

SB 817

Senate Bill No. 817
As Amended

SENATE BILL NO. 817 - By: MILACEK of the Senate and McCARTER of the House.

[retirement - Teachers' Retirement System of Oklahoma - earnings limit increase - effective date - emergency]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 1, Chapter 290, O.S.L.

1993, as last amended by Section 1, Chapter 411, O.S.L. 1999 (70 O.S. Supp. 1999, Section 17-116.10), is amended to read as follows:

Section 17-116.10 A. Subject to the requirements of Section 6-101.2 of this title and any other applicable requirements of law, a member may enter into post-retirement employment with a public school of Oklahoma and still receive his or her monthly retirement benefits subject to the following limitations:

1. A retired member is not eligible to be employed by the public schools of Oklahoma, in any capacity, for sixty (60) calendar days between the retiree's last day of pre-retirement public-education employment and any post-retirement public-education employment. For purposes of this section, the term "last day of pre-retirement employment" shall mean the last day the employee is required to be physically present on the job to complete the terms

1 of the employment contract or agreement. Employment under any
2 conditions during this time or payment at a later time for services
3 performed during this time period shall cause the forfeiture of all
4 retirement benefits received during the period;

5 2. Unless otherwise provided in paragraph 3 of this subsection,
6 ~~earnings from the public schools may not exceed one-half (1/2) of~~
7 ~~the member's final average salary used in computing retirement~~
8 ~~benefits, or the Earnings Limitation for employees allowed by the~~
9 ~~Social Security Administration, whichever is less. For retired~~
10 ~~members,~~ the limit on allowed earnings for retired members from the
11 public schools of Oklahoma shall be the lesser of ~~Fifteen Thousand~~
12 ~~Dollars (\$15,000.00)~~ Eighteen Thousand Dollars (\$18,000.00) or one-
13 half (1/2) of the member's final average salary used in computing
14 retirement benefits ~~unless the earnings limitation allowed by the~~
15 ~~Social Security Administration would be greater than Fifteen~~
16 ~~Thousand Dollars (\$15,000.00).~~ The eighteen-thousand-dollar amount
17 shall be replaced by the Social Security Administration Earnings
18 Limitation if the earnings limitation is greater than Eighteen
19 Thousand Dollars (\$18,000.00). For purposes of this paragraph, the
20 following shall apply:

21 a. earnings shall mean "regular annual compensation" as
22 defined in subsection 25 of Section 17-101 of this
23 title, and shall include any payment by a public

1 school for services rendered by a retired member who
2 is employed for any purpose whatsoever. Supplemental
3 retirement payments paid by a former public school
4 employer pursuant to subsection 9 of Section 17-105 of
5 this title or other state law shall not be considered
6 as earnings,
7 b. the Earnings Limitation for employees allowed by the
8 Social Security Administration to workers between the
9 age of sixty-two (62) years and sixty-five (65) years
10 shall apply to retired members below the age of sixty-
11 two (62) years,
12 c. the limit on allowed earnings from the public schools
13 shall be automatically adjusted effective the first
14 day of January of each year to reflect the current
15 Earnings Limitation for employees as determined from
16 time to time by the Social Security Administration,
17 d. earnings in excess of the maximum limit on allowed
18 earnings from public schools of Oklahoma shall result
19 in a loss of future retirement benefits for the year
20 the post-retirement employment was performed of One
21 Dollar (\$1.00) for each One Dollar (\$1.00) earned over
22 the maximum allowed earnings amount, and

1 e. for those members age seventy (70) years and over, the
2 earnings in excess of the maximum limit allowed
3 earnings from public schools of Oklahoma shall be one-
4 half (1/2) the member's final average salary used in
5 computing retirement benefits. ~~However, any retired~~
6 ~~member receiving benefits from the Retirement System~~
7 ~~who reached age seventy (70) years prior to July 1,~~
8 ~~1991, shall not be restricted by the earnings limits~~
9 ~~pursuant to this subparagraph until January 1, 1994.~~
10 To qualify for the provisions of this subparagraph,
11 the member must be employed less than one-half (1/2)
12 time compared to other full-time employees in similar
13 positions.

14 3. Effective July 1, 1999, notwithstanding paragraph 2 of this
15 subsection, a retired member who has been retired for thirty-six
16 (36) or more months and who is employed to teach as an active
17 classroom teacher, counselor or librarian in a public school shall
18 be able to receive annualized earnings from the public school not to
19 exceed Twenty-five Thousand Dollars (\$25,000.00).

20 B. For purposes of this section, post-retirement employment of
21 less than one thousand (1,000) hours per year with the Governor, the
22 State Senate, the House of Representatives or the Legislative

1 Service Bureau shall not be considered as post-retirement employment
2 with a public school of Oklahoma.

3 C. The Board of Trustees of the Teachers' Retirement System of
4 Oklahoma shall promulgate such rules as are necessary to implement
5 the provisions of this section.

6 D. A member who has entered into post-retirement employment
7 with a participating employer of the Teachers' Retirement System of
8 Oklahoma must fully comply with all the provisions of the rules
9 promulgated by the Board of Trustees pursuant to this section in
10 order to continue receiving his or her monthly retirement benefit.

11 SECTION 2. This act shall become effective July 1, 2000.

12 SECTION 3. It being immediately necessary for the preservation
13 of the public peace, health and safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

16 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-16-00 - DO
17 PASS, As Amended and Coauthored.