

# FRS Investment Plan Distribution And Reemployment Provisions

Member Action	Reached Normal Retirement Requirements Of FRS Pension Plan <sup>2</sup>	Has <b>Not</b> Reached Normal Retirement Requirements Of FRS Pension Plan <sup>2</sup>
<b>Termination [section 121.021(39)(b), F.S.]</b>		
Must be off all FRS-covered payrolls for 1 calendar month.	TRUE	TRUE
<b>Eligibility For Account Distributions [section 121.591(1)(a)4, F.S.]</b>		
Benefits cannot be paid until a member has been terminated for 3 calendar months.	<b>FALSE.</b> Can get up to 10% of account after termination for 1 calendar month and remainder after a total of 3 calendar months, unless returns to work prior to end of the 3-month period in a <b>non-expected</b> position.	TRUE. If member returns to work prior to the end of 3 calendar month waiting period, member must terminate once again for 3 calendar months.
When member calls ING requesting a distribution, he/she will be asked if they plan to return to work for an FRS-covered employer. If the answer is yes, member will be denied the distribution, because the return to work would not constitute a bona fide termination under IRS rules.	If takes partial distribution then returns to work in <b>non-expected</b> position, not eligible for further distributions until terminates work or first 12 months of retirement is completed.	If takes partial distribution after 3 calendar month wait then returns to work in <b>non-expected</b> position, not eligible for further distributions until terminates work or first 12 months of retirement is completed.
	May return to work in an <b>expected</b> position 1 calendar month after termination and having taken up to a 10% distribution and continue to receive distributions (e.g., member takes a 10% distribution on 1/19/06, he/she may return to an <b>expected</b> position on 3/1/06).	May return to work in an <b>expected</b> position 3 calendar months after taking a distribution and continue to receive distributions (e.g., if took distribution (retired) 1/19/06, may return to work on 5/1/06).
	After first 12 months of retirement member may return full-time and take distributions (e.g., if took distribution (retired) 1/25/06, may return to work with FRS-covered employer on 1/25/07).	After first 12 months of retirement member may return full-time and take distributions (e.g., if took distribution (retired) 1/25/06, may return to work with FRS-covered employer on 1/25/07).
<b>Reemployment After Retirement [section 121.091(9)(c), F.S.]</b>		
Can be employed by a <b>non-FRS</b> covered employer without restrictions.	TRUE	TRUE
If terminates FRS-covered employment and takes a distribution at some date beyond the 3 calendar month waiting period, the 3 calendar month and 12-month reemployment waiting periods begin with the distribution (retirement) date.	TRUE. If the member takes an initial distribution 5 years after termination, or at any time beyond the initial 1-month waiting period, the reemployment waiting period begins with the distribution.	TRUE. If the member takes an initial distribution 5 years after termination, or at any time beyond the initial 3-month waiting period, the reemployment waiting period begins with the distribution.
<b>Cannot</b> be reemployed with an FRS-covered employer for the first 12 months after retiring, unless suspending benefits (distributions) for the remainder of the 12 months, or returning to work in one of the <b>expected</b> positions.	TRUE. If member takes distribution on 1/25/06, he/she may return to FRS-covered employment on 1/25/07, or an <b>expected</b> position on 3/01/06, or may suspend benefits for remainder of 12 months and work beginning 3/01/06 in any position.	TRUE. If member takes distribution on 1/25/06, he/she may return to FRS-covered employment on 1/25/07, or an <b>expected</b> position on 5/01/06, or may suspend benefits for remainder of 12 months and work beginning 5/01/06 in any position.
Can return in one of the <b>expected</b> positions (teacher, bus driver, firefighter, etc. See SPD or Law for details) <b>1 calendar</b> month after taking a distribution (retiring).	TRUE. If member takes a distribution on 1/25/06, he/she may return to an <b>expected</b> position on 3/1/06 and continue to receive benefits (distributions).	<b>FALSE.</b> Cannot return for 3 calendar months following distribution (retiring).
Can return in one of the <b>expected</b> positions <b>3 calendar months</b> after <b>termination</b> of employment.	NA	<b>FALSE.</b> Cannot return for 3 calendar months following distribution (retiring).
Can return in one of the <b>expected</b> positions <b>7 calendar months</b> after termination, if took a distribution (retired) after being terminated for 3 calendar months and starts employment at earliest date possible 3 calendar months following distribution (retirement).	NA	TRUE. If member takes a distribution (retires) on 1/25/06 (3 calendar months after termination) he/she may return to FRS-covered employment in an <b>expected</b> position on 5/1/06 (3 calendar months after taking the distribution), and continue to receive benefits (distributions).
If returns to FRS-covered employment in a <b>non-expected</b> position 3 calendar months after taking a distribution, no further distributions are allowed until the earlier of termination of employment or completion of 12 months of retirement.	TRUE. Any periodic distributions are suspended and further distributions are not allowed until the earlier of termination of employment or completion of 12 months of retirement. If terminating, may take distributions beginning the next day (Terminates 1/25, distribution 1/26).	TRUE. Any periodic distributions are suspended and further distributions are not allowed until the earlier of termination of employment or completion of 12 months of retirement. If terminating, may take distributions beginning the next day (Terminates 1/25, distribution 1/26).
If returns to FRS-covered employment and takes an invalid distribution, the employer is held jointly liable for repayment of the distribution.	Maybe, depending on circumstances. Employers who have New Employee Certification Form completed will avoid liability.	Maybe, depending on circumstances. Employers who have New Employee Certification Form completed will avoid liability.
Can return to full-time FRS-covered employment and continue receiving retirement benefits (distributions) after being <b>retired</b> for 12 months (e.g., If took distribution (retired) 1/25/06, may return to work with FRS-covered employer on 1/25/07).	TRUE. May return 12 months from date of distribution.	TRUE. May return 12 months from date of distribution.

- NOTE: 1. "Retiree" under the Investment Plan is defined as anyone who has taken a distribution from their Investment Plan account.
2. Normal retirement requirements of the FRS Pension Plan are age 62 with 6 years of service or 30 years of service at any age, or if Special Risk age 55 with 6 years of Special Risk service or 25 years of Special Risk service at any age.
3. **Expected** positions include teachers, bus drivers, firefighters and others. See the Law or Summary Plan Description for a complete list.