

1 ENGROSSED HOUSE AMENDMENT

TO

2 ENGROSSED SENATE BILL NO. 1520

By: Pemberton and Stephens of
the Senate

3

and

4

Hays of the House

5

6

7 An Act relating to the Teachers' Retirement System of
8 Oklahoma; amending 70 O.S. 2021, Section 17-116.10,
9 which relates to postretirement employment; modifying
10 earnings limitation for certain retirees returning to
11 work in a public school; providing an effective date;
12 and declaring an emergency.

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14 AUTHORS: Add the following House Coauthors: Hilbert and Davis

15 AMENDMENT NO. 1. Strike the title, enacting clause, and entire bill
16 and insert:

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18 "An Act relating to the public retirement systems;
19 amending 70 O.S. 2021, Section 17-116.10, which
20 relates to postretirement employment; modifying
21 earnings limitation for certain retirees returning to
22 work in a public school; modifying postretirement
23 earning limitation for certain time period; providing
24 an effective date; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 70 O.S. 2021, Section 17-116.10,
3 is amended to read as follows:

4 Section 17-116.10 A. Subject to the requirements of Section 6-
5 101.2 of this title and any other applicable requirements of law, a
6 member of the Teachers' Retirement System of Oklahoma may enter into
7 postretirement employment with a public school of Oklahoma and still
8 receive monthly retirement benefits subject to the following
9 limitations:

10 1. A retired member is not eligible to be employed by the
11 public schools of Oklahoma, in any capacity, for sixty (60) calendar
12 days between the retiree's last day of preretirement public
13 education employment and any postretirement public education
14 employment. For purposes of this section, the term "last day of
15 preretirement employment" shall mean the last day the employee is
16 required to be physically present on the job to complete the terms
17 of the employment contract or agreement. An employee on paid leave
18 is still considered to be employed for purposes of this section.
19 Employment under any conditions during this time, volunteer services
20 for the purpose of obtaining a paid position at a later date, or
21 payment at a later time for services performed during this time
22 period shall cause the forfeiture of all retirement benefits
23 received during the period;

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1 2. Unless otherwise provided in this paragraph or in paragraph
2 3 of this subsection, earnings from the public schools may not
3 exceed one-half (1/2) of the member's final average salary used in
4 computing retirement benefits, or the ~~Earnings Limitation~~ earnings
5 limitation for employees allowed by the Social Security
6 Administration, whichever is less. ~~For~~ Until July 1, 2027, for
7 retired members having attained the age of fifty-five (55) years but
8 less than fifty-nine and one-half (59 1/2) years, the limit on
9 allowed earnings from the public schools of Oklahoma for employment
10 for the performance of duties ordinarily performed by classified or
11 nonclassified personnel shall be the lesser of Thirty Thousand
12 Dollars (\$30,000.00) or one-half (1/2) of the member's final average
13 salary used in computing retirement benefits unless the earnings
14 limitation allowed by the Social Security Administration would be
15 greater than Thirty Thousand Dollars (\$30,000.00). Until July 1,
16 2027, for retired members having attained the age of fifty-nine and
17 one-half (59 1/2) years or older, there shall be no limit on allowed
18 earnings from the public schools of Oklahoma for the performance of
19 duties ordinarily performed by classified or nonclassified
20 personnel. Effective July 1, 2027, for retired members under the
21 age of sixty-two (62) years, the limit on allowed earnings from the
22 public schools of Oklahoma for employment for the performance of
23 duties ordinarily performed by classified or nonclassified personnel
24 shall be the lesser of Fifteen Thousand Dollars (\$15,000.00) or one-

1 half (1/2) of the member's final average salary used in computing
2 retirement benefits unless the earnings limitation allowed by the
3 Social Security Administration would be greater than Fifteen
4 Thousand Dollars (\$15,000.00). ~~For~~ Effective July 1, 2027, for
5 retired members sixty-two (62) years of age or older the limit on
6 allowed earnings from the public schools of Oklahoma for the
7 performance of duties ordinarily performed by classified or
8 nonclassified personnel shall be the lesser of Thirty Thousand
9 Dollars (\$30,000.00) or one-half (1/2) of the member's final average
10 salary used in computing retirement benefits.

