

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 1907

By: Rosecrants

AS INTRODUCED

An Act relating to public retirement systems; amending 70 O.S. 2011, Section 17-101, as last amended by Section 1, Chapter 114, O.S.L. 2014 and 17-116.10, as last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S. Supp. 2020, Sections 17-101 and 17-116.10), which relate to the Teachers' Retirement System of Oklahoma; modifying definitions; modifying provisions related to normal retirement; modifying provisions related to post-retirement earnings limitations; 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. 2011, Section 17-101, as last amended by Section 1, Chapter 114, O.S.L. 2014 (70 O.S. Supp. 2020, Section 17-101), is amended to read as follows:

Section 17-101. The following words and phrases as used in this act, unless a different meaning is clearly required by the context, shall have the following meanings:

(1) "Retirement system" shall mean the Teachers' Retirement System of Oklahoma, as defined in Section 17-102 of this title.

1 (2) "Public school" shall mean a school district, a state
2 college or university, the State Board of Education, the State Board
3 of Career and Technology Education and any other state educational
4 entity conducted within the state supported wholly or partly by
5 public funds and operating under the authority and supervision of a
6 legally constituted board or agency having authority and
7 responsibility for any function of public education. "Public
8 school" shall also mean a tuition free, nonprofit alternative school
9 of choice that provides education, therapeutic counseling and
10 outreach programs which is aligned with a school district and which
11 receives grant funds from governmental sources.

12 (3) "Classified personnel" shall mean any teacher, principal,
13 superintendent, supervisor, administrator, librarian, certified or
14 registered nurse, college professor, or college president whose
15 salary is paid wholly or in part from public funds. An employee of
16 any state department, board, board of regents or board of trustees,
17 who is in a supervisory or an administrative position, the function
18 of which is primarily devoted to public education, shall be
19 considered classified personnel under the meaning of this act, at
20 the discretion of the Board of Trustees of the Teachers' Retirement
21 System. The term "teacher" shall also include instructors and
22 counselors employed by the Department of Corrections and holding
23 valid teaching certificates issued by the State Department of
24 Education. Provided, that a person employed by the Department of

1 Corrections as an instructor or counselor shall have been actively
2 engaged in the teaching profession for a period of not less than
3 three (3) years prior to employment to be eligible to participate in
4 the Oklahoma Teachers' Retirement System. The Department of
5 Corrections shall contribute the employer's share to the Oklahoma
6 Teachers' Retirement System.

7 (4) "Nonclassified optional personnel" shall include cooks,
8 janitors, maintenance personnel not in a supervisory capacity, bus
9 drivers, noncertified or nonregistered nurses, noncertified
10 librarians, and clerical employees of the public schools, state
11 colleges, universities or any state department, board, board of
12 regents or board of trustees, the functions of which are primarily
13 devoted to public education and whose salaries are paid wholly or in
14 part from public funds.

15 (5) "Employer" shall mean the state and any of its designated
16 agents or agencies with responsibility and authority for public
17 education, such as boards of education of elementary and independent
18 school districts, boards of regents, boards of control or any other
19 agency of and within the state by which a person may be employed for
20 service in public education. "Employer" shall also mean the board
21 of directors of a tuition free, nonprofit alternative school of
22 choice that provides education, therapeutic counseling and outreach
23 programs which is aligned with a school district and which receives
24 grant funds from governmental sources.

1 (6) "Member" shall mean any teacher or other employee included
2 in the membership of the system as provided in Section 17-103 of
3 this title.

4 (7) "Board of Trustees" shall mean the board provided for in
5 Section 17-106 of this title to administer the retirement system.

6 (8) "Service" shall mean service as a classified or
7 nonclassified optional employee in the public school system, or any
8 other service devoted primarily to public education in the state.

9 (9) "Prior service" shall mean service rendered prior to July
10 1, 1943.

11 (10) "Membership service" shall mean service as a member of the
12 classified or nonclassified personnel as defined in paragraphs (3)
13 and (4) of this section.

14 (11) "Creditable service" shall mean membership service plus
15 any prior service authorized under this title.

16 (12) "Annuitant" shall mean any person in receipt of a
17 retirement allowance as provided in this title.

18 (13) "Accumulated contributions" shall mean the sum of all
19 amounts deducted from the compensation of a member and credited to
20 his individual account in the Teacher Savings Fund, together with
21 interest as of June 30, 1968.

22 (14) "Earnable compensation" shall mean the full rate of the
23 compensation that would be payable to a member if he worked the full
24 normal working time.

1 (15) "Average salary":

- 2 (a) for those members who joined the System prior to July
3 1, 1992, shall mean the average of the salaries for
4 the three (3) years on which the highest contributions
5 to the Teachers' Retirement System was paid not to
6 exceed the maximum contribution level specified in
7 Section 17-116.2 of this title or the maximum
8 compensation level specified in subsection (28) of
9 this section. Provided, no member shall retire with
10 an average salary in excess of Twenty-five Thousand
11 Dollars (\$25,000.00) unless the member has made the
12 required election and paid the required contributions
13 on such salary in excess of Twenty-five Thousand
14 Dollars (\$25,000.00), or unless an eligible member
15 fulfills the requirements of Section 17-116.2C of this
16 title in order to have pre-cap removal service
17 included in the retirement benefit computation of the
18 member using the regular annual compensation of the
19 member for any pre-cap removal year of service so
20 included subject to the maximum average salary amount,
21 and
- 22 (b) for those members who join the System after June 30,
23 1992, shall mean the average of the salaries for five
24 (5) consecutive years on which the highest

1 contribution to the Teachers' Retirement System was
2 paid. Only salary on which required contributions
3 have been made may be used in computing average
4 salary.

5 (16) "Annuity" shall mean payments for life derived from the
6 "accumulated contributions" of a member. All annuities shall be
7 payable in equal monthly installments.

8 (17) "Pension" shall mean payments for life derived from money
9 provided by the employer. All pensions shall be payable in equal
10 monthly installments.

11 (18) "Monthly retirement allowance" is one-twelfth (1/12) of
12 the annual retirement allowance which shall be payable monthly.

13 (19) "Retirement Benefit Fund" shall mean the fund from which
14 all retirement benefits shall be paid based on such mortality tables
15 as shall be adopted by the Board of Trustees.

