

Reemployment of TRS Retirees 19-20-732, MCA

October 3, 2022

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Teachers' Retirement System

The provisions of 19-20-732, MCA, allow a Teachers' Retirement System (TRS) retired member with 27.00 or more years of service to be reemployed as a teacher, specialist, or administrator on a full-time basis by a second-class or third-class school district without the loss or interruption of their TRS retirement benefits. A retired member hired under this provision is exempt from the one-third earning's and part-time employment limits under Montana Code Annotated (MCA) § 19-20-731 as well as the 150 calendar day break-in-service requirement under 19-20-734, MCA.

The intent of this provision is to help school districts fill a position when they cannot find a qualified applicant, and to do so in such a way as to not have an adverse impact on the funding of TRS. Therefore, before hiring a retired teacher, a school district must first certify to the TRS office that they advertised the position each school year but were unable to fill the position because the school district received no qualified applications or did not receive an acceptance of an offer of employment made to a non-retired teacher, specialist, or administrator. Advertisement of the position and certification of inability to fill the position must occur each school year prior to entering into a contract with a retired member, including re-contracting with the same retired member.

To be eligible for reemployment under § 19-20-732, MCA, a retired member must have retired under TRS with 27.00 or more years of creditable service. In addition, a TRS retired member must also have received at least two monthly retirement benefits. Because monthly benefits are processed on the last business day of each month, if a retiree terminated in June, with retirement benefits effective July 1, they would not be eligible to be reemployed under this provision until September 1, after they have received their July and August retirement benefits.

The maximum number of years a TRS retired member may be employed pursuant to §19-20-732, is three years during their lifetime. A year is defined to mean all or any part of a fiscal year (July 1 through June 30). Retired members reemployed under this provision will not receive any increase in their retirement benefits due to additional service time or salary received while working and drawing retirement benefits.

To fund any adverse impact 19-20-732, MCA, might have on TRS, school districts who rehire a retired member under this provision are required to contribute to TRS the sum of all employee and employer contributions rates (20.01% effective July 1, 2022) on the salaries paid to retired members working under this provision. **Note:** this rate is to be paid by the school district; reemployed retired members are not required to contribute to TRS.

19-20-732(1)(e), MCA, requires the Teachers' Retirement Board to report to the appropriate committee each Legislative session regarding the implementation and results of section 19-20-732. A complete history of the positions filled, the compensation paid and the school districts reemploying TRS retirees under the provisions of 19-20-732, MCA, since September 2009 is included on the following pages for your reference.

| School District | Position(s) Filled | Compensation Paid to Retired Members | Number of Months Retired When Rehired | Age of Rehired Retiree |
|------------------------------|------------------------------------|---|--|---------------------------------------|
| 2009-2010 School Year | | | | |
| WINNETT K-12 SCHOOLS | Math | \$ 34,011 | 30 | 68 |
| PLENTYWOOD K-12 SCHOOLS | Music | \$ 52,293 | 2 | 65 |
| 2010-2011 School Year | | | | |
| RICHEY PUBLIC SCHOOLS | Math | \$ 20,066 | 37 | 61 |
| TROY PUBLIC SCHOOLS | Speech- Language Pathologist | \$ 25,818 | 2 | 56 |
| WINNETT K-12 SCHOOLS | Math | \$ 43,717 | 42 | 69 |
| 2011-2012 School Year | | | | |
| MANHATTAN PUBLIC SCHOOLS | Superintendent | \$ 95,025 | 24 | 62 |
| TROY PUBLIC SCHOOLS | Speech- Language Pathologist | \$ 25,970 | 14 | 57 |
| WINNETT K-12 SCHOOLS | Math | \$ 44,540 | 54 | 70 |
| 2012-2013 School Year | | | | |
| GRASS RANGE PUBLIC SCHOOLS | Math | \$ 20,010 | 7 | 62 |
| MANHATTAN PUBLIC SCHOOLS | Superintendent | \$ 100,775 | 36 | 62 |
| TROY PUBLIC SCHOOLS | Speech- Language Pathologist | \$ 26,210 | 26 | 58 |
| ENNIS K-12 SCHOOLS | Superintendent | \$ 93,800 | 24 | 61 |
| 2013-2014 School Year | | | | |
| MANHATTAN PUBLIC SCHOOLS | Superintendent | \$ 100,919 | 48 | 63 |
| ENNIS K-12 SCHOOLS | Superintendent | \$ 94,600 | 36 | 62 |
| BROADUS PUBLIC SCHOOLS | Industrial Arts | \$ 25,146 | 2 | 62 |

