

SENATE FLOOR VERSION

April 23, 2025

AS AMENDEDENGROSSED HOUSE
BILL NO. 2288By: Hilbert, Hays, Boles,
Pittman, Archer, Ranson,
and Moore of the House

and

Frix, Burns, and Stewart of
the Senate

**[Teachers' Retirement System of Oklahoma -
postretirement employment - earning limitations -
retirement benefits - effective dates - contingent
effective dates -**

emergency]

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

SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, as
last amended by Section 127, Chapter 452, O.S.L. 2024 (62 O.S. Supp.
2024, Section 3103), is amended to read as follows:

Section 3103. As used in the Oklahoma Pension Legislation
Actuarial Analysis Act:

1. "Amendment" means any amendment including a substitute bill,
made to a retirement bill by any committee of the House or Senate,
any conference committee of the House or Senate or by the House or
Senate;

1 2. "RB number" means that number preceded by the letters "RB"
2 assigned to a retirement bill by the respective staffs of the
3 Oklahoma State Senate and the Oklahoma House of Representatives when
4 the respective staff office prepares a retirement bill for a member
5 of the Legislature;

6 3. "Legislative Actuary" means the firm or entity that enters
7 into a contract with the Legislative Service Bureau pursuant to
8 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
9 actuarial services and other duties provided for in the Oklahoma
10 Pension Legislation Actuarial Analysis Act;

11 4. "Nonfiscal amendment" means an amendment to a retirement
12 bill having a fiscal impact, which amendment does not change any
13 factor of an actuarial investigation specified in subsection A of
14 Section 3109 of this title;

15 5. "Nonfiscal retirement bill" means a retirement bill:

16 a. which does not affect the cost or funding factors of a
17 retirement system,

18 b. which affects such factors only in a manner which does
19 not:

20 (1) grant a benefit increase under the retirement
21 system affected by the bill,

22 (2) create an actuarial accrued liability for or
23 increase the actuarial accrued liability of the
24 retirement system affected by the bill, or

- 1 (3) increase the normal cost of the retirement system
2 affected by the bill,
- 3 c. which authorizes the purchase by an active member of
4 the retirement system, at the actuarial cost for the
5 purchase as computed pursuant to the statute in effect
6 on the effective date of the measure allowing such
7 purchase, of years of service for purposes of reaching
8 a normal retirement date in the applicable retirement
9 system, but which cannot be used in order to compute
10 the number of years of service for purposes of
11 computing the retirement benefit for the member,
- 12 d. which provides for the computation of a service-
13 connected disability retirement benefit for members of
14 the Oklahoma Law Enforcement Retirement System
15 pursuant to Section 2-305 of Title 47 of the Oklahoma
16 Statutes if the members were unable to complete twenty
17 (20) years of service as a result of the disability,
- 18 e. which requires membership in the defined benefit plan
19 authorized by Section 901 et seq. of Title 74 of the
20 Oklahoma Statutes for persons whose first elected or
21 appointed service occurs on or after November 1, 2018,
22 if such persons had any prior service in the Oklahoma
23 Public Employees Retirement System prior to November
24 1, 2015,

1 f. which provides for a one-time increase in retirement
2 benefits if the increase in retirement benefits is not
3 a permanent increase in the gross annual retirement
4 benefit payable to a member or beneficiary, occurs
5 only once pursuant to a single statutory authorization
6 and does not exceed:

7 (1) the lesser of two percent (2%) of the gross
8 annual retirement benefit of the member or One
9 Thousand Dollars (\$1,000.00) and requires that
10 the benefit may only be provided if the funded
11 ratio of the affected retirement system would not
12 be less than sixty percent (60%) but not greater
13 than eighty percent (80%) after the benefit
14 increase is paid,

15 (2) the lesser of two percent (2%) of the gross
16 annual retirement benefit of the member or One
17 Thousand Two Hundred Dollars (\$1,200.00) and
18 requires that the benefit may only be provided if
19 the funded ratio of the affected retirement
20 system would be greater than eighty percent (80%)
21 but not greater than one hundred percent (100%)
22 after the benefit increase is paid,

23 (3) the lesser of two percent (2%) of the gross
24 annual retirement benefit of the member or One

1 Thousand Four Hundred Dollars (\$1,400.00) and
2 requires that the benefit may only be provided if
3 the funded ratio of the affected retirement
4 system would be greater than one hundred percent
5 (100%) after the benefit increase is paid, or
6 (4) the greater of two percent (2%) of the gross
7 annual retirement benefit of the volunteer
8 firefighter or One Hundred Dollars (\$100.00) for
9 persons who retired from the Oklahoma
10 Firefighters Pension and Retirement System as
11 volunteer firefighters and who did not retire
12 from the Oklahoma Firefighters Pension and
13 Retirement System as a paid firefighter.

