

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 2344

By: Staggs

COMMITTEE SUBSTITUTE

An Act relating to schools; amending 70 O.S. 2001, Section 17-116.10, which relates to post-retirement employment with a school district; establishing post-retirement annual earnings limitation for certain retired members; increasing post-retirement annual earnings limitation for certain retired members; providing for characterization of retired members; requiring schools to make certain contributions for employed retired members; providing for application to certain member, person, or incorporated entity; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2001, 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 of the employment contract or agreement. Employment under any conditions during this time or payment at a later time for services

performed during this time period shall cause the forfeiture of all retirement benefits received during the period;

2. Unless otherwise provided in paragraph 3 of this subsection, earnings from the public schools may not exceed one-half (1/2) of the member's final average salary used in computing retirement benefits, or the Earnings Limitation for employees allowed by the Social Security Administration, whichever is less. For retired members under the age of sixty-two (62) years whether such member represents himself or herself to the Teacher Retirement System or to the public schools to be an individual or an incorporated entity, the limit on allowed earnings from the public schools of Oklahoma shall be the lesser of Fifteen Thousand Dollars (\$15,000.00) or one-half (1/2) of the member's final average salary used in computing retirement benefits unless the earnings limitation allowed by the Social Security Administration would be greater than Fifteen Thousand Dollars (\$15,000.00). For retired members sixty-two (62) years of age or older whether such member represents himself or herself to the Teacher Retirement System or to the public schools to be an individual or an incorporated entity, the limit on allowed earnings from the public schools of Oklahoma shall not exceed Thirty Thousand Dollars (\$30,000.00). For purposes of this paragraph, the following shall apply:

- a. earnings shall mean "regular annual compensation" as defined in subsection 25 of Section 17-101 of this title, and shall include any payment by a public school for services rendered by a retired member who is employed for any purpose whatsoever. Supplemental retirement payments paid by a former public school employer pursuant to subsection 9 of Section 17-105 of this title or other state law shall not be considered as earnings,

- b. the Earnings Limitation for employees allowed by the Social Security Administration to workers between the age of sixty-two (62) years and sixty-five (65) years shall apply to retired members below the age of sixty-two (62) years,
- c. the limit on allowed earnings from the public schools shall be automatically adjusted effective the first day of January of each year to reflect the current Earnings Limitation for employees as determined from time to time by the Social Security Administration,
- d. earnings in excess of the maximum limit on allowed earnings from public schools of Oklahoma shall result in a loss of future retirement benefits for the year the post-retirement employment was performed of One Dollar (\$1.00) for each One Dollar (\$1.00) earned over the maximum allowed earnings amount,
- e. for those members age seventy (70) years and over, the earnings in excess of the maximum limit allowed earnings from public schools of Oklahoma shall be one-half (1/2) the member's final average salary used in computing retirement benefits. However, any retired member receiving benefits from the Retirement System who reached age seventy (70) years prior to July 1, 1991, shall not be restricted by the earnings limits pursuant to this subparagraph until January 1, 1994. To qualify for the provisions of this subparagraph, the member must be employed less than one-half (1/2) time compared to other full-time employees in similar positions.

3. ~~Effective July 1, 1999, notwithstanding~~ Notwithstanding paragraph 2 of this subsection, a retired member whether such member represents himself or herself to the Teacher Retirement System or to

the public schools to be an individual or an incorporated entity,  
who has been retired for thirty-six (36) or more months and who is  
employed ~~to teach~~ in a public school shall be able to receive  
annualized earnings from the public school not to exceed ~~Twenty-five~~  
~~Thousand Dollars (\$25,000.00)~~ Thirty Thousand Dollars (\$30,000.00).

B. A public school which employs a retired member shall be  
required to make contributions to the System for the retired member  
in an amount as required in Section 17-108.1 of this title.

C. For purposes of this section, post-retirement employment of  
less than one thousand (1,000) hours per year with the Governor, the  
State Senate, the House of Representatives or the Legislative  
Service Bureau shall not be considered as post-retirement employment  
with a public school of Oklahoma.

~~C.~~ D. The provisions of this section shall apply to any member,  
person, or incorporated entity that may contract with the public  
schools of Oklahoma.

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

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

SECTION 2. This act shall become effective July 1, 2002.

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

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