

## WORKING AFTER RETIREMENT

The information in this pamphlet is a summary of the different options an NMERB retiree has for work after retirement. If you have a specific circumstance you wish to discuss, please contact us at 1-866-691-2345.



### NMERB Web Resources [www.nmerb.org](http://www.nmerb.org)

- Access all NMERB forms
- Read about current NMERB events and news
- Access *The ERB Connection* (quarterly newsletter)
- Access the NMERB Statutes and Rules
- Download the NMERB Member Handbook



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NEW MEXICO  
EDUCATIONAL  
RETIREMENT  
BOARD

## WORKING AFTER RETIREMENT

## NON-ERB EMPLOYMENT

ERB retirees may work for a non-ERB employer at any time without affecting retirement benefits. This includes working for NM state agencies or local government entities that are part of the PERA system. Notice to ERB is not required.

## SUSPENDING RETIREMENT

ERB retirees may choose to suspend retirement benefits and resume working as a regular ERB member. You would earn more service credit and possibly increase the final average salary on which your benefits will be calculated when you re-retire. There will be no change to the benefit option and beneficiary you chose at your initial retirement. Written notification to ERB is required.

## RETURN TO WORK PROGRAM

ERB retirees may apply for the Return To Work Program (RTW) after completing a 12 consecutive month layout from rendering any type of services to ERB employers. "Rendering Service" includes:

- any work, whether full or part time;
- substitute teaching;
- voluntarily performing duties that would otherwise be, or have in the past been, performed by a paid employee or independent contractor; or
- performing duties as an independent contractor or for an independent contractor providing services to an ERB employer.

After completing the 12 consecutive month layout period, you may apply for the RTW program and if approved, you may go back to work for an ERB employer without affecting your retirement benefit. There is no limit on income earnings and you will make non-refundable ERB member contributions. You must apply to ERB prior to employment. If you are not in compliance with the RTW program rules, you may be required to repay retirement benefits and reapply to the RTW program.



## RETURN TO WORK EXCEPTION

ERB retirees may work for an ERB employer without qualifying for the RTW Program, but your earnings are limited. Under the Greater of .25 FTE or \$15,000 RTW Exception, you may earn the greater of \$15,000 per fiscal year or an amount equal to 25% of the salary for the full-time equivalency (FTE) of the job you are doing without affecting your retirement benefits.

If you are working for more than one ERB employer, you are obligated to notify each of your employers about all of your ERB jobs. The salaries of all of your ERB jobs will be combined to determine whether you are in compliance with the Greater of .25 FTE or \$15,000 RTW Exception. If you earn more money than is allowed under the RTW Exception in a given fiscal year, you will lose your retirement status and will be required to forfeit retirement benefits effective on the first day of the month in which your cumulative earnings exceed the greater of .25 FTE or \$15,000. It is your responsibility to keep track of your earnings.

No layout period or application is required for the RTW Exception; however, working under this rule will not count toward your layout period for the RTW Program.

## INDEPENDENT CONTRACTORS

ERB retirees may provide services to an ERB employer as an independent contractor without affecting your retirement benefits and there is no limit on income earnings. Both you and your employer must follow IRS rules and regulations that distinguish between employees and independent contractors.

No layout period is required to work as an independent contractor; however, working under this rule will not count toward your layout period for the RTW Program. You must complete an Independent Contractor Determination Application.

All applications and FAQs about working after retirement can be found at [www.nmerb.org](http://www.nmerb.org) under the Download Forms link.