| School District | Position(s) Filled | Compensation Paid to Retired Members | Number of Months Retired When Rehired | Age of Rehired Retiree |
|------------------------|-------------------------------|---|--|---------------------------------------|
|------------------------|-------------------------------|---|--|---------------------------------------|

2014-2015 School Year

| | | | | |
|--------------------------|-----------------------|------------|----|----|
| LEWISTOWN PUBLIC SCHOOLS | Elementary Special Ed | \$ 26,266 | 72 | 67 |
| LEWISTOWN PUBLIC SCHOOLS | Elementary Special Ed | \$ 25,940 | 48 | 57 |
| ENNIS K-12 SCHOOLS | Superintendent | \$ 113,234 | 48 | 63 |
| BROADUS PUBLIC SCHOOLS | Industrial Arts | \$ 35,645 | 14 | 63 |
| FORSYTH PUBLIC SCHOOLS | Counselor | \$ 33,599 | 72 | 68 |

2015-2016 School Year

| | | | | |
|--------------------------|---------------------|------------|----|----|
| LEWISTOWN PUBLIC SCHOOLS | Counselor | \$ 27,136 | 24 | 61 |
| WHITEHALL PUBLIC SCHOOLS | School Psychologist | \$ 9,467 | 24 | 56 |
| MISSOULA PUBLIC SCHOOLS | Regional Director | \$ 105,281 | 12 | 60 |
| HINSDALE PUBLIC SCHOOLS | Lead Coordinator | \$ 18,263 | 24 | 56 |
| BROADUS PUBLIC SCHOOLS | Industrial Arts | \$ 35,232 | 24 | 64 |
| RAPELJE PUBLIC SCHOOLS | Superintendent | \$ 73,350 | 2 | 61 |

2016-2017 School Year

| | | | | |
|-------------------------|------------------|-----------|----|----|
| HARLEM PUBLIC SCHOOLS | Teacher | \$ 38,000 | 2 | 61 |
| NASHUA K-12 SCHOOLS | Superintendent | \$ 56,833 | 36 | 70 |
| HINSDALE PUBLIC SCHOOLS | Lead Coordinator | \$ 21,915 | 36 | 57 |
| RAPELJE PUBLIC SCHOOLS | Superintendent | \$ 96,907 | 14 | 62 |