11 For purposes of this paragraph, the following shall apply:

- 12 a. earnings shall mean "regular annual compensation" as
13 defined in paragraph (25) of Section 17-101 of this
14 title, and shall include any payment by a public
15 school for services rendered by a retired member who
16 is employed for any purpose whatsoever. Supplemental
17 retirement payments paid by a former public school
18 employer pursuant to subsection 9 of Section 17-105 of
19 this title or other state law shall not be considered
20 as earnings,
- 21 b. the ~~Earnings Limitation~~ earnings limitation for
22 employees allowed by the Social Security
23 Administration to workers between the age of sixty-two
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- 1 (62) years and sixty-five (65) years shall apply to
2 retired members below the age of sixty-two (62) years,
3 c. the limit on allowed earnings from the public schools
4 shall be automatically adjusted effective the first
5 day of January of each year to reflect the current
6 ~~Earnings Limitation~~ earnings limitation for employees
7 as determined from time to time by the Social Security
8 Administration,
9 d. the earnings limit for the calendar year in which a
10 member retires shall be one-twelfth (1/12) of the
11 annual limit multiplied by the number of months the
12 member is eligible to work and receive payments from
13 the public schools of Oklahoma,
14 e. earnings in excess of the maximum limit on allowed
15 earnings from public schools of Oklahoma shall result
16 in a loss of future retirement benefits for the year
17 the postretirement employment was performed of One
18 Dollar (\$1.00) for each One Dollar (\$1.00) earned over
19 the maximum allowed earnings amount, and
20 f. for those members age seventy (70) years and over, the
21 earnings in excess of the maximum limit allowed
22 earnings from public schools of Oklahoma shall be one-
23 half (1/2) the member's final average salary used in
24 computing retirement benefits. However, any retired

1 member receiving benefits from the Retirement System
2 who reached age seventy (70) years prior to July 1,
3 1991, shall not be restricted by the earnings limits
4 pursuant to this subparagraph until January 1, 1994.
5 To qualify for the provisions of this subparagraph,
6 the member must be employed less than one-half (1/2)
7 the time compared to other full-time employees in
8 similar positions;

9 3. Notwithstanding paragraph 2 of this subsection, a retired
10 classified or nonclassified member who has been retired for thirty-
11 six (36) or more months and who is employed by a public school to
12 perform duties ordinarily performed by classified or nonclassified
13 personnel shall be able to receive annualized earnings from the
14 public school with no reduction in retirement benefits regardless of
15 the amount of annualized earnings. For a period of three (3) years
16 beginning July 1, 2017, members who have retired as of July 1, 2017,
17 as active classroom teachers, who have been retired and receiving a
18 benefit for at least one (1) year, and who have not been employed by
19 any public school during that one-year period, shall be eligible to
20 be reemployed as an active classroom teacher in common or career
21 tech school districts, with no limitations on earnings. For a
22 period of three (3) years beginning July 1, 2021, members who have
23 retired as of July 1, 2020, who have been retired and receiving a
24 benefit for at least one (1) year, and who have not been employed by

1 any public school during that one-year period, shall be eligible to
2 be reemployed as an active classroom teacher in common or career
3 tech school districts, with no limitations on earnings. The one-
4 year period starts with the retiree's last day of preretirement
5 public education employment. Members returning under this section
6 shall not be subject to any ~~earning limitations~~ earnings limitation
7 following the end of the three-year periods described in this
8 paragraph. Members returning under this section shall only be
9 employed pursuant to a temporary contract; and

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

18 B. A public school district that employs a retired member shall
19 be required to make contributions to the System for the retired
20 member in an amount as required in Section 17-108.1 and in paragraph
21 3 of subsection B of Section 17-116.2 of this title.

