

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1599

By: Bullard

AS INTRODUCED

An Act relating to Teachers' Retirement System of Oklahoma; amending 70 O.S. 2021, Section 17-116.10, which relates to postretirement employment; authorizing certain postretirement employment for certain time period with no earnings limitation; updating statutory reference; 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. 2021, 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 employment. For purposes of this section, the term "last day of

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

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

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

6 a. earnings shall mean "regular annual compensation" as  
7 defined in paragraph (25) of Section 17-101 of this  
8 title, and shall include any payment by a public  
9 school for services rendered by a retired member who  
10 is employed for any purpose whatsoever. Supplemental  
11 retirement payments paid by a former public school  
12 employer pursuant to subsection ~~9~~ (9) of Section 17-  
13 105 of this title or other state law shall not be  
14 considered as earnings,

15 b. the Earnings Limitation for employees allowed by the  
16 Social Security Administration to workers between the  
17 age of sixty-two (62) years and sixty-five (65) years  
18 shall apply to retired members below the age of sixty-  
19 two (62) years,

20 c. the limit on allowed earnings from the public schools  
21 shall be automatically adjusted effective the first  
22 day of January of each year to reflect the current  
23 Earnings Limitation for employees as determined from  
24 time to time by the Social Security Administration,

- 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 Teachers'  
18 Retirement System of Oklahoma who reached age seventy  
19 (70) years prior to July 1, 1991, shall not be  
20 restricted by the earnings limits pursuant to this  
21 subparagraph until January 1, 1994. To qualify for  
22 the provisions of this subparagraph, the member must  
23 be employed less than one-half (1/2) time compared to  
24 other full-time employees in similar 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.

8           a. For a period of three (3) years beginning July 1,  
9 2017, members who have retired as of July 1, 2017, as  
10 active classroom teachers, who have been retired and  
11 receiving a benefit for at least one (1) year, and who  
12 have not been employed by any public school during  
13 that one-year period, shall be eligible to be  
14 reemployed as an active classroom teacher in common or  
15 career tech school districts, with no limitations on  
16 earnings.

17           b. For a period of three (3) years beginning July 1,  
18 2021, members who have retired as of July 1, 2020, who  
19 have been retired and receiving a benefit for at least  
20 one (1) year, and who have not been employed by any  
21 public school during that one-year period, shall be  
22 eligible to be reemployed as an active classroom  
23 teacher in common or career tech school districts,  
24 with no limitations on earnings. The one-year period

1 starts with the retiree's last day of preretirement  
2 public education employment.

3 c. A retired member who has been retired and has received  
4 benefits for at least ninety (90) days shall be  
5 eligible to be reemployed as an active classroom  
6 teacher in common or career tech school districts with  
7 no limitations on earnings for a period of three (3)  
8 years beginning July 1, 2024. Provided, a retiree who  
9 is reemployed under this subparagraph may not be  
10 employed as an active classroom teacher in common or  
11 career tech school districts during the ninety-day  
12 period prior to reemployment. The ninety-day period  
13 shall commence on the date of the retiree's last day  
14 of preretirement public education employment.

15 Members returning under this section shall not be subject to any  
16 ~~earning limitations~~ earnings limitation following the end of the  
17 three-year periods described in this paragraph. Members returning  
18 under this section shall only be employed pursuant to a temporary  
19 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 2. This act shall become effective July 1, 2024.

22 SECTION 3. It being immediately necessary for the preservation  
23 of the public peace, health or safety, an emergency is hereby  
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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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