period.

4. The employee is treated consistently with the status of a former employee.
5. The terminated employee has no authority to act as a representative of the employer or exercise any authority/control over employees of the employer, except as provided above.

For example, emeritus professors could render services for the university after termination on the condition that they do not receive any form of compensation, including employer contributions to IRC s. 403 (b) accounts.
6. The employer has paid the employee any accumulated benefits that are customarily paid to employees at the time of termination.

These conditions *do not* prohibit an agreement as of the termination date for future employment with a different WRS employer that does not meet WRS participation standards or prohibit an agreement prior to termination for purely voluntary future services for which no compensation has been or will be paid.

Break-in-Service Requirements

Generally speaking, annuitants must have a valid termination of employment and be separated from WRS employment for at least 75 days before they can return to WRS-covered employment.

If an annuitant does not separate for at least 75 days, the retirement will be considered invalid.

When can an annuitant take a job with a WRS employer that is not covered by the WRS?

Whether a person needs to satisfy a break in service depends on whether the person is returning to the same employer:

- If the WRS employer is the *same* employer from which an individual retired, the break-in-service requirement applies, even if a new job does not meet WRS-participation standards.
- If the WRS employer is the *not* the same employer from which an individual retired, the break-in-service requirement is not applicable.
- An annuitant can work for a non-WRS employer at any time.

Going Back to Work for a WRS Employer

Some annuitants pursue employment after retirement. Due to legislative changes, the rules regarding returning to work for a WRS employer differ, depending upon your WRS-termination date:

If you terminated WRS employment *prior* to July 2, 2013:

You may elect whether to participate in the WRS again, if you meet WRS participation standards. Your specific choices are as follows:

1. Remain an annuitant

If you decide to remain an annuitant and continue receiving your WRS annuity, you must file the *Rehired Annuitant Form (ET-2319)* with your employer electing not to participate in the WRS as an active employee. You may elect active WRS coverage in the future, depending on eligibility.

2. Elect coverage under the WRS

If you meet eligibility criteria, you may elect to become covered under the WRS at any time. If you choose to be covered by the WRS again, you must file the *Rehired Annuitant Form (ET-2319)* with your employer. Your employer will forward this form to ETF. Your annuity will be suspended, and your WRS coverage will begin effective the first of the month on or after ETF receives your completed election form.

If you terminated employment on or *after* July 2, 2013:

1. If you are rehired and meet the current WRS eligibility standards (two-thirds of full time), your annuity will be suspended until you re-retire. You do not have a choice on participating in the WRS again if you meet this participation standard.
2. If you are rehired and you work less than two-thirds of full time in your new position, what happens to your annuity depends on when you were first employed in a WRS position:
 - If you first began work under the WRS *before* July 1, 2011, and you return to work for a WRS employer in a position that is at least one-third of full time, you may elect whether you want to continue or stop your annuity.
 - If you first began work under the WRS *on or after* July 1, 2011, and you return to work for a WRS employer in a position that is less than two-thirds of full time, you may not become a participating employee. Your annuity will continue.

What is the eligibility criteria for a WRS-participating employee?

If the WRS coverage begin date is on or after July 1, 2011, the eligibility requirement for a participating employee is *two-thirds of full time*, which is:

- 880 hours for teachers and school district educational support staff (not including educational support staff for technical colleges and other educational institutions).
- 1,200 hours for all other employment categories.

If the WRS-coverage begin date is prior to July 1, 2011 (and the employee did not take a lump sum benefit), the eligibility requirement for a participating employee is *one-third of full time*, which is:

- 440 hours for teachers and school district educational support staff (not including educational support staff for technical colleges and other educational institutions).
- 600 hours for all other employment categories.

Evaluation on the One-Year Anniversary of Employment

Once an employer has made an initial determination that an employee will be employed for less than one year, or less than the required minimum hours, the employee is ineligible for WRS participation at that time.