16 (20) "Actuary" shall mean a person especially skilled through
17 training and experience in financial calculation respecting the
18 expectancy and duration of life.

19 (21) "Actuarial equivalent" shall mean a benefit of equal value
20 when computed upon the basis of such mortality and other tables as
21 shall be adopted by the Board of Trustees.

22 (22) The masculine pronoun, whenever used, shall include the
23 feminine.

1 (23) "Actuarially determined cost" shall mean the single sum
2 which is actuarially equivalent in value to a specified pension
3 amount as determined on the basis of mortality and interest
4 assumptions adopted by the Board of Trustees.

5 (24) "Normal retirement age" means the earliest date upon
6 which:

- 7 (a) a member reaches the age sixty-two (62) ~~with respect~~
8 ~~to a member whose first creditable service occurs~~
9 ~~prior to November 1, 2011,~~ unless the member reaches a
10 normal retirement date pursuant to subparagraph ~~(c) or~~
11 ~~subparagraph (d)~~ (b) of this paragraph, or
- 12 (b) ~~a member reaches the age of sixty-five (65) with~~
13 ~~respect to a member whose first creditable service~~
14 ~~occurs on or after November 1, 2011, or with respect~~
15 ~~to a member whose first creditable service occurs on~~
16 ~~or after November 1, 2011, reaches a normal retirement~~
17 ~~date pursuant to subparagraph (d) of this paragraph~~
18 ~~having attained a minimum age of sixty (60) years, or~~
- 19 ~~(c)~~ the age at which the sum of a member's age and number
20 of years of creditable service total eighty (80), with
21 respect to a member whose first creditable service
22 ~~occurred prior to July 1, 1992~~ occurs on or after July
23 1, 2021, and who does not reach a normal retirement
24 age pursuant to subparagraph (a) of this paragraph, ~~or~~

1 ~~(d) the age at which the sum of a member's age and number~~
2 ~~of years of creditable service total ninety (90), with~~
3 ~~respect to a member whose first creditable service~~
4 ~~occurred on or after July 1, 1992, but prior to~~
5 ~~November 1, 2011, if the member does not reach a~~
6 ~~normal retirement age pursuant to subparagraph (a) of~~
7 ~~this paragraph.~~

8 (25) "Regular annual compensation" means salary plus fringe
9 benefits, excluding the flexible benefit allowance pursuant to
10 Section 26-105 of this title and for purposes pursuant to Section
11 17-101 et seq. of this title. For purposes of this definition,
12 regular annual compensation shall include:

13 (a) salary which accrues on a regular basis in proportion
14 to the service performed, including payments for staff
15 development,

16 (b) amounts that would otherwise qualify as salary under
17 paragraph (a) of this subsection but are not received
18 directly by the member pursuant to a good faith,
19 voluntary written salary reduction agreement in order
20 to finance payments to a deferred compensation or tax-
21 sheltered annuity program or to finance benefit
22 options under a cafeteria plan qualifying under the
23 United States Internal Revenue Code, 26 U.S.C.,
24 Section 101 et seq.,

1 (c) group health and disability insurance, group term life
2 insurance, annuities and pension plans, provided on a
3 periodic basis to all qualified employees of the
4 employer, which qualify as fringe benefits under the
5 United States Internal Revenue Code, and

6 (d) excluded from regular annual compensation are:

- 7 1. expense reimbursement payments,
- 8 2. office, vehicle, housing or other maintenance
9 allowances,
- 10 3. the flexible benefit allowance provided pursuant
11 to Section 26-105 of this title,
- 12 4. payment for unused vacation and sick leave,
- 13 5. any payment made for reason of termination or
14 retirement not specifically provided for in
15 subparagraphs (a) through (c) of this subsection,
- 16 6. maintenance or other nonmonetary compensation,
- 17 7. payment received as an independent contractor or
18 consultant, pursuant to a lawful contract which
19 complies with the requirements of subsection B of
20 Section 6-101.2 of this title,
- 21 8. any benefit payments not made pursuant to a valid
22 employment agreement,
- 23 9. compensation for clinical related activity
24 performed in the University of Oklahoma Health

1 Sciences Center (OUHSC) Professional Practice
2 Plan or Oklahoma State University Center for
3 Health Sciences (OSU-CHS) Professional Practice
4 Plan,

5 10. any other compensation not described in
6 subparagraphs (a) through (c) of this subsection.

7 (26) "Teacher" means classified personnel and nonclassified
8 optional personnel.

9 (27) "Active classroom teacher" means a person employed by a
10 school district to teach students specifically identified classes
11 for specifically identified subjects during the course of a
12 semester, and who holds a valid certificate or license issued by and
13 in accordance with the rules and regulations of the State Board of
14 Education.

15 (28) "Maximum compensation level" shall, except as otherwise
16 authorized pursuant to the provisions of Section 17-116.2C of this
17 title, mean:

18 (a) Twenty-five Thousand Dollars (\$25,000.00) for
19 creditable service authorized and performed prior to
20 July 1, 1995, for members not electing a higher
21 maximum compensation level,

22 (b) Forty Thousand Dollars (\$40,000.00) for creditable
23 service authorized and performed prior to July 1,
24 1995, for members electing a maximum compensation

1 level in excess of Twenty-five Thousand Dollars
2 (\$25,000.00),

3 (c) Twenty-seven Thousand Five Hundred Dollars

4 (\$27,500.00) for members who, as of June 30, 1995, had
5 elected to have a maximum compensation level not in
6 excess of Twenty-five Thousand Dollars (\$25,000.00),
7 and who were employed by an entity or institution
8 within The Oklahoma State System of Higher Education
9 for creditable service authorized and performed on or
10 after July 1, 1995, but not later than June 30, 1996,
11 if such member does not elect a higher maximum
12 compensation level for this period as authorized by
13 Section 17-116.2A of this title,

14 (d) Thirty-two Thousand Five Hundred Dollars (\$32,500.00)

15 for members employed by a comprehensive university if
16 the member meets the requirements imposed by Section
17 17-116.2A of this title and the member elects to
18 impose a higher maximum compensation level for service
19 performed on or after July 1, 1995, but not later than
20 June 30, 1996,

21 (e) Forty-four Thousand Dollars (\$44,000.00) for members

22 who, as of June 30, 1995, had elected to have a
23 maximum compensation level in excess of Twenty-five
24 Thousand Dollars (\$25,000.00), and who were employed