| School District | Position(s) Filled | Compensation Paid to Retired Members | Number of Months Retired When Rehired | Age of Rehired Retiree |
|--------------------------------|-------------------------------|---|--|---------------------------------------|
| 2017-2018 School Year | | | | |
| HUNTLEY PROJECT PUBLIC SCHOOLS | Drivers Ed | \$ 5,350 | 2 | 65 |
| NASHUA K-12 SCHOOLS | Superintendent | \$ 60,167 | 48 | 71 |
| HINSDALE PUBLIC SCHOOLS | Lead Coordinator | \$ 23,718 | 48 | 58 |
| RAPELJE PUBLIC SCHOOLS | Superintendent | \$ 100,902 | 26 | 63 |
| NORTH HARLEM | Teacher | \$ 30,000 | 60 | 63 |
| 2018-2019 School Year | | | | |
| EAST HELENA PUBLIC SCHOOLS | School Psychologist | \$ 11,904 | 60 | 59 |
| BELGRADE PUBLIC SCHOOLS | Superintendent | \$ 134,623 | 108 | 65 |
| CUTBANK PUBLIC SCHOOLS | Principal | \$ 11,000 | 84 | 71 |
| DRUMMOND PUBLIC SCHOOLS | Counselor | \$ 22,766 | 2 | 64 |
| NORTH HARLEM | Teacher | \$ 31,600 | 72 | 64 |
| MALTA PUBLIC SCHOOLS | Music Teacher | \$ 44,280 | 84 | 61 |
| 2019-2020 School Year | | | | |
| HAYS/LODGEPOLE SCHOOLS | Librarian | \$ 63,330 | 48 | 69 |
| BAKER PUBLIC SCHOOLS | Long Term Sub | \$ 42,542 | 12 | 60 |
| BELGRADE PUBLIC SCHOOLS | Superintendent | \$ 140,600 | 120 | 66 |
| STANFORD PUBLIC SCHOOLS | Music Teacher | \$ 36,262 | 3 | 65 |
| HAYS/LODGEPOLE SCHOOLS | Science Teacher | \$ 36,590 | 2 | 60 |
| MALTA PUBLIC SCHOOLS | Music Teacher | \$ 46,350 | 96 | 62 |
| POPLAR PUBLIC SCHOOLS | Elementary Teacher | \$ 68,482 | 26 | 67 |
| POPLAR PUBLIC SCHOOLS | Elementary Teacher | \$ 68,482 | 26 | 58 |
| SHELBY PUBLIC SCHOOLS | Counselor | \$ 15,897 | 72 | 70 |

| School District | Position(s) Filled | Compensation Paid to Retired Members | Number of Months Retired When Rehired | Age of Rehired Retiree | Benefits Paid by TRS |
|-------------------------------|-------------------------------|---|--|---------------------------------------|---------------------------------|
| 2020-2021 School Year | | | | | |
| POPLAR PUBLIC SCHOOLS | Librarian | 63,202 | 60 | 71 | \$ 26,790.00 |
| HAYS/LODGEPOLE PUBLIC SCHOOLS | Elementary Teacher | 64,847 | 3 | 68 | \$ 34,272.00 |
| HAYS/LODGEPOLE PUBLIC SCHOOLS | Science Teacher | 67,200 | 14 | 62 | \$ 48,602.76 |
| GOLDEN RIDGE PUBLIC SCHOOLS | Elementary Teacher | 38,300 | 2 | 52 | \$ 24,108.00 |
| MALTA PUBLIC SCHOOLS | Social Studies Teacher | 17,732 | 60 | 69 | \$ 25,188.00 |
| MALTA PUBLIC SCHOOLS | Music Teacher | 48,720 | 108 | 73 | \$ 22,277.22 |
| LONE ROCK SCHOOL DISTRICT | Elementary Teacher | 32,622 | 36 | 63 | \$ 24,744.00 |
| SAVAGE PUBLIC SCHOOLS | Elementary Teacher | 53,289 | 14 | 65 | \$ 46,272.00 |
| SAVAGE PUBLIC SCHOOLS | PE Teacher | 52,425 | 146 | 67 | \$ 31,476.00 |
| POPLAR PUBLIC SCHOOLS | Elementary Teacher | 69,793 | 36 | 69 | \$ 37,660.56 |
| POPLAR PUBLIC SCHOOLS | Elementary Teacher | 69,437 | 36 | 70 | \$ 34,013.04 |
| ASHLAND PUBLIC SCHOOLS | Title 1 Teacher | 39,717 | 26 | 64 | \$ 28,800.36 |
| SHELBY PUBLIC SCHOOLS | Counselor | 58,803 | 98 | 71 | \$ 38,577.36 |
| 2021-2022 School Year | | | | | |
| HAYS/LODGEPOLE PUBLIC SCHOOLS | Librarian | 70,969 | 72 | 72 | \$ 27,600.00 |
| HAYS/LODGEPOLE PUBLIC SCHOOLS | Elementary Teacher | 79,507 | 15 | 69 | \$ 34,273.56 |
| BAKER PUBLIC SCHOOLS | Elementary Teacher | 60,580 | 48 | 63 | \$ 42,261.36 |
| HAYS/LODGEPOLE PUBLIC SCHOOLS | Science Teacher | 70,538 | 26 | 63 | \$ 48,602.76 |
| GOLDEN RIDGE PUBLIC SCHOOLS | Elementary Teacher | 38,300 | 14 | 53 | \$ 24,119.52 |
| CIRCLE PUBLIC SCHOOLS | Music | 43,000 | 216 | 69 | \$ 24,928.92 |
| SAVAGE PUBLIC SCHOOLS | PE Teacher | 39,477 | 158 | 68 | \$ 32,426.88 |
| POPLAR PUBLIC SCHOOLS | Elementary Teacher | 70,170 | 48 | 70 | \$ 38,231.88 |
| POPLAR PUBLIC SCHOOLS | Elementary Teacher | 74,907 | 48 | 71 | \$ 34,523.28 |
| ASHLAND PUBLIC SCHOOLS | Elementary Teacher | 50,197 | 38 | 65 | \$ 29,232.36 |
| SHELBY PUBLIC SCHOOLS | Counselor | 55,928 | 110 | 72 | \$ 39,156.00 |
| CUSTER SCHOOL DISTRICT | Music | 22,519 | 2 | 69 | \$ 29,670.84 |

