

SENATE FLOOR VERSION

February 24, 2020

AS AMENDED

SENATE BILL NO. 1445

By: Stanley of the Senate

and

Nollan of the House

[teacher retirement - postretirement employment]

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 17-116.10,
as last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S.
Supp. 2019, 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 postretirement employment with a public
school of Oklahoma and still receive 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 preretirement public
education employment and any postretirement public education

1 employment. For purposes of this section, the term "last day of
2 preretirement employment" shall mean the last day the employee is
3 required to be physically present on the job to complete the terms
4 of the employment contract or agreement. An employee on paid leave
5 is still considered to be employed for purposes of this section.
6 Employment under any conditions during this time, volunteer services
7 for the purpose of obtaining a paid position at a later date, or
8 payment at a later time for services performed during this time
9 period shall cause the forfeiture of all retirement benefits
10 received during the period;

11 2. Unless otherwise provided in paragraph 3 of this subsection,
12 earnings from the public schools may not exceed one-half (1/2) of
13 the member's final average salary used in computing retirement
14 benefits, or the Earnings Limitation for employees allowed by the
15 Social Security Administration, whichever is less. For retired
16 members under the age of sixty-two (62) years, the limit on allowed
17 earnings from the public schools of Oklahoma for employment for the
18 performance of duties ordinarily performed by classified or
19 nonclassified personnel shall be the lesser of Fifteen Thousand
20 Dollars (\$15,000.00) or one-half (1/2) of the member's final average
21 salary used in computing retirement benefits unless the earnings
22 limitation allowed by the Social Security Administration would be
23 greater than Fifteen Thousand Dollars (\$15,000.00). For retired
24 members sixty-two (62) years of age or older the limit on allowed

1 earnings from the public schools of Oklahoma for the performance of
2 duties ordinarily performed by classified or nonclassified personnel
3 shall be the lesser of Thirty Thousand Dollars (\$30,000.00) or one-
4 half (1/2) of the member's final average salary used in computing
5 retirement benefits. For purposes of this paragraph, the following
6 shall apply:

- 7 a. earnings shall mean "regular annual compensation" as
8 defined in paragraph (25) of Section 17-101 of this
9 title, and shall include any payment by a public
10 school for services rendered by a retired member who
11 is employed for any purpose whatsoever. Supplemental
12 retirement payments paid by a former public school
13 employer pursuant to subsection 9 of Section 17-105 of
14 this title or other state law shall not be considered
15 as earnings,
- 16 b. the Earnings Limitation for employees allowed by the
17 Social Security Administration to workers between the
18 age of sixty-two (62) years and sixty-five (65) years
19 shall apply to retired members below the age of sixty-
20 two (62) years,
- 21 c. the limit on allowed earnings from the public schools
22 shall be automatically adjusted effective the first
23 day of January of each year to reflect the current
24

- 1 Earnings Limitation for employees as determined from
2 time to time by the Social Security Administration,
- 3 d. the earnings limit for the calendar year in which a
4 member retires shall be one-twelfth (1/12) of the
5 annual limit multiplied by the number of months the
6 member is eligible to work and receive payments from
7 the public schools of Oklahoma,
- 8 e. earnings in excess of the maximum limit on allowed
9 earnings from public schools of Oklahoma shall result
10 in a loss of future retirement benefits for the year
11 the postretirement employment was performed of One
12 Dollar (\$1.00) for each One Dollar (\$1.00) earned over
13 the maximum allowed earnings amount,
- 14 f. for those members age seventy (70) years and over, the
15 earnings in excess of the maximum limit allowed
16 earnings from public schools of Oklahoma shall be one-
17 half (1/2) the member's final average salary used in
18 computing retirement benefits. However, any retired
19 member receiving benefits from the Retirement System
20 who reached age seventy (70) years prior to July 1,
21 1991, shall not be restricted by the earnings limits
22 pursuant to this subparagraph until January 1, 1994.
23 To qualify for the provisions of this subparagraph,
24 the member must be employed less than one-half (1/2)

1 time compared to other full-time employees in similar
2 positions;

3 3. Notwithstanding paragraph 2 of this subsection, a retired
4 classified or nonclassified member who has been retired for thirty-
5 six (36) or more months and who is employed by a public school to
6 perform duties ordinarily performed by classified or nonclassified
7 personnel shall be able to receive annualized earnings from the
8 public school with no reduction in retirement benefits regardless of
9 the amount of annualized earnings. For a period of three (3) years
10 beginning July 1, 2017, members who have retired as of July 1, 2017,
11 as active classroom teachers, who have been retired and receiving a
12 benefit for at least one (1) year, and who have not been employed by
13 any public school during that one-year period, shall be eligible to
14 be reemployed as an active classroom teacher in common or career
15 tech school districts, with no limitations on earnings. For a
16 period of three (3) years beginning July 1, 2020, members who have
17 retired as of July 1, 2019, who have been retired and receiving a
18 benefit for at least one (1) year, and who have not been employed by
19 any public school during that one-year period, shall be eligible to
20 be reemployed as an active classroom teacher in common or career
21 tech school districts, with no limitations on earnings. The one-
22 year period starts with the retiree's last day of preretirement
23 public education employment. Members returning under this section
24 shall not be subject to any earning limitations following the end of

1 the three-year period described in this paragraph. Members
2 returning under this section shall only be employed pursuant to a
3 temporary contract; and

4 4. A member shall be considered to be employed by a school
5 district to perform the duties ordinarily performed by classified or
6 nonclassified personnel if the member is hired by the school
7 district in the member's individual capacity to perform the duties
8 or if the member performs the duties through employment with a
9 proprietorship, partnership, corporation, limited liability company
10 or partnership, or any other business structure that has agreed or
11 contracted to provide the services to the school district.

12 B. A public school district that employs a retired member shall
13 be required to make contributions to the System for the retired
14 member in an amount as required in Section 17-108.1 and in paragraph
15 3 of subsection B of Section 17-116.2 of this title.

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

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

1 E. A member who has entered into postretirement employment with
2 a participating employer of the Teachers' Retirement System of
3 Oklahoma must fully comply with all the provisions of the rules
4 promulgated by the Board of Trustees pursuant to this section in
5 order to continue receiving his or her monthly retirement benefit.

6 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND INSURANCE
7 February 24, 2020 - DO PASS AS AMENDED
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