On the one-year anniversary of the initial date of employment (if the expectations did not change during the year), the employer must evaluate whether the employee met the participation threshold for WRS participation in the preceding 12-month period.

Employees who worked the required hours must be enrolled on their one-year anniversary date (not retroactively to the hire date), because both WRS-eligibility criteria were met.

Evaluation on a 12-Month Rolling Look-Back

Once an employer has determined that an employee was not WRS-eligible when first hired or at their one-year anniversary date, continued eligibility monitoring on a rolling 12-month basis must begin. Employees who work the required hours in any 12 consecutive months must be enrolled in the WRS on the day after they have worked the required number of hours.

Educational Support Personnel (ESP)

All employees of school districts are classified as either teachers or ESPs. *The participation standard (the threshold to become a participating employee in the WRS) is 880 hours for ESPs.*

Often, rehired annuitants and employers confuse these WRS-participation standards with the number of hours required to receive one year of *creditable service*. If rehired annuitants work 880 hours or more, and if they retired after July 2, 2013, their annuity will automatically be suspended and they will become a participating WRS employee again.

However, the number of hours required to receive one year of *creditable service as an ESP is 1,904 hours*. It is important to understand these two separate concepts. The participation standard is 880 hours should you choose to begin working at a school district as a rehired annuitant.

Contractors

Annuitants rehired by WRS employers as independent contractors are also subject to the return-to-work rules. Annuitants returning to work as contractors should meet the applicable break in service as evidence of a good faith termination, which is required under federal law.

If an annuitant is hired as an independent contractor with a WRS employer and meets the WRS participation standards (currently two-thirds of full time), the annuity will be suspended until the rehired annuitant terminates with the employer. Independent contractors are not eligible for WRS coverage during the time their WRS annuity is suspended.

Part-Time Elected Service

Part-time elected service is defined as 1,044 hours or less per calendar year (Wis. Stat. § 40.23 (1) (am)).

Elected officials under the WRS who have reached age 55 (age 50 for protective occupation participants), and are employed in both a part-time local elected service position and other WRS-covered employment, may receive an annuity only after terminating the other WRS employment and waiving their rights to further WRS participation for their part-time local elected service.

A WRS annuitant who returns to work as a part-time elected official during the required break in service may waive participation in the WRS to avoid cancellation of the annuity.

If a WRS annuitant returns to work as a part-time elected official at more than one WRS participating employer, a waiver must be submitted at each employer for which the annuitant wishes to waive WRS participation.

Other Questions Regarding Returning to Work

Q: After I retire, can I take a job with a private employer?

A: Yes. As a retiree, you can work in private employment and your WRS benefits administered by ETF (retirement and health/life insurance) will not change.

Q: How can I determine whether a job I want to take as a rehired annuitant is covered by the WRS?

A: The human resources department of your prospective employer can tell you if the job you are considering is eligible for coverage under the WRS.

Q: Is the amount of work at several part-time WRS employers cumulative?

A: No. The WRS participation standard is determined on an employer-by-employer basis. Working half-time at one WRS employer and half-time at another does not meet the two-thirds-of-full-time threshold of a participating WRS employee.

Q: Are there new vesting requirements that apply to a rehired annuitant who begins to participate again in the WRS?

A: No. A WRS annuitant has to meet any applicable vesting requirements for the initial eligibility to receive an annuity. However, a WRS annuitant, by definition, has already met vesting requirements.

Q: Does my employment “status” (i.e. limited-term employee (LTE), long-term substitute teacher, substitute teacher, permanent part-time, etc.) affect whether my WRS annuity will be suspended?

A: No. The annual employment expectations of the rehired annuitant’s new position will determine the eligibility for participation in the WRS. Contact your employer or see the *Going Back to Work for a WRS Employer* section of this brochure for additional information.

Effect on Health Insurance

Health Insurance

This information applies to annuitants insured under the State of Wisconsin Group Health Insurance Program, the Wisconsin Public Employers Group Health Insurance Program and the Local Annuitant Health Program.

