

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 26

By: Bullard

AS INTRODUCED

An Act relating to the Teachers' Retirement System of Oklahoma; 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; authorizing certain postretirement employment for certain time period with no earnings limitation; updating statutory language; updating statutory references; 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, 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 public education employment" shall mean the last day
5 the employee is required to be physically present on the job to
6 complete the terms of the employment contract or agreement or the
7 member's effective retirement date, whichever is later. An employee
8 on paid leave is still considered to be employed for purposes of
9 this section. Employment under any conditions during this time,
10 volunteer services for the purpose of obtaining a paid position at a
11 later date, or payment at a later time for services performed during
12 this time period shall cause the forfeiture of all retirement
13 benefits 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 retired members under the
18 age of sixty-two (62) years, allowed earnings from the public
19 schools of Oklahoma for employment for the performance of duties
20 ordinarily performed by classified or nonclassified optional
21 personnel shall be limited to one-half (1/2) of the member's final
22 average salary used in computing retirement benefits or the earnings
23 limit allowed by the Social Security Administration for those under
24 Social Security's normal retirement age, whichever is less. For

1 retired members sixty-two (62) years of age or older, allowed
2 earnings from the public schools of Oklahoma for the performance of
3 duties ordinarily performed by classified or nonclassified personnel
4 shall be limited to Thirty Thousand Dollars (\$30,000.00) or one-half
5 (1/2) of the member's final average salary used in computing
6 retirement benefits, whichever is less. For purposes of this
7 paragraph, the following shall apply:

- 8 a. earnings shall mean regular annual compensation as
9 defined in paragraph 23 of Section 17-101 of this
10 title, and shall include any payment by a public
11 school for services rendered by a retired member who
12 is employed for any purpose whatsoever. Supplemental
13 retirement payments paid by a former public school
14 employer pursuant to subsection N of Section 17-105 of
15 this title or other state law shall not be considered
16 as earnings,
- 17 b. the earnings limit for the calendar year in which a
18 member retires shall be one-twelfth (1/12) of the
19 annual limit multiplied by the number of months the
20 member is eligible to work and receive payments from
21 the public schools of Oklahoma, and
- 22 c. earnings in excess of the maximum limit on allowed
23 earnings from public schools of Oklahoma shall result
24 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~~7~~:

4 a. for a period of three (3) years beginning July 1,
5 2017, members who have retired as of July 1, 2017, as
6 active classroom teachers, who have been retired and
7 receiving a benefit for at least one (1) year, and who
8 have not been employed by any public school during
9 that one-year period, shall be eligible to be
10 reemployed as an active classroom teacher in common or
11 career tech school districts, with no limitations on
12 earnings~~7~~.

13 b. ~~For~~ for a period of three (3) years beginning July 1,
14 2021, members who have retired as of July 1, 2020, who
15 have been retired and receiving a benefit for at least
16 one (1) year, and who have not been employed by any
17 public school during that one-year period, shall be
18 eligible to be reemployed as an active classroom
19 teacher in common or career tech school districts,
20 with no limitations on earnings. The one-year period
21 starts with the retiree's last day of preretirement
22 public education employment. Members returning under
23 this ~~section~~ subparagraph shall not be subject to any
24 earnings limitations following the end of the three-

1 year periods described in this ~~paragraph~~ subparagraph.

2 Members returning under this ~~section~~ subparagraph
3 shall only be employed pursuant to a temporary
4 contract, and

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

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

3 B. A public school district that employs a retired member shall
4 be required to make contributions to the Teachers' Retirement System
5 of Oklahoma for the retired member in an amount as required in
6 Section 17-108.1 and in paragraph 3 of subsection B of Section 17-
7 116.2 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 ~~Oklahoma State~~ Senate, the ~~Oklahoma~~ House of Representatives or the
11 Legislative Service Bureau shall not be considered as postretirement
12 employment 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 the member's monthly retirement benefit.

21 SECTION 2. This act shall become effective July 1, 2025.

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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