

1 ENGROSSED SENATE  
2 BILL NO. 1520

By: Pemberton and Stephens of  
the Senate

3 and

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 1. 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  
5 as earnings,

6 b. the ~~Earnings Limitation~~ earnings limitation for  
7 employees allowed by the Social Security  
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,

11 c. the limit on allowed earnings from the public schools  
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

1 the postretirement employment was performed of One  
2 Dollar (\$1.00) for each One Dollar (\$1.00) earned over  
3 the maximum allowed earnings amount, and

4 f. for those members age seventy (70) years and over, the  
5 earnings in excess of the maximum limit allowed  
6 earnings from public schools of Oklahoma shall be one-  
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  
18 classified or nonclassified member who has been retired for thirty-  
19 six (36) or more months and who is employed by a public school to  
20 perform duties ordinarily performed by classified or nonclassified  
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  
24

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

21 SECTION 3. 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.

2  
3 \_\_\_\_\_  
4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2024.

7  
8 \_\_\_\_\_  
9 Presiding Officer of the House  
10 of Representatives