- If you do not participate in the WRS in your new job, your health insurance coverage will not be affected.
- If you participate in the WRS in your new job, you are eligible for the health insurance coverage offered to active employees by your employer, and you cease to be eligible for the coverage you had as an annuitant (if different).

Your new employer will notify ETF of your new coverage and your annuitant coverage will automatically be terminated.

What happens to my sick leave if I am a state retiree returning to state employment covered by the WRS?

Your unused sick leave account balance will automatically be placed on hold by ETF if your annuitant health insurance coverage ends, until you re-retire.

Any additional sick leave that you earn will be added to your existing sick leave account when you re-retire. The added amount is based on your highest rate of pay as a state employee. You can use your entire account to pay your state group health insurance premiums after you re-retire.

What happens to my sick leave if I am a state retiree taking a job with a local government employer?

If you take a job as a local WRS participant, and you have been using state sick leave credits to pay for your health insurance premiums, you can escrow the credits to use later by completing a [Sick Leave Escrow Application \(ET-4305\)](#). You must have comparable coverage elsewhere to escrow sick leave credits. If your credits are already escrowed, you cannot access them until you re-retire.

When you re-retire, you will also be eligible for the Local Annuitant Health Insurance Program. Open enrollment is available if you apply for both your annuity and for this health coverage within 60 days of termination.

Effect on Life Insurance

Life Insurance

If you continued life insurance coverage when you retired, but are now returning to work for a WRS employer, your coverage will depend on whether you participate in the WRS.

- If you *do not* participate in the WRS, you will retain your annuitant coverage.

- If you *do* participate in the WRS, you can continue your retiree coverage or apply for coverage as an active employee. If you apply for coverage as an active employee, your coverage will be based on your estimated earnings and your premiums will be deducted from your salary. If you choose to continue your annuitant coverage, premiums must be paid directly to the insurance company.

How Does an Annuity Suspension and Re-Retirement Work?

Annuity Suspension

The first annuity (Annuity A) is suspended until the member re-retires and applies for their new benefit (Annuity B). The annuity option selected by the WRS member for Annuity A will remain the same during and after the suspension of these annuity payments.

Accumulation of Benefits During subsequent WRS Participation

A second account (Annuity B) is created, based on the member's new service, earnings and contributions during the subsequent period of WRS participating employment. This account is kept separate from Annuity A.

Additionally, a suspended benefit account is created and used for calculating the enhancement amount for Annuity A, once the member re-retires and applies for Annuity B. The suspended benefit account consists of the member's suspended annuity payments (from Annuity A) plus the annual effective rate of interest applicable during the subsequent period of WRS employment.

Calculation of Re-Retirement (Annuity B) and Resumption of Annuity A

When a member is ready to re-retire, Annuity A and Annuity B are calculated separately. Annuity A cannot resume until the member applies for Annuity B and terminates all WRS-covered employment.

Annuity A:

- The monthly payments from Annuity A are resumed, using the same annuity option selected upon the initial retirement.
- The balance of the suspended benefit account is multiplied by the current money purchase and option conversion factors. That monthly value (enhancement) is added to Annuity A when it is unsuspended.
- The addition of the suspended benefit account to Annuity A creates a new Core floor amount.
- Annuity A will reflect any dividend adjustments that would have taken place during the time the annuity was suspended¹.

Annuity B:

- Upon re-retirement, money purchase and formula calculations² are done for the service, earnings and contributions associated with the subsequent WRS employment (Annuity B). ETF automatically pays the higher amount of these calculations.
- The calculations for Annuity B are separate from Annuity A³.
- The member can make a different annuity option selection for Annuity B.
- Eligibility for a lump sum payment versus a monthly annuity payment depends on the amount of Annuity B⁴.