| School District | Position(s) Filled | Number of Months Retired | Age of Rehired Retiree | Benefits Paid by TRS |
|--|-------------------------------|---|---------------------------------------|---------------------------------|
| 2022-2023 School Year YTD as of 10/1/2022 | | | | |
| SAVAGE PUBLIC SCHOOLS | PE Teacher | 170 | 69 | \$ 8,106.00 |
| GALATA ELEMENTARY | Elementary Teacher | 84 | 62 | \$ 7,460.61 |
| NOXON PUBLIC SCHOOLS | PE Teacher | 24 | 61 | \$ 9,867.00 |
| LAVINA PUBLIC SCHOOLS | Science Teacher | 2 | 55 | \$ 7,653.00 |
| MEDICINE LAKE PUBLIC SCHOOLS | Elementary Teacher | 14 | 72 | \$ 9,949.17 |
| FROID PUBLIC SCHOOLS | Science Teacher | 2 | 66 | \$ 10,446.00 |
| GEYSER PUBLIC SCHOOLS | Music Teacher | 38 | 68 | \$ 6,708.00 |
| PLENTYWOOD PUBLIC SCHOOLS | Elementary Teacher | 122 | 65 | \$ 6,270.00 |
| CIRCLE PUBLIC SCHOOLS | Music Teacher | 228 | 70 | \$ 6,232.23 |
| SAVAGE PUBLIC SCHOOLS | History Teacher | 3 | 54 | \$ 8,275.53 |
| SAVAGE PUBLIC SCHOOLS | Elementary Teacher | 38 | 67 | \$ 11,683.53 |
| GOLDEN RIDGE PUBLIC SCHOOLS | Elementary Teacher | 38 | 54 | \$ 6,029.88 |
| MOUNTAIN VIEW ELEMENTARY | Elementary Teacher | 14 | 64 | \$ 4,893.00 |
| HAYS/LODGEPOLE PUBLIC SCHOOLS | Elementary Teacher | 38 | 70 | \$ 8,568.39 |
| HYSHAM PUBLIC SCHOOLS | Agriculture Ed | 36 | 58 | \$ 7,244.22 |

Summary of Information:

FY 2010 through FY 2023 YTD: 90 positions have been filled under this provision (49 in last four years).

FY 2010 through FY 2023 YTD: TRS received approximately \$750,000 in contributions for these members

FY 2010 through FY 2023 YTD: TRS paid approximately \$2,875,000 in retirement benefits to these members