1 by an entity or institution within The Oklahoma State
2 System of Higher Education for creditable service
3 authorized and performed on or after July 1, 1995, but
4 not later than June 30, 1996, if such member does not
5 elect a higher maximum compensation level for this
6 period as authorized by Section 17-116.2A of this
7 title,

8 (f) Forty-nine Thousand Dollars (\$49,000.00) for members
9 employed by a comprehensive university if the member
10 meets the requirements imposed by Section 17-116.2A of
11 this title and the member elects to impose a higher
12 maximum compensation level for service performed on or
13 after July 1, 1995, but not later than June 30, 1996,

14 (g) the following amounts for creditable service
15 authorized and performed by members employed by a
16 comprehensive university, based upon the election of
17 the member in effect as of June 30, 1995:

18 1. for members who elected a maximum compensation
19 level not in excess of Twenty-five Thousand
20 Dollars (\$25,000.00):

21 (i) Thirty-two Thousand Five Hundred Dollars
22 (\$32,500.00) for service authorized and
23 performed on or after July 1, 1996, but not
24 later than June 30, 1997,

1 (ii) Thirty-seven Thousand Five Hundred Dollars
2 (\$37,500.00) for service authorized and
3 performed on or after July 1, 1997, but not
4 later than June 30, 1998,

5 (iii) Forty-two Thousand Five Hundred Dollars
6 (\$42,500.00) for service authorized and
7 performed on or after July 1, 1998, but not
8 later than June 30, 2000,

9 (iv) Forty-seven Thousand Five Hundred Dollars
10 (\$47,500.00) for service authorized and
11 performed on or after July 1, 2000, but not
12 later than June 30, 2001,

13 (v) Fifty-two Thousand Five Hundred Dollars
14 (\$52,500.00) for service authorized and
15 performed on or after July 1, 2001, but not
16 later than June 30, 2002,

17 (vi) Fifty-seven Thousand Five Hundred Dollars
18 (\$57,500.00) for service authorized and
19 performed on or after July 1, 2002, but not
20 later than June 30, 2003,

21 (vii) Sixty-two Thousand Five Hundred Dollars
22 (\$62,500.00) for service authorized and
23 performed on or after July 1, 2003, but not
24 later than June 30, 2004,

- 1 (viii) Sixty-seven Thousand Five Hundred Dollars
2 (\$67,500.00) for service authorized and
3 performed on or after July 1, 2004, but not
4 later than June 30, 2005,
- 5 (ix) Seventy-two Thousand Five Hundred Dollars
6 (\$72,500.00) for service authorized and
7 performed on or after July 1, 2005, but not
8 later than June 30, 2006,
- 9 (x) Seventy-seven Thousand Five Hundred Dollars
10 (\$77,500.00) for service authorized and
11 performed on or after July 1, 2006, but not
12 later than June 30, 2007,
- 13 (xi) the full amount of regular annual
14 compensation for service authorized and
15 performed on or after July 1, 2007, and
- 16 2. for members who elected a maximum compensation
17 level in excess of Twenty-five Thousand Dollars
18 (\$25,000.00):
- 19 (i) Forty-nine Thousand Dollars (\$49,000.00) for
20 service authorized and performed on or after
21 July 1, 1996, but not later than June 30,
22 1997,
- 23 (ii) Fifty-four Thousand Dollars (\$54,000.00) for
24 service authorized and performed on or after

1 July 1, 1997, but not later than June 30,
2 1998,

3 (iii) Fifty-nine Thousand Dollars (\$59,000.00) for
4 service authorized and performed on or after
5 July 1, 1998, but not later than June 30,
6 2000,

7 (iv) Sixty-four Thousand Dollars (\$64,000.00) for
8 service authorized and performed on or after
9 July 1, 2000, but not later than June 30,
10 2001,

11 (v) Sixty-nine Thousand Dollars (\$69,000.00) for
12 service authorized and performed on or after
13 July 1, 2001, but not later than June 30,
14 2002,

15 (vi) Seventy-four Thousand Dollars (\$74,000.00)
16 for service authorized and performed on or
17 after July 1, 2002, but not later than June
18 30, 2003,

19 (vii) Seventy-nine Thousand Dollars (\$79,000.00)
20 for service authorized and performed on or
21 after July 1, 2003, but not later than June
22 30, 2004,

23 (viii) Eighty-four Thousand Dollars (\$84,000.00)
24 for service authorized and performed on or

1 after July 1, 2004, but not later than June
2 30, 2005,

3 (ix) Eighty-nine Thousand Dollars (\$89,000.00)
4 for service authorized and performed on or
5 after July 1, 2005, but not later than June
6 30, 2006,

7 (x) Ninety-four Thousand Dollars (\$94,000.00)
8 for service authorized and performed on or
9 after July 1, 2006, but not later than June
10 30, 2007,

11 (xi) the full amount of regular annual
12 compensation for service authorized and
13 performed on or after July 1, 2007,

14 (h) the full amount of regular annual compensation of:

- 15 1. a member of the retirement system not employed by
16 an entity or institution within The Oklahoma
17 State System of Higher Education for all
18 creditable service authorized and performed on or
19 after July 1, 1995,
- 20 2. a member of the retirement system first employed
21 on or after July 1, 1995, by an entity or
22 institution within The Oklahoma State System of
23 Higher Education for all creditable service
24

1 authorized and performed on or after July 1,
2 1995, but not later than June 30, 1996,

3 3. a member of the retirement system employed by an
4 entity or institution within The Oklahoma State
5 System of Higher Education, other than a
6 comprehensive university, if the member elects to
7 impose a higher maximum compensation level for
8 service performed on or after July 1, 1995, but
9 not later than June 30, 1996, pursuant to
10 subsection B of Section 17-116.2A of this title,

11 4. a member of the retirement system who is first
12 employed on or after July 1, 1996, by any entity
13 or institution within The Oklahoma State System
14 of Higher Education, including a comprehensive
15 university, for creditable service authorized and
16 performed on or after July 1, 1996,

17 5. a member of the retirement system who, as of July
18 1, 1996, is subject to a maximum compensation
19 level pursuant to paragraph (g) of this
20 subsection if the member terminates service with
21 a comprehensive university and is subsequently
22 reemployed by a comprehensive university,
23
24

1 6. a member of the retirement system employed by a
2 comprehensive university for all service
3 performed on and after July 1, 2007, or

4 7. an eligible member of the retirement system who
5 fulfills the requirements of Section 2 of this
6 act with respect to pre-cap removal service
7 included in the retirement benefit computation of
8 the member at the average salary of the member
9 subject to the maximum average salary amount.