¹The suspended benefit account will already reflect market effects so the dividend adjustments are applied solely to the suspended annuity and not to the combined value of the suspended annuity and the supplemental payment from the suspended benefit calculation.

²For more information about the money purchase and formula calculations, see [*Calculating Your Retirement Benefits \(ET-4107\)*](#).

³The age reduction factors applied are the total of all service earned during both employment periods.

⁴For more information, see the [*WRS Guide to Retirement \(ET-4133\)*](#) brochure.

How Does an Annuity Suspension and Re-Retirement Work? continued

Example

At age 59, Member X retired on March 29, 2014, and selected the annuity option *Life with 180 Payments Guaranteed, Accelerated*.

His monthly annuity payment (Annuity A) consisted of two components: \$1,540.25 Core Fund payment and \$1,145.00 temporary accelerated payment for a total payment of \$2,685.25. (Note: the accelerated portion of Annuity A will end when Member X reaches age 62.)

At age 60, Member X returned to work in an educational support position and became a WRS-participating employee on September 1, 2014. His annuity payment was suspended on September 1 and will remain suspended until he elects to re-retire.

Member X worked full time as a WRS-participating employee from September 1, 2014 to July 1, 2016. During that time, he accrued 1.92 years of creditable service and had reported earnings of \$53,218 (FY2015) and \$62,300 (FY2016), totaling \$115,518.00. These factors will be used to calculate his subsequent annuity (Annuity B).

Once Member X decided to re-retire, he contacted ETF to request a retirement benefit application for Annuity B and to determine how this subsequent period of WRS employment would impact his first annuity (Annuity A).

The benefits associated with Annuity B were calculated using both the Money Purchase and Formula methods of calculations. The Formula calculation for Annuity B was greater but still below the minimum threshold for a monthly annuity payment. Therefore, Member X is only eligible for a lump sum payment of \$20,609.00.

While Member X was re-employed under the WRS, his annuity payments were accruing in his suspended benefit account. From September 1, 2014 to July 1, 2016, the balance grew to \$61,794.92. This balance reflects Member X's suspended annuity payments, the annual effective rates of interest, and the assumed interest earned during the period of his reemployment.

On August 1, 2016 (for a benefit effective date of July 2, 2016), Member X would receive an annuity payment of \$3,122.88 and a lump sum distribution of \$20,609.00:

Revised Annuity A⁵: \$3,122.88.

- Original Annuity A: \$1,582.02 (which includes the effective rate of interest adjustments during the period of reemployment).
- Temporary accelerated payment: \$1,176.04 (which includes the effective rate of interest adjustments during the period of reemployment).
- Annuity enhancement: \$364.82 (annuitized suspended benefit account balance).
\$61,794.92 (suspended benefit account balance) x .00608 (money purchase factor) x 0.971 (annuity option reduction factor) = \$364.82

Annuity B⁶:

- Member X is not eligible for a monthly payment because neither the money purchase nor the formula calculations met the minimum monthly amount for an annuity.
- The formula calculation is payable as a one-time lump sum of **\$20,609.40**.

⁵The floor amount for Annuity A will be revised to include the suspended benefit account enhancement. The option selected for Annuity A as of the March 29, 2014, retirement will remain in effect.

⁶The member has the right to choose a different option for Annuity B if they meet the minimum amount necessary for a monthly annuity.

Appendix A: FAQs Concerning Valid Terminations

Q: An employee is an elected county sheriff whose term in office expires on December 31. The preceding October, the sheriff was reelected to another two-year term.

However, on November 15, the sheriff plans to resign and terminate employment with the county.

The sheriff plans to return to office on January 1, due to his October re-election to another two-year term.

Is the sheriff eligible to retire as of November 15, and return to work January 1, as a rehired annuitant?

A: No. The employee is not eligible for a retirement benefit if he has the right to compensable employment at the end of the day on which WRS employment is terminated.