14 As used in this subparagraph, "funded ratio" means the
15 figure derived by dividing the actuarial value of
16 assets of the applicable retirement system by the
17 actuarial accrued liability of the applicable
18 retirement system,

- 19 g. which modifies the disability pension standard for
20 police officers who are members of the Oklahoma Police
21 Pension and Retirement System as provided by Section
22 50-115 of Title 11 of the Oklahoma Statutes,
23 h. which provides a cost-of-living benefit increase
24 pursuant to the provisions of:

1 (1) Section 49-143.7 of Title 11 of the Oklahoma
2 Statutes,

3 (2) Section 50-136.9 of Title 11 of the Oklahoma
4 Statutes,

5 (3) Section 1104K of Title 20 of the Oklahoma
6 Statutes,

7 (4) Section 2-305.12 of Title 47 of the Oklahoma
8 Statutes,

9 (5) Section 17-116.22 of Title 70 of the Oklahoma
10 Statutes, or

11 (6) Section 930.11 of Title 74 of the Oklahoma
12 Statutes,

13 i. which provides for the reinstatement of retirement
14 benefits for members of the Oklahoma Law Enforcement
15 Retirement System pursuant to Section 2-305 of Title
16 47 of the Oklahoma Statutes for those who were hired
17 on or after November 1, 2012, or May 24, 2013,

18 j. which authorizes the purchase of military service
19 credit as provided in Section 50-128 of Title 11,
20 Section 1102.2 of Title 20, Section 2-307.4 of Title
21 47, and Section 913.8 of Title 74 of the Oklahoma
22 Statutes,

- 1 k. which restores benefits pursuant to Sections 49-100.1,
 2 49-101, 49-101.2, 49-106.1, 49-108, 49-117.1, and 49-
 3 135 of Title 11 of the Oklahoma Statutes,
 4 l. which modifies the computation of the line-of-duty
 5 disability benefit pursuant to ~~the provisions of this~~
 6 ~~act~~ Sections 50-101 and 50-115 of Title 11 of the
 7 Oklahoma Statutes; and
 8 m. which modifies postretirement earning limitations
 9 pursuant to the provisions of this act.

10 A nonfiscal retirement bill shall include any retirement bill that
 11 has as its sole purpose the appropriation or distribution or
 12 redistribution of monies in some manner to a retirement system for
 13 purposes of reducing the unfunded liability of such system or the
 14 earmarking of a portion of the revenue from a tax to a retirement
 15 system or increasing the percentage of the revenue earmarked from a
 16 tax to a retirement system;

17 6. "Reduction-in-cost amendment" means an amendment to a
 18 retirement bill having a fiscal impact which reduces the cost of the
 19 bill as such cost is determined by the actuarial investigation for
 20 the bill prepared pursuant to Section 3109 of this title;

21 7. "Retirement bill" means any bill or joint resolution
 22 introduced or any bill or joint resolution amended by a member of
 23 the Oklahoma Legislature which creates or amends any law directly
 24 affecting a retirement system. A retirement bill shall not mean a

1 bill or resolution that impacts the revenue of any state tax in
2 which a portion of the revenue generated from such tax is earmarked
3 for the benefit of a retirement system;

4 8. "Retirement bill having a fiscal impact" means any
5 retirement bill creating or establishing a retirement system and any
6 other retirement bill other than a nonfiscal retirement bill; and

7 9. "Retirement system" means the Teachers' Retirement System of
8 Oklahoma, the Oklahoma Public Employees Retirement System, the
9 Uniform Retirement System for Justices and Judges, the Oklahoma
10 Firefighters Pension and Retirement System, the Oklahoma Police
11 Pension and Retirement System, the Oklahoma Law Enforcement
12 Retirement System, or a retirement system established after January
13 1, 2006.