10 (29) "Comprehensive university" shall mean:

11 (a) the University of Oklahoma and all of its constituent
12 agencies, including the University of Oklahoma Health
13 Sciences Center, the University of Oklahoma Law Center
14 and the Geological Survey, and

15 (b) Oklahoma State University and all of its constituent
16 agencies, including the Oklahoma State University
17 Agricultural Experiment Station, the Oklahoma State
18 University Agricultural Extension Division, the
19 Oklahoma State University College of Veterinary
20 Medicine, the Oklahoma State University Center for
21 Health Sciences, the Technical Branch at Oklahoma
22 City, the Oklahoma State University Institute of
23 Technology-Okmulgee and Oklahoma State University-
24 Tulsa.

1 (30) "Retirement contract" means the document prepared by the
2 Teachers' Retirement System upon member request, which incorporates
3 member's selected retirement option, and which must be executed and
4 submitted to the Teachers' Retirement System no less than thirty
5 (30) days prior to the projected retirement date.

6 SECTION 2. AMENDATORY 70 O.S. 2011, Section 17-105, as
7 last amended by Section 1, Chapter 268, O.S.L. 2019 (70 O.S. Supp.
8 2020, Section 17-105), is amended to read as follows:

9 Section 17-105. (1) (a) Any member who has attained age
10 fifty-five (55) or who has completed thirty (30) years of creditable
11 service, as defined in Section 17-101 of this title, or for any
12 ~~person who initially became a member prior to July 1, 1992,~~
13 ~~regardless of whether there were breaks in service after July 1,~~
14 ~~1992~~ whose first service with an employer within the System occurs
15 on or after July 1, 2021, whose age and number of years of
16 creditable service total eighty (80) may be retired upon proper
17 application for retirement on forms established by the System and
18 executing a retirement contract. Such a retirement date will also
19 apply to any person who became a member of the sending system as
20 defined in this act, prior to July 1, 1992, regardless of whether
21 there were breaks in service after July 1, 1992. ~~Any person who~~
22 ~~became a member after June 30, 1992, but prior to November 1, 2011,~~
23 ~~whose age and number of years of creditable service total ninety~~
24 ~~(90) may be retired upon proper application for retirement and~~

1 ~~executing a retirement contract. Any person who becomes a member on~~
2 ~~or after November 1, 2011, who attains the age of sixty-five (65)~~
3 ~~years or who reaches a normal retirement date pursuant to~~
4 ~~subparagraph (d) of paragraph (24) of Section 17-101 of this title~~
5 ~~having attained a minimum age of sixty (60) years may be retired~~
6 ~~upon proper application for retirement and executing a retirement~~
7 ~~contract.~~ The application shall be filed on the form provided by
8 the Board of Trustees for this purpose, not less than sixty (60)
9 days before the date of retirement, provided that the Executive
10 Director may waive the sixty-day deadline for good cause shown as
11 defined by the Board.

12 1. The employer shall provide the System with the
13 following information for a retiring member, no later
14 than the fifteenth day of the month of retirement:
15 last day physically on the job; last day on payroll;
16 any regular compensation not already reported to the
17 System; and final unused sick leave balance.

18 2. Failure to submit this information by the deadline, or
19 errors in submitted information that result in a
20 disqualification of retirement eligibility shall be
21 the responsibility of the employer. In cases where
22 the error results in disqualification of retirement
23 eligibility, it is the employer's responsibility to
24 reemploy the member, or retain the member on the

1 payroll, for the time period required to reach
2 eligibility, not exceeding two (2) months.

3 (b) An individual who becomes a member of the Teachers'
4 Retirement System on or after November 1, 2017, shall be employed by
5 the public schools, state colleges or universities of Oklahoma for a
6 minimum of seven (7) years and be a contributing member of the
7 Teachers' Retirement System of Oklahoma for a minimum of seven (7)
8 years to qualify for monthly retirement benefits from the Teachers'
9 Retirement System of Oklahoma.

10 (c) Any member with seven (7) or more years of Oklahoma
11 teaching service and whose accumulated contributions during such
12 period have not been withdrawn shall be given an indefinite
13 extension of membership beginning with the sixth year following his
14 or her last contributing membership and shall become eligible to
15 apply for retirement and be retired upon attaining age fifty-five
16 (55).

17 (2) An unclassified optional member who has retired or who
18 retires at sixty-two (62) years of age or older or whose retirement
19 is because of disability shall have his or her minimum retirement
20 benefits calculated on an average salary of Five Thousand Three
21 Hundred Fifty Dollars (\$5,350.00) or, if a larger monthly allowance
22 would result, an amount arrived at pursuant to application of the
23 formula prescribed herein.

1 (3) No member shall receive a lesser retirement benefit than he
2 or she would have received under the law in effect at the time he or
3 she retired. Any individual under the Teachers' Retirement System,
4 who through error in stating the title of the position which he or
5 she held, may, at the discretion of the Board of Trustees, be
6 changed from the nonclassified optional group to the classified
7 group for the purpose of calculating retirement benefits.

8 Any individual regardless of residence, who has a minimum of ten
9 (10) years of teaching in Oklahoma schools prior to July 1, 1943, or
10 who taught in Oklahoma schools prior to 1934 and thereafter taught a
11 minimum of ten (10) years and who does not qualify under the present
12 retirement System, or who has a minimum of thirty (30) years of
13 teaching in Oklahoma schools and has reached seventy (70) years of
14 age prior to July 1, 1984, and is not otherwise eligible to receive
15 any benefits from the retirement system shall receive a minimum of
16 One Hundred Fifty Dollars (\$150.00) per month in retirement benefits
17 from the Teachers' Retirement System of Oklahoma plus any general
18 increase in benefits for annuitants as may be provided hereafter by
19 the Legislature. Each individual must apply to the Teachers'
20 Retirement System for such benefit and provide evidence to the
21 Teachers' Retirement System that the service was actually rendered.
22 The surviving spouse of any person who made application for the
23 benefit provided for by this paragraph during his or her lifetime
24 but did not receive the benefit may submit an application to the

1 System for payment of the benefit for those months during the
2 lifetime of the deceased person that he or she was eligible for but
3 did not receive the benefit. Upon approval of the application by
4 the Board of Trustees, the benefit shall be paid to the surviving
5 spouse in one lump sum.

