

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL 1729

By: Moore of the House

and

Weaver of the Senate

COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 2021, Section 914, which relates to retirement; authorizing postretirement employment for certain retirees; providing limitations; providing for codification; and providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 2021, Section 914, is amended to read as follows:

Section 914. A. The normal retirement date for a member of the Oklahoma Public Employees Retirement System shall be as defined in Section 902 of this title, provided members employed on or after January 1, 1983, shall have six (6) or more years of full-time-equivalent employment with a participating employer before receiving any retirement benefits or, if the member is a legislative session employee of the Legislature, shall have three (3) or more years of

1 full-time-equivalent employment with a participating employer before
2 receiving any retirement benefits. In no event shall a normal
3 retirement date for a member be before six (6) months after the
4 entry date of the participating employer by whom he or she is
5 employed.

6 B. A member may be employed beyond the normal retirement date
7 by the appointing authority of the participating employer. However,
8 the member may not receive retirement pay so long as the member
9 continues employment under ~~this act~~ Section 901 et seq. of this
10 title. Any member who has terminated employment with a
11 participating employer prior to the month immediately preceding ~~said~~
12 the member's normal retirement date must elect a vested benefit
13 pursuant to Section 917 of this title before receiving any
14 retirement benefits.

15 C. Notice for retirement shall be filed through the retirement
16 coordinator for the participating employer in such form and manner
17 as the ~~Board~~ Oklahoma Public Employees Retirement System Board of
18 Trustees shall prescribe; provided, that such notice for retirement
19 shall be filed with the office of the retirement system at least
20 sixty (60) days prior to the date selected for the member's
21 retirement; provided further, that the Executive Director may waive
22 the sixty-day notice for good cause shown as defined by the Board.

23 1. The participating employer shall provide the System with the
24 following information for a retiring member, no later than the

1 fifteenth day of the month of retirement: last day physically on
2 the job; last day on payroll; and final unused sick leave balance.

3 2. Failure to submit this information by the deadline, or
4 errors in submitted information that result in a disqualification of
5 retirement eligibility, shall be the responsibility of the
6 participating employer. In cases where the error results in
7 disqualification of retirement eligibility, it is the participating
8 employer's responsibility to reemploy the member, or retain the
9 member on the payroll, for time period required to reach
10 eligibility, not exceeding two (2) months.

11 D. No retirement benefits shall be payable to any member until
12 the first day of the month following the termination of the member's
13 employment with any participating employer. The type of retirement
14 benefit selected by a member may not be changed on or after the
15 effective date of the member's retirement. Receipt of workers'
16 compensation benefits shall in no respect disqualify the retiree for
17 benefits.

18 E. If a retiree should be elected or appointed to any position
19 or office for which compensation for service is paid from levies or
20 taxes imposed by the state or any political subdivision thereof, the
21 retiree shall not receive any retirement benefit for any month for
22 which the retiree serves in such position or office after the
23 retiree has received compensation in a sum equal to the amount
24 allowable as wages or earnings by the Social Security Administration

1 in any calendar year. This subsection shall not apply to service
2 rendered by a retiree as a juror, as a witness in any legal
3 proceeding or action, as an election board judge or clerk, or in any
4 other office or position of a similar nature, or to an employer that
5 is not a participating employer. Provided⁷ further, that any
6 participating employer who is employing such a retiree shall make
7 proper written notification to the System informing it of the
8 beginning date of such retiree's employment and the date such
9 retiree reaches the maximum compensation allowed by this section in
10 the calendar year. Any retiree returning to work for a
11 participating employer shall make contributions to the System and
12 the employer shall do likewise. All retirees who have returned to
13 employment and participation in the System following retirement
14 shall have post-retirement benefits calculated on one of the
15 following methods:

16 1. All service accumulated from date of reemployment shall be
17 computed based on the benefit formula applicable at that time and
18 the additional benefits shall be added to the previous benefits.
19 Such additional benefits shall be calculated each year based upon
20 additional service accrued from July 1 to June 30 of the previous
21 year and the additional benefit, if any, will be added to the
22 retiree's monthly benefit beginning January 1, 2000, and each
23 January 1 thereafter. However, the post-retirement service credit
24 shall be cumulative, beginning with service credit accrued after the

1 date of retirement, provided that the retiree has not received a
2 distribution of the post-retirement contributions-;

3 2. Any retiree who returns to employment with a participating
4 employer may elect not to receive any retirement benefits while so
5 reemployed. If such an election is made and reemployment is for a
6 minimum period of thirty-six (36) consecutive months, all service
7 accumulated from date of reemployment shall be participating
8 service. For purposes of determining the retirement benefits of
9 such a member upon the termination of such reemployment all
10 creditable service of the member shall be computed based on the
11 benefit formula applicable at the time of termination of such
12 reemployment. Provided, a retiree who became reemployed prior to
13 July 1, 1982, and who is reemployed for a minimum of thirty-six (36)
14 consecutive months shall have all the creditable service of such
15 retiree computed based on the benefit formula applicable at the time
16 of termination of such reemployment if the retiree elects not to
17 receive retirement benefits prior to such termination of
18 reemployment. A retiree who has waived receipt of the monthly
19 benefit, but is not reemployed for the full thirty-six (36)
20 consecutive months, shall upon termination of such reemployment have
21 only the additional amount added to his or her benefit as if they
22 had not waived the benefit as provided in paragraph 1 of this
23 subsection-;