The right to compensable employment includes a contract for future employment or election to a public office. In this case, re-election prior to termination is considered a contract for future employment and the November 15, termination date would be invalid. The sheriff would, therefore, not be eligible for a retirement benefit.

Q: An elected county sheriff whose term in office expires December 31 is currently up for re-election. The sheriff plans to resign the position prior to the November election and apply for a WRS annuity.

If re-elected, the sheriff will return to work on January 1, as a rehired annuitant. Is the sheriff eligible to retire prior to the November election and return to work as sheriff on January 1, if re-elected?

A: Yes, if the sheriff is being opposed in the election and meets the statutory minimum required break in service. In the event there is opposition for the sheriff position, no guarantee of future employment with the county exists because the results of the election are unknown.

In addition, the sheriff's termination must meet the conditions of a valid termination as specified in Admin. Code ETF 10.08 (2) (b) and the minimum break-in-service requirements. The sheriff must also comply with all statutory mandates to notify the Office of the Governor of the vacancy in the office of sheriff.

Provided all these conditions are met, the sheriff is eligible for a WRS retirement benefit.

Note: In the event the sheriff is unopposed in the election, the termination would not be valid because victory in the election is assured, consequently, a contract of/for future employment exists.

FAQs Concerning Valid Terminations, continued

Q: A nine-month contract teacher submitted a WRS retirement application and planned to retire the day after the current school year.

The teacher completed all classwork and grading duties on June 15 and was no longer obligated to report to the district. Technically, the contract ran from July 1 through June 30.

Is the June 15 termination date valid?

A: Yes, because the teacher fulfilled all contractual obligations to the district on June 15. That date is a valid termination date and the teacher is eligible for a WRS annuity.

Q: A nine-month contract teacher signed on for the upcoming school year. The current school year was completed on June 15, with the teacher having completed all classwork and grading duties.

The teacher then decided not to return to teaching for the upcoming school year and submitted a letter of resignation effective August 1.

The teacher requested that the school district submit a termination date of June 15, the date their obligations under the preceding contract were met. Will a June 15 termination date be valid?

A: No. The teacher entered into a contract for the upcoming school year. As a result, the school district had a *right* to their services until the effective date of the resignation. In this example, the valid termination date for WRS reporting is August 1, the effective date of resignation.

Q: In order to be eligible for a WRS benefit, a rehired annuitant must meet the statutory minimum break-in-service requirement, even if the employee returns to “non-eligible” employment with the same employer.

If a school district only covers teachers under the WRS (and non-teaching employees are not eligible to participate in the WRS), does a teacher who terminates and takes a WRS benefit have to complete the minimum required break in service before returning to work in a non-teaching position at the school district?

A: No. The provisions of the termination rule do not apply to an employee who returns to a non-teaching position within a school district that participates in the WRS for their teacher positions only.

FAQs Concerning Valid Terminations, continued

Q: An employer had preliminary discussions about returning to work with a terminating employee who planned to take a WRS benefit. If the employee returns to work (after completing the minimum break in service), will the fact that these discussions took place invalidate the termination, even though a contract was not in force at the time of termination?

A: It is not in the best interest of the employee to engage in any discussion about returning to work following their termination, since it goes against the notion of a good-faith termination taking place.

Although there is no specific provision in the termination rule that prohibits the employer and employee from simply discussing the possibility of the employee returning to work, both parties should be cautious to avoid even the appearance of a verbal agreement of re-employment.

Q: An employee terminates on July 3. The employee's WRS benefit is effective on July 4.

Can the employee return to work for a couple of days prior to completing the minimum required break in service without jeopardizing the benefit?

A: No. The employee must complete the minimum required break in service when returning to the same employer, even if the employee only returns for a short period. In this situation, the employee's benefit would cease and the employer is required to re-enroll the employee in WRS, as provided in Wis. Stat. § 40.22 (3m).

Q: An employee terminated employment on June 26. The employee began receiving a WRS benefit on June 27. On July 2, the employer entered a written contract with the former employee for an August 1 return-to-work date.