6 (4) The value of each year of prior service is the total
7 monthly retirement benefit divided by the number of years of
8 creditable service.

9 (5) Upon application of a member who is actively engaged in
10 teaching in Oklahoma or his or her employer, any member who has been
11 a contributing member for ten (10) years may be retired by the
12 System subsequent to the execution and filing thereof, on a
13 disability retirement allowance, provided that it is found by the
14 Medical Board after medical examination of such member by a duly
15 qualified physician that such member is mentally or physically
16 incapacitated for further performance of duty, that such incapacity
17 is likely to be permanent, and that such member should be retired.
18 The System shall rely on and give full consideration to the
19 conclusions and recommendations in the certified written report of
20 the Medical Board of the Teachers' Retirement System regarding the
21 disability application of such member. If the Medical Board does
22 not find that a member applying for disability retirement is
23 mentally or physically incapacitated for performance of duty or
24 otherwise eligible for a disability retirement, the application

1 shall then be considered by the Board of Trustees. If a member is
2 determined to be eligible for disability benefits pursuant to the
3 Social Security System, then such determination shall entitle the
4 member to the authorized disability retirement allowance provided by
5 law. For members who are not eligible for disability benefits
6 pursuant to the Social Security System, the Board of Trustees and
7 the Medical Board shall apply the same standard for which provision
8 is made in the first two sentences of this subsection for
9 determining the eligibility of a person for such disability benefits
10 in making a determination of eligibility for disability benefits as
11 authorized by this subsection.

12 (6) (a) A member who at the time of retirement has been found
13 to be permanently physically or mentally incapacitated to perform
14 the necessary duties to continue in his or her current position
15 shall receive a minimum monthly retirement payment for life or until
16 such time as the member may be found to be recovered to the point
17 where he or she may return to teaching. Any member retired before
18 July 1, 1992, shall be eligible to receive the monthly retirement
19 allowance herein provided, but such payment shall not begin until
20 the first payment due him or her after July 1, 1992, and shall not
21 be retroactive. The Board of Trustees is empowered to make such
22 rules and regulations as it considers proper to preserve equity in
23 retirements under this provision, which shall include a provision to
24 protect the rights of the member's spouse.

1 (b) A member who has qualified for retirement benefits under
2 disability retirement shall have the total monthly payment deducted
3 from his or her accumulated contributions plus interest earned and
4 any money remaining in the member's account after the above
5 deductions at the death of the member shall be paid in a lump sum to
6 the beneficiary or to the estate of the member. Provided, if the
7 deceased disabled member had thirty (30) years or more of creditable
8 service and the death occurred after June 30, 1981, and death
9 occurred prior to the disabled member receiving twelve monthly
10 retirement payments, a surviving spouse may elect to receive the
11 retirement benefit to which the deceased member would have been
12 entitled at the time of death under the Option 2 Plan of Retirement
13 provided for in subsection (8) of this section in lieu of the death
14 benefit provided for in this subsection and in subsection (12) of
15 this section.

16 (c) Once each year the System may require any disabled
17 annuitant who has not yet attained the age of sixty (60) years to
18 undergo a medical examination, such examination to be made at the
19 place of residence for the disabled annuitant or other place
20 mutually agreed upon by a physician or physicians designated by the
21 System. Should any disabled annuitant who has not yet attained the
22 age of sixty (60) years refuse to submit to at least one medical
23 examination in any such year by a physician or physicians designated
24

1 by the System his or her allowance may be discontinued until he or
2 she submits to such examination.

3 (d) Should the Medical Board report and certify to the Board of
4 Trustees that such disabled annuitant is engaged in or is able to
5 engage in a gainful occupation paying more than the difference
6 between his or her retirement allowance and the average final
7 compensation, and should the Board of Trustees concur in such report
8 then the amount of his or her pension shall be reduced to an amount
9 which, together with his or her retirement allowance and that amount
10 earnable by him or her, shall equal the amount of his or her average
11 final compensation. Should his or her earning capacity be later
12 increased, the amount of his or her pension may be further modified,
13 provided the new pension shall not exceed that amount of the pension
14 originally granted nor an amount, which when added to the amount
15 earnable by the member, together with his or her annuity, equals the
16 amount of his or her average final compensation.

17 (e) Should a disabled annuitant be restored to active service,
18 his or her disability retirement allowance shall cease and he or she
19 shall again become a member of the Teachers' Retirement System and
20 shall make regular contributions as required under this article.
21 The unused portion of his or her accumulated contributions shall be
22 reestablished to his or her credit in the Teachers' Savings Fund.
23 Any such prior service certificates on the basis of which his or her
24

1 service was computed at the time of his or her retirement shall be
2 restored to full force and effect.

3 (7) Should a member before retirement under Section 1-101 et
4 seq. of this title make application for withdrawal duly filed with
5 the System, not earlier than four (4) months after the date of
6 termination of such service as a teacher, the contribution standing
7 to the credit of his or her individual account in the Teachers'
8 Savings Fund shall be paid to him or her or, in the event of his or
9 her death before retirement, shall be paid to such person or persons
10 as he or she shall have nominated by written designation, duly
11 executed and filed with the System; provided, however, if there be
12 no designated beneficiary surviving upon such death, such
13 contributions shall be paid to his or her administrators, executors,
14 or assigns, together with interest as hereinafter provided. In lieu
15 of a lump-sum settlement at the death of the member, the amount of
16 money the member has on deposit in the Teachers' Savings Fund and
17 the money the member has on deposit in the Teachers' Deposit Fund
18 may be paid in monthly payments to a designated beneficiary, who
19 must be the spouse, under the Maximum or Option 1 Plan of Retirement
20 providing the monthly payment shall be not less than Twenty-five
21 Dollars (\$25.00) per month. The monthly payment shall be the
22 actuarial equivalent of the amount becoming due at the member's
23 death based on the sex of the spouse and the age the spouse has
24 attained at the last birthday prior to the member's death. Provided