22 C. For purposes of this section, postretirement employment of
23 less than one thousand (1,000) hours per year with the Governor, the
24 ~~State~~ Senate, the House of Representatives or the Legislative

1 Service Bureau shall not be considered as postretirement employment
2 with a public school of Oklahoma.

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

6 E. A member who has entered into postretirement employment with
7 a participating employer of the Teachers' Retirement System of
8 Oklahoma must fully comply with all the provisions of the rules
9 promulgated by the Board of Trustees pursuant to this section in
10 order to continue receiving his or her monthly retirement benefit.

11 SECTION 2. This act shall become effective July 1, 2024.

12 SECTION 3. It being immediately necessary for the preservation
13 of the public peace, health or safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval."

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Passed the House of Representatives the 25th day of April, 2024.

Presiding Officer of the House of
Representatives

Passed the Senate the ____ day of _____, 2024.

Presiding Officer of the Senate

1 ENGROSSED SENATE
2 BILL NO. 1520

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4 Hays of the House

5
6 An Act relating to the Teachers' Retirement System of
7 Oklahoma; amending 70 O.S. 2021, Section 17-116.10,
8 which relates to postretirement employment; modifying
9 earnings limitation for certain retirees returning to
10 work in a public school; providing an effective date;
and declaring an emergency.

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

12 SECTION 4. AMENDATORY 70 O.S. 2021, Section 17-116.10,
13 is amended to read as follows:

14 Section 17-116.10. A. Subject to the requirements of Section
15 6-101.2 of this title and any other applicable requirements of law,
16 a member of the Teachers' Retirement System of Oklahoma may enter
17 into postretirement employment with a public school of Oklahoma and
18 still receive monthly retirement benefits subject to the following
19 limitations:

20 1. A retired member is not eligible to be employed by the
21 public schools of Oklahoma, in any capacity, for sixty (60) calendar
22 days between the retiree's last day of preretirement public
23 education employment and any postretirement public education
24 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~~ earnings limitation for
14 employees allowed by the Social Security Administration, whichever
15 is less. For retired members under the age of sixty-two (62) years,
16 the limit on allowed earnings from the public schools of Oklahoma
17 for employment for the performance of duties ordinarily performed by
18 classified or nonclassified personnel shall be the lesser of Fifteen
19 Thousand Dollars (\$15,000.00) or one-half (1/2) of the member's
20 final average salary used in computing retirement benefits unless
21 the earnings limitation allowed by the Social Security
22 Administration would be greater than Fifteen Thousand Dollars
23 (\$15,000.00). For retired members sixty-two (62) years of age or
24 older the limit on allowed earnings from the public schools of

1 Oklahoma for the performance of duties ordinarily performed by
2 classified or nonclassified personnel shall be the lesser of Thirty
3 Thousand Dollars (\$30,000.00) or one-half (1/2) of the member's
4 final average salary used in computing retirement benefits. On and
5 after the effective date of this act, for retired members under the
6 age of sixty-two (62) years, the limit on allowed earnings from the
7 public schools of Oklahoma for employment for the performance of
8 duties ordinarily performed by classified or nonclassified personnel
9 shall be the lesser of Thirty Thousand Dollars (\$30,000.00) or one-
10 half (1/2) of the member's final average salary used in computing
11 retirement benefits unless the earnings limitation allowed by the
12 Social Security Administration would be greater than Thirty Thousand
13 Dollars (\$30,000.00). On and after the effective date of this act,
14 for retired members sixty-two (62) years of age or older, the limit
15 on allowed earnings from the public schools of Oklahoma for the
16 performance of duties ordinarily performed by classified or
17 nonclassified personnel shall be the lesser of Fifty-five Thousand
18 Dollars (\$55,000.00) or one-half (1/2) of the member's final average
19 salary used in computing retirement benefits. For purposes of this
20 paragraph, the following shall apply:

