

Interpretive Memorandum 2012-1

DATE: REVISED July 20, 2022 (Originally issued December 6, 2012, revised August 17, 2015)

TOPIC: PRE-1988 GRANDFATHERED GROUP I MEMBER

PURPOSE:

The purpose of this memorandum is to address the membership requirements and work hour limits that apply to a retired Group I Member who was hired prior to 1/21/88 and whose NHRS eligibility was determined under the eligibility practices in effect prior to adoption of the minimum participation rules under Ret 302.05 (a Pre-1988 Grandfathered Member).

SUMMARY:

A Pre-1988 Grandfathered Member who retires and later returns to work with a participating Employer, is subject to the rules in effect at the time of his or her return to work. As such, the retiree would be restored to service if he or she returned to a position that is considered full-time under the current minimum participation rules under Ret 302.05, not under the pre-1988 eligibility rules. In addition, if not full-time and restored to service, the Pre-1988 Grandfathered Member is limited to working the maximum annual number of part-time hours permitted for retirees under RSA 100-A:1 XXXIV (i.e., 1,352 or 1,664 hours depending on retirement date and commencement of part-time service). He or she may work part-time for more hours than what was considered to be full-time prior to 1988 so long as the total annual hours worked are less than these limits on retirees.

ANALYSIS:

NHRS' Administrative Rule Ret 302.05(e) provides that:

"Any member who was a group I member of the NHRS on 1/21/1988 and whose membership eligibility was determined by a rule in effect prior to 1/21/1988, shall continue membership in NHRS. Any group I member who continues membership as provided for in this section, whose hourly work status is subsequently reduced to a level below the minimum participation standards established in (b) shall be ineligible to make membership contributions during such period of employment at reduced hours. <u>Any such member who</u> <u>subsequently meets the minimum participation standards provided in (b) shall</u> <u>resume making membership contributions</u>." [Emphasis added.] Thus, when the minimum participation rules were enacted in 1988, they provided that an active Member at that time would remain active. However, a Pre-1988 Grandfathered Member who retires and later returns to work, is subject to the membership rules in effect at the time of the return to work as provided in Ret 302.05. If he or she meets those minimum participation standards, he or she will be restored to service pursuant to RSA 100-A:7, I unless the position is otherwise exempt from participation under RSA 100-A:3.

RSA 100-A:1, XXXIV provides that "part-time" for retirees means employment by one or more participating employers of no more than 1,352 hours per year (1,664 if the retiree was working part-time in the same position as of 1/1/19). A Pre-1988 Grandfathered Member who returns to part-time work is subject to these same limits notwithstanding the fact that the number of hours worked by that retiree exceeds the hours considered full-time prior to January 21, 1988.

Mark J. Cavaraugh, Erg.

July 20, 2022

Approved by Mark F. Cavanaugh, Esq. Associate Counsel and Compliance Officer

Approval Date