1 further, if there be no designated beneficiary surviving upon such
2 death, and the contributions standing to the credit of such member
3 do not exceed Two Hundred Dollars (\$200.00), no part of such
4 contributions shall be subject to the payment of any expense of the
5 last illness or funeral of the deceased member or any expense of
6 administration of the estate of such deceased and the System, upon
7 satisfactory proof of the death of such member and of the name or
8 names of the person or persons who would be entitled to receive such
9 contributions under the laws of descent and distribution of the
10 state, may authorize the payment of accumulated contributions to
11 such person or persons. A member terminating his or her membership
12 by withdrawal after June 30, 2003, shall have the interest computed
13 at a rate of interest determined by the Board of Trustees and paid
14 to him or her subject to the following schedule:

15 (a) If termination occurs within sixteen (16) years from the
16 date membership began, fifty percent (50%) of such interest
17 accumulations shall be paid.

18 (b) With at least sixteen (16) but less than twenty-one (21)
19 years of membership, sixty percent (60%) of such interest
20 accumulations shall be paid.

21 (c) With at least twenty-one (21) but less than twenty-six (26)
22 years of membership, seventy-five percent (75%) of such interest
23 accumulations shall be paid.

24

1 (d) With at least twenty-six (26) years of membership, ninety
2 percent (90%) of such interest accumulations shall be paid.

3 In case of death of an active member, the interest shall be
4 calculated and restored to the member's account and paid to his or
5 her beneficiary.

6 (8) (a) In lieu of his or her retirement allowance payable
7 throughout life for such an amount as determined under this section,
8 the member may select a retirement allowance for a reduced amount
9 payable under any of the following options the present value of
10 which is the actuarial equivalent thereof.

11 (b) A member may select the option under which he or she
12 desires to retire at the end of the school year in which he or she
13 attains age seventy (70) and the option shall be binding and cannot
14 be changed. Provided further that if a member retires before age
15 seventy (70), no election of an option shall be effective in case an
16 annuitant dies before the first payment due under such option has
17 been received.

18 (c) The first payment of any benefit selected shall be made on
19 the first day of the month following approval of the retirement by
20 the System. If the named designated joint annuitant under Option 2
21 or 3 dies at any time after the member's retirement date, but before
22 the death of the member, the member shall return to the retirement
23 benefit, including any post retirement benefit increases the member
24 would have received had the member not selected Option 2 or 3 of

1 this subsection. The benefit shall be determined at the date of
2 death of the designated joint annuitant. This increase shall become
3 effective the first day of the month following the date of death of
4 the designated joint annuitant, and shall be payable for the
5 member's remaining lifetime. The member shall notify the Teachers'
6 Retirement System of Oklahoma of the death of the designated joint
7 annuitant in writing. In the absence of the written notice being
8 filed by the member notifying the Teachers' Retirement System of
9 Oklahoma of the death of the designated joint annuitant within six
10 (6) months of the date of death, nothing in this subsection shall
11 require the Teachers' Retirement System of Oklahoma to pay more than
12 six (6) months of retrospective benefits increase.

13 Option 1. If he or she dies before he or she has received in
14 annuity payments the present value of his or her annuity as it was
15 at the time of his or her retirement, the balance shall be paid to
16 his or her legal representatives or to such person as he or she
17 shall nominate by written designation duly acknowledged and filed
18 with the System at the time of his or her retirement; or

19 Option 2. A member takes a reduced retirement allowance for
20 life. Upon the death of the member the payments shall continue to
21 the member's designated joint annuitant for the life of the joint
22 annuitant. The written designation of the joint annuitant must be
23 duly acknowledged and filed with the System at the time of the
24 member's retirement and, except as provided in paragraph (e) of this

1 subsection, cannot be changed after the effective date of the
2 member's retirement; or

3 Option 3. A member receives a reduced retirement allowance for
4 life. Upon the death of the member one-half (1/2) of the retirement
5 allowance paid the member shall be continued throughout the life of
6 the designated joint annuitant. A written designation of a joint
7 annuitant must be duly acknowledged and filed with the System at the
8 time of the member's retirement and, except as provided in paragraph
9 (e) of this subsection, cannot be changed after the effective date
10 of the member's retirement; or

11 Option 4. Some other benefit or benefits shall be paid either
12 to the member or to such joint annuitant as he or she shall
13 nominate, provided such other benefit or benefits, together with the
14 reduced retirement allowance, shall be certified by the actuary to
15 be of equivalent actuarial value to his or her retirement allowance
16 and shall be approved by the System.

17 (d) Provided that Option 2 and Option 3 shall not be available
18 if the member's expected benefit is less than fifty percent (50%) of
19 the lump-sum actuarial equivalent and the designated joint annuitant
20 is not the spouse of the member.

21 (e) A member who chose the maximum retirement benefit plan at
22 the time of retirement may make a one-time election to choose either
23 Option 2 or 3 and name the member's spouse as designated joint
24 annuitant if the member marries after making the initial election.

1 Such an election shall be made within one (1) year of the date of
2 marriage. The member shall provide proof of a member's good health
3 before the System will permit a change to either Option 2 or 3 and
4 the naming of a designated joint annuitant. A medical examination
5 conducted by a licensed physician is required for purposes of
6 determining good health. Such examination must be approved by the
7 Medical Board. The member shall be required to provide proof of age
8 for the new joint annuitant. The System shall adjust the monthly
9 benefit to the actuarially equivalent amount based on the new
10 designated joint annuitant's age. The Board of Trustees shall
11 promulgate rules to implement the provisions of this subsection.

12 (f) A member who retires after the effective date of this act
13 and has selected a retirement allowance for a reduced amount payable
14 under one of the options provided for in this subsection may make a
15 one-time irrevocable election to select a different option within
16 sixty (60) days of the member's retirement date. The beneficiary or
17 joint annuitant designated by the member at the time of retirement
18 shall not be changed if the member makes the election provided for
19 in this paragraph.