1 3. All post-retirement additional benefits shall be calculated
2 using actual hours worked as well as the actual compensation
3 received and upon which contributions are paid. Post-retirement
4 service is not subject to the partial year round-up provisions of
5 subsection C of Section 913 of this title~~;~~ or

6 4. A retired member who returns to work for a participating
7 employer pursuant to this section shall be bound by the election
8 made pursuant to paragraph (2) of subsection A of Section 915 of
9 this title if the member had made such election prior to retirement.
10 If the member had not made such election prior to retirement, the
11 member may do so during the member's reemployment with a
12 participating employer pursuant to this section. ~~A~~ Except as
13 provided in Section 2 of this act, a retired member may not be
14 rehired by their former employer, nor may the retired member be
15 permitted to enter into an employment contract of any kind with a
16 former employer, for a period of one (1) year after the retired
17 member ended his or her employment with the former employer unless
18 the retired member waives his or her benefit under paragraph 2 of
19 this subsection and returns as a bona fide employee.

20 F. Except as otherwise provided by subsection G of this
21 section, any member may elect to retire before his or her normal
22 retirement date on the first day of any month coinciding with or
23 following the attainment of age fifty-five (55), provided such
24 member has completed ten (10) years of participating service, but in

no event before six (6) months after the entry date. Any member who shall retire before the normal retirement date shall receive an annual retirement benefit adjusted in accordance with the following percentage schedule:

| Age | Percentage of Normal Retirement Benefit |
|-----|---|
| 62 | 100.00% |
| 61 | 93.33% |
| 60 | 86.67% |
| 59 | 80.00% |
| 58 | 73.33% |
| 57 | 66.67% |
| 56 | 63.33% |
| 55 | 60.00% |

G. Any member whose first participating service occurs on or after November 1, 2011, may elect to retire before his or her normal retirement date on the first day of any month coinciding with or following the attainment of age sixty (60), provided such member has completed ten (10) years of participating service, but in no event before six (6) months after the entry date. Any member who shall retire before the normal retirement date shall receive an annual retirement benefit adjusted in accordance with the following percentage schedule:

Percentage of Normal

| | Age | Retirement Benefit |
|---|-----|--------------------|
| 1 | | |
| 2 | 65 | 100.00% |
| 3 | 64 | 93.33% |
| 4 | 63 | 86.67% |
| 5 | 62 | 80.00% |
| 6 | 61 | 73.33% |
| 7 | 60 | 66.67% |

8 SECTION 2. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 914.1 of Title 74, unless there
10 is created a duplication in numbering, reads as follows:

11 A retired district attorney or assistant district attorney may
12 enter into postretirement employment with a district attorney's
13 office or the Oklahoma Indigent Defense System and receive monthly
14 retirement benefits subject to the following limitations:

15 1. A retired district attorney or assistant district attorney
16 is not eligible to be employed within a district attorney's office
17 or the Oklahoma Indigent Defense System, in any capacity, for sixty
18 (60) calendar days between the retiree's last day of preretirement
19 employment and any postretirement employment. For purposes of this
20 section, the term "last day of preretirement employment" shall mean
21 the last day the employee is required to be physically present on
22 the job to complete the terms of the employment contract or
23 agreement. An employee on paid leave is considered to be employed
24 for purposes of this section. Employment under any conditions

1 during this time, volunteer services for the purpose of obtaining a
2 paid position at a later date, or payment at a later time for
3 services performed during this time period, shall cause the
4 forfeiture of all retirement benefits received during the period;
5 and

6 2. Unless otherwise provided in this section, earnings from
7 employment pursuant to this section may not exceed one-half (1/2) of
8 the member's final average salary used in computing retirement
9 benefits, or the earnings limitation for employees allowed by the
10 Social Security Administration, whichever is less. For purposes of
11 this paragraph, the following shall apply:

- 12 a. the earnings limitation for employees allowed by the
13 Social Security Administration to workers between
14 sixty-two (62) and sixty-five (65) years of age shall
15 apply to retired members below sixty-two (62) years of
16 age,
- 17 b. the limit on allowed earnings from a district
18 attorney's office or the Oklahoma Indigent Defense
19 System shall be automatically adjusted effective the
20 first day of January of each year to reflect the
21 current earnings limitation for employees as
22 determined from time to time by the Social Security
23 Administration,

- 1 c. 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 a
5 district attorney's office or the Oklahoma Indigent
6 Defense System,
- 7 d. earnings in excess of the maximum limit on allowed
8 earnings from a district attorney's office or the
9 Oklahoma Indigent Defense System shall result in a
10 loss of future retirement benefits for the year the
11 postretirement employment was performed of One Dollar
12 (\$1.00) for each One Dollar (\$1.00) earned over the
13 maximum allowed earnings amount, and
- 14 e. for those members seventy (70) years of age and older,
15 the earnings in excess of the maximum limit on allowed
16 earnings from a district attorney's office or the
17 Oklahoma Indigent Defense System shall be one-half
18 (1/2) the member's final average salary used in
19 computing retirement benefits.

20 SECTION 3. This act shall become effective November 1, 2025.

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22 60-1-2017 RD 4/15/2025 11:38:21 AM
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