Does this contract, entered into during the minimum required break-in-service period, invalidate the termination?

A: ETF will not invalidate a termination for this condition alone, but contracts or agreements entered into during the minimum break-in-service period bring into question whether the termination was done in good faith.

To ensure compliance with federal IRC § 401 (a), ETF may investigate situations where a contract or agreement was entered into during the minimum break-in-service period.

During an investigation, the burden of demonstrating that a termination was done in good faith and met all termination conditions will fall on the employer and employee.

If ETF determines that a termination was not in good faith, the annuity or benefit may be discontinued and ETF may collect all payments made in error.

FAQ Concerning Valid Terminations, continued

Q: An employee terminates employment, applies for a WRS benefit and returns to work for the same employer as an independent contractor within the minimum break-in-service period. Will this affect the employee's retirement benefit?

A: The answer depends on the specific facts of each situation. The IRS generally requires that there exist a clear indication of the complete severance of the employment relationship with an employee's former employer for that individual to be eligible for a retirement benefit. Evidence of that complete severance includes both a good-faith termination and a break in service.

If a question were to arise about the individual's intent to retire, ETF would look at all of the circumstances surrounding the termination and subsequent return to work arrangements to determine whether a good-faith termination existed.

In addition, if a WRS annuitant who terminated WRS employment after July 1, 2013 directly enters into a contract with a WRS employer to work at least two-thirds of full-time employment for 12 months or more, 2013 Wisconsin Act 20 requires that the annuity be suspended until the annuitant again terminates employment.

Appendix B: Additional Resources

For Annuitants

[Information for Retirees \(ET-4116\)](#) brochure

FAQs—Go to the ETF website at etf.wi.gov and click on FAQ for:

- Return to Work FAQ – 2013 Act 20
- Retiring and Retired Participants FAQ

For Employers

[WRS Administration Manual \(ET-1127\)](#)

- Termination Rule and Reporting
- Employment of Annuitants

Appendix C: Rehired Annuitant Situations

<p>Employee terminates WRS-covered employment, applies for retirement annuity and returns to work for a WRS-covered employer.</p> <p>One of the following situations may apply:</p>	<p>Is employee entitled to the Annuity?</p> <p>[Wis. Stat. § 40.23 (1) (a) 1. and § 40.26 (5)]</p>	<p>Is the new period of employment considered participating employment?</p> <p>[Wis. Stat. § 40.22 (3m) and § 40.26(5)]</p>
<p>1. Employee, or contractor*, returns to work for the <i>same</i> employer without fulfilling the minimum required 75-day break in service and employment is not expected to require at least 1,200 hours (880 hours for teachers and school district educational support staff) or last at least one year (i.e., the position is not WRS eligible).</p>	<p>No—minimum break was not met so the annuity is invalid.</p>	<p>Yes for employees because once WRS eligible, always WRS eligible.</p> <p>No for contractors.</p>
<p>2. Employee, or contractor*, returns to work for the <i>same</i> employer without fulfilling the minimum required 75-day break in service and works fewer than 30 calendar days (i.e., the position is typically not WRS eligible).</p>	<p>No—minimum break was not met so the annuity is invalid.</p>	<p>Yes for employees because once WRS eligible, always WRS eligible.</p> <p>No for contractors.</p>
<p>3. Employee, or contractor*, returns to work for the <i>same</i> employer without fulfilling the minimum required 75-day break in service and employment is expected to require at least 1,200 hours (880 hours for teachers and school district educational support staff) and last at least one year (i.e., the position is WRS eligible).</p>	<p>No—minimum break was not met so the annuity is invalid.</p>	<p>Yes for employees because once WRS eligible, always WRS eligible.</p> <p>No for contractors.</p>
<p>4. Employee, or contractor*, returns to work for the <i>same</i> employer after fulfilling the minimum required 75-day break in service and employment is not expected to require at least 1,200 hours (880 hours for teachers and school district educational support staff) or last at least one year (i.e., the position is not WRS eligible).</p>	<p>Yes.</p>	<p>No.</p>
<p>5. Employee, or contractor*, returns to work for a <i>different</i> employer without fulfilling the minimum required 75-day break in service and employment is not expected to require at least 1,200 hours per year (880 hours for teachers and school district educational support staff) and to last at least one year (i.e., the position is not WRS eligible).</p>	<p>Yes.</p>	<p>No.</p>
<p>6. Employee, or contractor*, returns to work for a <i>different</i> employer without fulfilling the minimum required 75-day break in service and employment is expected to require at least 1,200 hours per year (880 hours for teachers and school district educational support staff) and last at least one year (i.e., the position is WRS eligible).</p>	<p>No—minimum break was not met so the annuity is invalid.</p>	<p>Yes for employees.</p> <p>No for contractors.</p>