20 (g) Any individual who is eligible to be a beneficiary or joint
21 annuitant of a member under this subsection, and who is also a
22 beneficiary of a trust created under the Oklahoma Discretionary and
23 Special Needs Trust Act, Section 175.81 et seq. of Title 60 of the
24 Oklahoma Statutes, or a comparable Trust Act created under the laws

1 of another state, hereinafter collectively referred to as "Trust
2 Acts", may be a beneficiary or joint annuitant under this subsection
3 by having the trustee of the trust established for the benefit of
4 that individual named as the legal beneficiary or joint annuitant
5 under this subsection. The age of that beneficiary shall be used
6 for calculating any benefit payable to the trust under this
7 subsection. The beneficiary of such a trust shall be treated as the
8 beneficiary or joint annuitant under this subsection except that
9 payments of any benefits due under this subsection shall be payable
10 to the lawfully appointed trustee of the trust. The obligation of
11 the System to pay the beneficiary or joint annuitant under this
12 subsection shall be satisfied by payment to the trustee whom the
13 System, in good faith, believes to be the lawfully appointed
14 trustee. Any conflict between the statutes creating and governing
15 the Teachers' Retirement System in Section 17-101 et seq. of this
16 title and the provisions of any Trust Act referred to above shall be
17 resolved in favor of the statutes governing the System. If an
18 eligible beneficiary or joint annuitant is named at the time of
19 retirement, and becomes a beneficiary of a trust under one of the
20 Trust Acts described herein after that time, the System will
21 acknowledge the trust as the beneficiary upon the submission of
22 adequate documentation of the existence of the trust. All other
23 provisions of this subsection shall apply to these subsequently
24 created trusts.

1 (h) The Board of Trustees of the System may recognize other
2 trusts set up for the benefit of individuals otherwise eligible to
3 be named as a beneficiary or joint annuitant under this subsection
4 by administrative rule if it can be done without undue additional
5 administrative expense of the System.

6 (9) The governing board of any "public school", as that term is
7 defined in Section 17-101 of this title, is hereby authorized and
8 empowered to pay additional retirement allowances or compensation to
9 any person who was in the employ of such public school for not less
10 than seven (7) school years preceding the date of his or her
11 retirement. Payments so made shall be a proper charge against the
12 current appropriation or appropriations of any such public school
13 for salaries for the fiscal year in which such payments are made.
14 Such payments shall be made in regular monthly installments in such
15 amounts as the governing board of any such public school, in its
16 judgment, shall determine to be reasonable and appropriate in view
17 of the length and type of service rendered by any such person to
18 such public school by which such person was employed at the time of
19 retirement. All such additional payments shall be uniform, based
20 upon the length of service and the type of services performed, to
21 persons formerly employed by such public school who have retired or
22 been retired in accordance with the provisions of Section 17-101 et
23 seq. of this title.

1 The governing board of any such public school may adopt rules
2 and regulations of general application outlining the terms and
3 conditions under which such additional retirement benefits shall be
4 paid, and all decisions of such board shall be final.

5 (10) In addition to the teachers' retirement herein provided,
6 teachers may voluntarily avail themselves of the Federal Social
7 Security Program upon a district basis.

8 (11) Upon the death of an in-service member, the System shall
9 pay to the designated beneficiary of the member or, if there is no
10 designated beneficiary or if the designated beneficiary predeceases
11 the member, to the estate of the member, the sum of Eighteen
12 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the
13 deceased member had ten (10) years or more of creditable service,
14 the member's designated beneficiary may elect to receive the
15 retirement benefit to which the deceased member would have been
16 entitled at the time of death under the Option 2 plan of retirement
17 in lieu of the death benefit provided for in this subsection.
18 Provided further, the option provided in this subsection is only
19 available when the member has designated one individual as the
20 designated beneficiary. The beneficiary or beneficiaries of death
21 benefits in the amount not to exceed Eighteen Thousand Dollars
22 (\$18,000.00), but exclusive of any retirement benefit received by an
23 electing beneficiary based upon creditable service performed by the
24 deceased member, which are provided pursuant to this subsection may

1 elect to disclaim such death benefits in which case such benefits
2 will be transferred to a person licensed as a funeral director or to
3 a lawfully recognized business entity licensed as required by law to
4 provide funeral services for the deceased member. The qualified
5 disclaimer must be in writing and will be an irrevocable and an
6 unqualified refusal to accept all or a portion of the death benefit.
7 It must be received by the transferor no more than nine (9) months
8 after the later of the day the transfer creating the interest in the
9 disclaiming person is made or the day the disclaiming person attains
10 age twenty-one (21). The interest in the death benefits must pass
11 without direction by the disclaiming person to another person.

12 (12) Upon the death of a retired member who has contributed to
13 the System, the retirement system shall pay to the designated
14 beneficiary of the member or, if there is no designated beneficiary
15 or if the designated beneficiary predeceases the member, to the
16 estate of the member, the sum of Five Thousand Dollars (\$5,000.00)
17 as a death benefit. The beneficiary or beneficiaries of benefits
18 provided pursuant to this subsection may elect to disclaim such
19 death benefits in which case such benefits will be transferred to a
20 person licensed as a funeral director or to a lawfully recognized
21 business entity licensed as required by law to provide funeral
22 services for the deceased member. The qualified disclaimer must be
23 in writing and will be an irrevocable and an unqualified refusal to
24 accept all or a portion of the death benefit. It must be received

1 by the transferor no more than nine (9) months after the later of
2 the day the transfer creating the interest in the disclaiming person
3 is made or the day the disclaiming person attains age twenty-one
4 (21). The interest in the death benefits must pass without
5 direction by the disclaiming person to another person. The benefit
6 payable pursuant to this subsection shall be deemed, for purposes of
7 federal income taxation, as life insurance proceeds and not as a
8 death benefit if the Internal Revenue Service approves this
9 provision pursuant to a private letter ruling request which shall be
10 submitted by the Board of Trustees of the System for that purpose.

11 (13) Upon the death of a member who dies leaving no living
12 beneficiary or having designated his or her estate as beneficiary,
13 the System may pay any applicable death benefit, unpaid
14 contributions, or unpaid benefit which may be subject to probate, in
15 an amount of Twenty-five Thousand Dollars (\$25,000.00) or less,
16 without the intervention of the probate court or probate procedure
17 pursuant to Section 1 et seq. of Title 58 of the Oklahoma Statutes.