14 SECTION 2. AMENDATORY 70 O.S. 2021, Section 17-116.10,
15 as amended by Section 9, Chapter 300, O.S.L. 2024 (70 O.S. Supp.
16 2024, Section 17-116.10), is amended to read as follows:

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

22 1. A retired member is not eligible to be employed by the
23 public schools of Oklahoma, in any capacity, for sixty (60) calendar
24 days between the retiree's last day of preretirement public

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

13 2. ~~For thirty-six (36) months following a member's effective~~
14 ~~retirement date, the retired member shall be subject to earnings~~
15 ~~limitations on allowable earnings. Earnings limits are determined~~
16 ~~annually based on a calendar year. For retired members under the~~
17 ~~age of sixty-two (62) years, allowed earnings from the public~~
18 ~~schools of Oklahoma for employment for the performance of duties~~
19 ~~ordinarily performed by classified or nonclassified optional~~
20 ~~personnel shall be limited to one-half (1/2) of the member's final~~
21 ~~average salary used in computing retirement benefits or the earnings~~
22 ~~limit allowed by the Social Security Administration for those under~~
23 ~~Social Security's normal retirement age, whichever is less. For~~
24 ~~retired members sixty-two (62) years of age or older, allowed~~

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

- ~~a. earnings shall mean regular annual compensation as defined in paragraph 23 of Section 17-101 of this title, and shall include any payment by a public school for services rendered by a retired member who is employed for any purpose whatsoever. Supplemental retirement payments paid by a former public school employer pursuant to subsection N of Section 17-105 of this title or other state law shall not be considered as earnings,~~
- ~~b. the earnings limit for the calendar year in which a member retires shall be one-twelfth (1/12) of the annual limit multiplied by the number of months the member is eligible to work and receive payments from the public schools of Oklahoma, and~~
- ~~c. earnings in excess of the maximum limit on allowed earnings from public schools of Oklahoma shall result in a loss of retirement benefits of One Dollar (\$1.00)~~

1 ~~for each One Dollar (\$1.00) earned over the maximum~~
2 ~~allowed earnings amount;~~

3 ~~3. Notwithstanding paragraph 2 of this subsection, for a period~~
4 ~~of three (3) years beginning July 1, 2017, members who have retired~~
5 ~~as of July 1, 2017, as active classroom teachers, who have been~~
6 ~~retired and receiving a benefit for at least one (1) year, and who~~
7 ~~have not been employed by any public school during that one-year~~
8 ~~period, shall be eligible to be reemployed as an active classroom~~
9 ~~teacher in common or career tech school districts, with no~~
10 ~~limitations on earnings. For a period of three (3) years beginning~~
11 ~~July 1, 2021, members who have retired as of July 1, 2020, who have~~
12 ~~been retired and receiving a benefit for at least one (1) year, and~~
13 ~~who have not been employed by any public school during that one-year~~
14 ~~period, shall be eligible to be reemployed as an active classroom~~
15 ~~teacher in common or career tech school districts, with no~~
16 ~~limitations on earnings. The one-year period starts with the~~
17 ~~retiree's last day of preretirement public education employment.~~
18 ~~Members returning under this section shall not be subject to any~~
19 ~~earnings limitations following the end of the three-year periods~~
20 ~~described in this paragraph. Members returning under this section~~
21 ~~shall only be employed pursuant to a temporary contract~~ A retired
22 classified or nonclassified member who is employed by a public
23 school to perform duties ordinarily performed by classified or
24 nonclassified personnel shall be able to receive annualized earnings

1 from the public school with no reduction in retirement benefits
2 regardless of the amount of annualized earnings; and

3 ~~4.~~ 3. A member shall be considered to be employed by a school
4 district to perform the duties ordinarily performed by classified or
5 nonclassified optional personnel if the member is hired by the
6 school district in the member's individual capacity to perform the
7 duties or if the member performs the duties through employment with
8 a proprietorship, partnership, corporation, limited liability
9 company or partnership, or any other business structure that has
10 agreed or contracted to provide the services to the school district.

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

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

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

23 E. A member who has entered into postretirement employment with
24 a participating employer of the Teachers' Retirement System of

Oklahoma must fully comply with all the provisions of the rules promulgated by the Board of Trustees pursuant to this section in order to continue receiving the member's monthly retirement benefit.

SECTION 3. If the emergency clause is not approved pursuant to the requirements of the Oklahoma Constitution as part of this measure, the effective date of Section 1 of this act shall be October 1, 2025.

SECTION 4. If the emergency clause is not approved pursuant to the requirements of the Oklahoma Constitution as part of this measure, the effective date of Section 2 of this act shall be November 1, 2025.

SECTION 5. Except as otherwise provided by Section 3 of this act, Section 1 of this act shall become effective immediately upon signature by the Governor or as otherwise provided by Section 58 of Article V of the Oklahoma Constitution.

SECTION 6. Except as otherwise provided by Section 4 of this act, Section 2 of this act shall become effective July 1, 2025.

SECTION 7. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
April 23, 2025 - DO PASS