21 a. earnings shall mean "regular annual compensation" as
22 defined in paragraph (25) of Section 17-101 of this
23 title, and shall include any payment by a public
24 school for services rendered by a retired member who

1 is employed for any purpose whatsoever. Supplemental
2 retirement payments paid by a former public school
3 employer pursuant to subsection 9 of Section 17-105 of
4 this title or other state law shall not be considered
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8 Administration to workers between the age of sixty-two
9 (62) years and sixty-five (65) years shall apply to
10 retired members below the age of sixty-two (62) years,

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12 shall be automatically adjusted effective the first
13 day of January of each year to reflect the current
14 ~~Earnings Limitation~~ earnings limitation for employees
15 as determined from time to time by the Social Security
16 Administration,

17 d. 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,

22 e. earnings in excess of the maximum limit on allowed
23 earnings from public schools of Oklahoma shall result
24 in a loss of future retirement benefits for the year

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2 Dollar (\$1.00) for each One Dollar (\$1.00) earned over
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4 f. for those members age seventy (70) years and over, the
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7 half (1/2) the member's final average salary used in
8 computing retirement benefits. However, any retired
9 member receiving benefits from the Retirement System
10 who reached age seventy (70) years prior to July 1,
11 1991, shall not be restricted by the earnings limits
12 pursuant to this subparagraph until January 1, 1994.
13 To qualify for the provisions of this subparagraph,
14 the member must be employed less than one-half (1/2)
15 the time compared to other full-time employees in
16 similar positions;

17 3. Notwithstanding paragraph 2 of this subsection, a retired
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19 six (36) or more months and who is employed by a public school to
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21 personnel shall be able to receive annualized earnings from the
22 public school with no reduction in retirement benefits regardless of
23 the amount of annualized earnings. For a period of three (3) years
24 beginning July 1, 2017, members who have retired as of July 1, 2017,

1 as active classroom teachers, who have been retired and receiving a
2 benefit for at least one (1) year, and who have not been employed by
3 any public school during that one-year period, shall be eligible to
4 be reemployed as an active classroom teacher in common or career
5 tech school districts, with no limitations on earnings. For a
6 period of three (3) years beginning July 1, 2021, members who have
7 retired as of July 1, 2020, who have been retired and receiving a
8 benefit for at least one (1) year, and who have not been employed by
9 any public school during that one-year period, shall be eligible to
10 be reemployed as an active classroom teacher in common or career
11 tech school districts, with no limitations on earnings. The one-
12 year period starts with the retiree's last day of preretirement
13 public education employment. Members returning under this section
14 shall not be subject to any ~~earning limitations~~ earnings limitation
15 following the end of the three-year periods described in this
16 paragraph. Members returning under this section shall only be
17 employed pursuant to a temporary contract; 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 personnel if the member is hired by the school
21 district in the member's individual capacity to perform the duties
22 or if the member performs the duties through employment with a
23 proprietorship, partnership, corporation, limited liability company

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1 or partnership, or any other business structure that has agreed or
2 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 System for the retired
5 member in an amount as required in Section 17-108.1 and in paragraph
6 3 of subsection B of Section 17-116.2 of this title.

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

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

15 E. A member who has entered into postretirement employment with
16 a participating employer of the Teachers' Retirement System of
17 Oklahoma must fully comply with all the provisions of the rules
18 promulgated by the Board of Trustees pursuant to this section in
19 order to continue receiving his or her monthly retirement benefit.

20 SECTION 5. This act shall become effective July 1, 2024.

21 SECTION 6. It being immediately necessary for the preservation
22 of the public peace, health or safety, an emergency is hereby
23 declared to exist, by reason whereof this act shall take effect and
24 be in full force from and after its passage and approval.

1 Passed the Senate the 4th day of March, 2024.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2024.

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9 Presiding Officer of the House
10 of Representatives