

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

HOUSE BILL 2288

By: Hilbert

AS INTRODUCED

An Act relating to public retirement systems; amending 70 O.S. 2021, Section 17-116.10, as amended by Section 9, Chapter 300, O.S.L. 2024 (70 O.S. Supp. 2024, Section 17-116.10), which relates to postretirement employment; modifying earning limitations for certain retirees returning to work in a public school; modifying postretirement earning limitations for certain time period; and providing an effective date.

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

SECTION 1. AMENDATORY 70 O.S. 2021, Section 17-116.10, as amended by Section 9, Chapter 300, O.S.L. 2024 (70 O.S. Supp. 2024, 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

1 days between the retiree's last day of preretirement public  
2 education employment and any postretirement public education  
3 employment. For purposes of this section, the term "last day of  
4 preretirement employment" shall mean the last day the employee is  
5 required to be physically present on the job to complete the terms  
6 of the employment contract or agreement or the member's effective  
7 retirement date, whichever is later. An employee on paid leave is  
8 still considered to be employed for purposes of this section.

9 Employment under any conditions during this time, volunteer services  
10 for the purpose of obtaining a paid position at a later date, or  
11 payment at a later time for services performed during this time  
12 period shall cause the forfeiture of all retirement benefits  
13 received during the period;

14 2. For thirty-six (36) months following a member's effective  
15 retirement date, the retired member shall be subject to earnings  
16 limitations on allowable earnings. Earnings limits are determined  
17 annually based on a calendar year. ~~For~~ Until July 1, 2028, for  
18 retired members under the age of sixty-two (62) years having  
19 attained the age of fifty-five (55) years but less than fifty-nine  
20 and one-half (59 1/2) years, the limit on allowed earnings from the  
21 public schools of Oklahoma for employment for the performance of  
22 duties ordinarily performed by classified or nonclassified optional  
23 personnel shall be ~~limited to~~ the lesser of Thirty Thousand Dollars  
24 (\$30,000.00) or one-half (1/2) of the member's final average salary

1 used in computing retirement benefits ~~or~~ unless the earnings ~~limit~~  
2 limitation allowed by the Social Security Administration ~~for those~~  
3 ~~under Social Security's normal retirement age, whichever is less~~  
4 would be greater than Thirty Thousand Dollars (\$30,000.00). ~~For~~  
5 Until July 1, 2028, for retired members having attained the age of  
6 fifty-nine and one-half (59 1/2) years or older, there shall be no  
7 limit on allowed earnings from the public schools of Oklahoma for  
8 the performance of duties ordinarily performed by classified or  
9 nonclassified personnel. Effective July 1, 2028, for retired  
10 members under the age of sixty-two (62) years, the limit on allowed  
11 earnings from the public schools of Oklahoma for employment for the  
12 performance of duties ordinarily performed by classified or  
13 nonclassified personnel shall be the lesser of Fifteen Thousand  
14 Dollars (\$15,000.00) or one-half (1/2) of the member's final average  
15 salary used in computing retirement benefits unless the earnings  
16 limitation allowed by the Social Security Administration would be  
17 greater than Fifteen Thousand Dollars (\$15,000.00). Effective July  
18 1, 2028, for retired members sixty-two (62) years of age or older,  
19 allowed earnings from the public schools of Oklahoma for the  
20 performance of duties ordinarily performed by classified or  
21 nonclassified personnel shall be limited to Thirty Thousand Dollars  
22 (\$30,000.00) or one-half (1/2) of the member's final average salary  
23 used in computing retirement benefits, whichever is less. For  
24 purposes of this paragraph, the following shall apply:

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

20 3. Notwithstanding paragraph 2 of this subsection, for a period  
21 of three (3) years beginning July 1, 2017, members who have retired  
22 as of July 1, 2017, as active classroom teachers, who have been  
23 retired and receiving a benefit for at least one (1) year, and who  
24 have not been employed by any public school during that one-year

1 period, shall be eligible to be reemployed as an active classroom  
2 teacher in common or career tech school districts, with no  
3 limitations on earnings. For a period of three (3) years beginning  
4 July 1, 2021, members who have retired as of July 1, 2020, who have  
5 been retired and receiving a benefit for at least one (1) year, and  
6 who have not been employed by any public school during that one-year  
7 period, shall be eligible to be reemployed as an active classroom  
8 teacher in common or career tech school districts, with no  
9 limitations on earnings. The one-year period starts with the  
10 retiree's last day of preretirement public education employment.

11 Members returning under this section shall not be subject to any  
12 earnings limitations following the end of the three-year periods  
13 described in this paragraph. Members returning under this section  
14 shall only be employed pursuant to a temporary contract; and

15 4. A member shall be considered to be employed by a school  
16 district to perform the duties ordinarily performed by classified or  
17 nonclassified optional personnel if the member is hired by the  
18 school district in the member's individual capacity to perform the  
19 duties or if the member performs the duties through employment with  
20 a proprietorship, partnership, corporation, limited liability  
21 company or partnership, or any other business structure that has  
22 agreed or contracted to provide the services to the school district.

23 B. A public school district that employs a retired member shall  
24 be required to make contributions to the System for the retired

1 member in an amount as required in Section 17-108.1 and in paragraph  
2 3 of subsection B of Section 17-116.2 of this title.

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

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

11 E. A member who has entered into postretirement employment with  
12 a participating employer of the Teachers' Retirement System of  
13 Oklahoma must fully comply with all the provisions of the rules  
14 promulgated by the Board of Trustees pursuant to this section in  
15 order to continue receiving the member's monthly retirement benefit.

16 SECTION 2. This act shall become effective November 1, 2025.

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18 60-1-11638 CMA 01/11/25  
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January 14, 2025

Representative Hilbert  
Room 401S

Re: RBH No. 11638

RBH No. 11638 would allow retired teachers to return to work as a teacher with earnings limitations.

If age is between 55 and 59.5 limitation lesser of \$30,000 and 50% of Final Average Earnings

If age is at least 59,5 no limitation until 7/01/2028

After 7/01/2028 if age les than 62 limitation is the lesser \$15,000 and 50% of Final Average Earnings.

RBH No. 11638 is a non 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