

Clarification regarding August 2013 TRS News article titled “Rule changes affecting surcharge trigger – Rule 31.41 and Rule 41.4”

Some confusion has arisen regarding the amount of time that a TRS service retiree may work without forfeiting an annuity. The confusion stems from an August 2013 *TRS News* article titled “Rule changes affecting surcharge trigger – Rule 31.41 and Rule 41.4.” That article announced that Pension Surcharge and TRS-Care Surcharge rules have been amended to align the “trigger” for the surcharges with the criteria for one-half time employment for retirees who retired after Jan. 1, 2011 and for disability retirees. TRS-covered employers must pay these surcharges when they hire certain TRS retirees for more than a certain number of hours each month.

To clarify, please note the following:

- The surcharge(s) is/are due for a retiree who retired after Sept 1, 2005 when that retiree performs work that exceeds the equivalent of four clock hours each work day in that calendar month.
- If that same retiree retired before January 1, 2011, he or she would **not** forfeit their annuity, but the surcharge(s) would be due.
- Retirees who retired AFTER January 1, 2011 and who exceed the stated number of hours mentioned above would forfeit their annuity, and the employer would owe the surcharge(s). Such retirees are subject to the work limits after retirement if they do not have the required break in service.

We apologize for any confusion that the article, as originally written, may have caused.