Rehired Annuitant Situations, continued

<p>Employee terminates WRS-covered employment, applies for retirement annuity and returns to work for a WRS-covered employer.</p> <p>One of the following situations may apply:</p>	<p>Is employee entitled to the Annuity?</p> <p>[Wis. Stat. § 40.23 (1) (a) 1. and § 40.26 (5)]</p>	<p>Is the new period of employment considered participating employment?</p> <p>[Wis. Stat. § 40.22 (3m) and § 40.26(5)]</p>
<p>7. Employee, or contractor*, returns to work for a <i>different</i> employer after fulfilling the minimum required 75-day break in service and employment is not expected to require at least 1,200 hours per year (880 hours for teachers and school district educational support staff) and to last at least one year (i.e., the position is not WRS eligible).</p>	<p>Yes.</p>	<p>No.</p>
<p>8. Employee, or contractor*, returns to work for a <i>different</i> employer after fulfilling the minimum required 75-day break in service and employment is expected to require at least 600 hours per year, but less than 1200 hours per year (440 hours for teachers and school district educational support staff, but less than 880 hours per year) and to last at least one year (i.e. the position is WRS eligible under the old hourly criterion, so the right to elect participation still exists).</p>	<p>Yes.</p>	<p>Yes, if employee elects coverage; the annuity will be suspended.</p> <p>No, if employee declines coverage.</p> <p>No, if contractor.</p>
<p>9. Employee, or contractor*, returns to work for the <i>same</i> or <i>different</i> employer without fulfilling the minimum required 75-day break in service after receiving a minimum annuity benefit (lump sum). Employment is expected to require at least 1,200 hours (880 hours for teachers and school district educational support staff) and last at least one year (i.e. the position is WRS eligible).</p>	<p>No—minimum break was not met so the annuity is invalid.</p>	<p>Yes for employees.</p> <p>No for contractors.</p>
<p>10. Employee, or contractor*, returns to work for the <i>same</i> or <i>different</i> after fulfilling the minimum required 75-day break in service after receiving a minimum annuity benefit (lump sum). Employment is expected to require at least 1,200 hours per year (880 hours for teachers and school district educational support staff) and to last at least one year (i.e. the position is WRS eligible).</p>	<p>Yes—minimum break was met so lump sum annuity is valid.</p>	<p>Yes for employees.</p> <p>No for contractors.</p>
<p>11. Employee, or contractor*, returns to work for the <i>same</i> or <i>different</i> after fulfilling the minimum required 75-day break in service. Employment is expected to require at least 600 hours (440 hours for teachers and school district educational support staff) and last at least one year, but is not expected to require at least 1,200 hours (880 hours for teachers and school district educational support staff). (i.e. the position is WRS eligible under the old hourly criterion, so the right to elect participation still exists.)</p>	<p>Yes.</p>	<p>Yes, if employee elects coverage; the annuity will be suspended.</p> <p>No, if employee declines coverage.</p> <p>No, if contractor.</p>

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