18 (a) Before any applicable probate procedure may be waived, the
19 System must be in receipt of the member's proof of death and the
20 following documents from those persons claiming to be the legal
21 heirs of the deceased member:

22 1. The member's valid last will and testament, trust
23 documents or affidavit that a will does not exist;

24

1 2. An affidavit or affidavits of heirship which must
2 state:

3 a. the names and signatures of all claiming heirs to
4 the deceased member's estate including the
5 claiming heirs' names, relationship to the
6 deceased, current addresses, tax I.D. numbers if
7 known and current telephone numbers,

8 b. a statement or statements by the claiming heirs
9 that no application or petition for the
10 appointment of a personal representative is
11 pending or has been granted in any jurisdiction,

12 c. a description of the personal property claimed,
13 (i.e., death benefit or unpaid contributions or
14 both) together with a statement that such
15 personal property is subject to probate,

16 d. a statement by each individual claiming heir
17 identifying the amount of personal property that
18 the heir is claiming from the System, and that
19 the heir has been notified of, is aware of and
20 consents to the identified claims of all the
21 other claiming heirs of the deceased member
22 pending with the System;

23 3. A written agreement or agreements signed by all
24 claiming heirs of the deceased member which provides

1 that the claiming heirs release, discharge and hold
2 harmless the System from any and all liability,
3 obligations and costs which it may incur as a result
4 of making a payment to any of the deceased member's
5 heirs;

6 4. A corroborating affidavit from an individual other
7 than a claiming heir, who was familiar with the
8 affairs of the deceased member;

9 5. Proof that all debts of the deceased member, including
10 payment of last sickness, hospital, medical, death,
11 funeral and burial expenses have been paid or provided
12 for.

13 (b) The Executive Director of the System shall retain complete
14 discretion in determining which requests for probate waiver may be
15 granted or denied, for any reason. Should the System have any
16 question as to the validity of any document presented by the
17 claiming heirs, or as to any statement or assertion contained
18 therein, the probate requirement provided for in Section 1 et seq.
19 of Title 58 of the Oklahoma Statutes shall not be waived.

20 (c) After paying any death benefits or unpaid contributions to
21 any claiming heirs as provided pursuant to this subsection, the
22 System is discharged and released from any and all liability,
23 obligation and costs to the same extent as if the System had dealt
24 with a personal representative of the deceased member. The System

1 is not required to inquire into the truth of any matter specified in
2 this subsection or into the payment of any estate tax liability.

3 (14) Upon the death of a retired member, the benefit payment
4 for the month in which the retired member died, if not previously
5 paid, shall be made to the joint annuitant if still living, to the
6 beneficiary of the member if the joint annuitant is deceased, or to
7 the member's estate if there is no surviving joint annuitant or
8 beneficiary. Such benefit payment shall be made in an amount equal
9 to a full monthly benefit payment regardless of the day of the month
10 in which the retired member died.

11 SECTION 3. AMENDATORY 70 O.S. 2011, Section 17-116.10,
12 as last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S.
13 Supp. 2020, Section 17-116.10), is amended to read as follows:

14 Section 17-116.10 A. Subject to the requirements of Section 6-
15 101.2 of this title and any other applicable requirements of law, a
16 member may enter into postretirement employment with a public school
17 of Oklahoma and still receive monthly retirement benefits subject to
18 the following limitations:

19 1. A retired member is not eligible to be employed by the
20 public schools of Oklahoma, in any capacity, for sixty (60) calendar
21 days between the retiree's last day of preretirement public
22 education employment and any postretirement public education
23 employment. For purposes of this section, the term "last day of
24 preretirement employment" shall mean the last day the employee is

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

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

1 shall be the lesser of Thirty Thousand Dollars (\$30,000.00) or one-
2 half (1/2) of the member's final average salary used in computing
3 retirement benefits. For purposes of this paragraph, the following
4 shall apply:

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

24

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

1 3. Notwithstanding paragraph 2 of this subsection, a retired
2 classified or nonclassified member who has been retired for thirty-
3 six (36) or more months and who is employed by a public school to
4 perform duties ordinarily performed by classified or nonclassified
5 personnel shall be able to receive annualized earnings from the
6 public school with no reduction in retirement benefits regardless of
7 the amount of annualized earnings. For a period of three (3) years
8 beginning July 1, ~~2017~~ 2021, members who have retired as of July 1,
9 ~~2017~~ 2021, as active classroom teachers, who have been retired and
10 receiving a benefit for at least one (1) year, and who have not been
11 employed by any public school during that one-year period, shall be
12 eligible to be reemployed as an active classroom teacher in common
13 or career tech school districts, with no limitations on earnings.
14 The one-year period starts with the retiree's last day of
15 preretirement public education employment. Members returning under
16 this section shall not be subject to any earning limitations
17 following the end of the three-year period described in this
18 paragraph. Members returning under this section shall only be
19 employed pursuant to a temporary contract; and

20 4. A member shall be considered to be employed by a school
21 district to perform the duties ordinarily performed by classified or
22 nonclassified personnel if the member is hired by the school
23 district in the member's individual capacity to perform the duties
24 or if the member performs the duties through employment with a

1 proprietorship, partnership, corporation, limited liability company
2 or partnership, or any other business structure that has agreed or
3 contracted to provide the services to the school district.

4 B. A public school district that employs a retired member shall
5 be required to make contributions to the System for the retired
6 member in an amount as required in Section 17-108.1 and in paragraph
7 3 of subsection B of Section 17-116.2 of this title.

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

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

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

21 SECTION 4. This act shall become effective July 1, 2021.

22 SECTION 5. It being immediately necessary for the preservation
23 of the public peace, health or safety, an emergency is hereby
24

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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4 58-1-6093 MAH 01/18/21

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THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

2512 E. 71st Street , Suite D · Tulsa, Oklahoma 74136

(918) 492-9658 · (918) 492- 9659

January 20, 2021

Representative Jacob Rosecrants
Room 502.2

Re: RBH No. 6093

RBH No. 6093 reduces the requirement for unreduced retirement requirement in OTRS to the rule of 80 (age + service = >80) from the rule of 90.

RBS No. 6093 would remove any earnings limitation for retired OTRS members who return to teaching provided they have been retired at least 3 years and drawn benefits for at least 1 year.

RBH No. 6093 is a fiscal bill as defined by OPLAAA.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Thomas E. Cummins

Thomas E. Cummins, MAAA