

Employment After Retirement

State Police Retirement System

Since members of the New Jersey State Police often retire in their fifties, the question of how employment after retirement will affect pension benefits is important. This fact sheet provides information that a State Police Retirement System (SPRS) retiree should consider before returning to the work force on either a full- or part-time basis.

Working for private industry, the federal government, or a government agency in another state will not normally affect your SPRS retirement benefits.

If you return to public employment in New Jersey after retirement in any position except that of a State Police Officer, your SPRS retirement allowance will continue and you can receive salary from the new employment. However, you cannot become a member of that retirement system.

RETURNING TO WORK IN A POSITION COVERED BY THE SPRS

Most retirees will not return to employment covered by the SPRS. For those who do, the following applies.

Retirement

You are not considered to be “retired” from the SPRS until your retirement becomes “due and payable” and after the employer/employee relationship is severed. This occurs after there has been a break in employment without pay of at least 30 days immediately following your retirement date, or 30 days after the approval of your retirement by the SPRS Board of Trustees, whichever is later.

This means that if you return to a SPRS covered position — on either a paid or voluntary basis — before the 30 days have elapsed, you should expect to continue enrollment in the SPRS. Your retirement will not be considered valid, and you will remain an active employee under your original SPRS account.

Deferred Retirement

Deferred Retirement is available from the SPRS if you have at least ten years of service credit, are not yet 55

years of age when you terminate employment, and are not removed for cause on charges of misconduct or delinquency.

You must submit an *Application for Retirement Allowance* to apply for a Deferred Retirement, after which, the retirement will be effective on the first of the month after attaining age 55.

If, after having applied for a Deferred Retirement allowance, you become an employee covered by the SPRS and you are under age 55, you will be re-enrolled. Any SPRS service credit in your account at the time of your application to receive a deferred retirement will be added to the service you obtain in your second SPRS membership when calculating your retirement benefits.

OTHER CONSIDERATIONS

State Health Benefits Program Coverage

Returning to public employment in New Jersey, in a position other than a State Police Officer, will not affect your eligibility to continue coverage under the retired group of the State Health Benefits Program (SHBP). Maintaining SHBP retired group coverage also does not affect your eligibility for active group health coverage associated with your new employment.

Social Security Benefits

There is an earnings test for people under full retirement age receiving Social Security benefits. Check with the Social Security Administration at 1-800-772-1213 for information on earnings limits before accepting employment.

Warning: If your retirement allowance is suspended as a result of a return to SPRS covered employment, you are treated as an active member in all respects. No retirement or insurance benefits associated with your former retirement will be paid to your beneficiary should you die during your second membership. Once you retire again, the death benefits associated with retirement become effective.

This fact sheet has been produced and distributed by:

**New Jersey Division of Pensions and Benefits • PO Box 295 • Trenton, New Jersey 08625-0295
(609) 292-7524 • TDD for the hearing impaired (609) 292-7718**

URL: <http://www.state.nj.us/treasury/pensions> • E-mail: pensions.nj@treas.state.nj.us

This fact sheet is a summary and not intended to provide total information.

Although every attempt at accuracy is made, it cannot be guaranteed.