



BOCES CRITICAL SHORTAGE

Summary of House Bill 20-1127 Provisions

Under current law, Colorado PERA benefits are temporarily reduced when a PERA retiree works for a PERA employer more than 110 days/720 hours in a calendar year (or 140 days/916 hours if designated by a school district or institution of higher education).

House Bill 20-1127 allows Boards of Cooperative Services (BOCES) to hire PERA retirees (referred to as a “critical shortage retiree” in this fact sheet) to work in certain roles where there is a critical shortage of qualified providers without reductions to their PERA retirement benefits. This law begins September 14, 2020, and will sunset June 30, 2025.

BOCES INFORMATION

To hire a retiree as a critical shortage retiree, the BOCES must meet the following requirements:

- » Declare a critical shortage of special service providers (SSP).
- » Once the BOCES has decided to hire a retiree who is performing work for at least two rural school districts (required), declare that the critical shortage retiree has specific experience, skills, or qualifications that would benefit the BOCES.
- » Submit an *Intent to Hire Retirees Working After Retirement in a Critical Shortage Position for a BOCES* form to PERA before any critical shortage retiree is hired under the terms of the law. (Provided the 40 total critical shortage retiree threshold across all BOCES has not been reached, and the retiree is otherwise eligible to be designated, this will serve as the BOCES designation so no additional forms would be required.)
- » A list of critical shortage retirees must be provided to PERA at the start of each calendar year and must be updated before any additional retirees are hired. If this list is received after March 31 of the applicable calendar year, they will not be recognized.
- » Pay all normal employer contributions (including AED and SAED), plus an additional 2% of the retiree’s salary to PERA.

Note: There is a limit of 40 retirees across all BOCES who can be hired as critical shortage retirees between September 14, 2020, and June 30, 2025.

RETIREE INFORMATION

To work after retirement for the BOCES without a reduction in benefits, retirees must adhere to the following:

- » Do not work for any employer during the effective month of retirement, as under current law.
- » Work only as an SSP.
- » Perform work for at least two rural school districts through the BOCES.
- » Pay the working retiree contribution (retirees will not earn additional service credit or increase their Highest Average Salary).
- » Limit work without a reduction of benefit through June 30, 2025, starting the year the retiree becomes a critical shortage retiree. After that date, the provision sunsets and retirees may continue to work, but only for the applicable 110-day or 140-day limit.

Members who retired with a reduced service retirement benefit:

- » Must wait two years after retirement to return to work as a critical shortage retiree for the BOCES from which they retired.
- » Can immediately work without limit as a critical shortage retiree for another eligible BOCES other than the one from which they retired.

Note: Critical shortage retirees are eligible to participate in the BOCES or school district’s health insurance programs or the PERACare program; however, no subsidy will be applied toward payment of PERACare premiums.