

## STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

HOUSE BILL 2553

By: McDaniel

AS INTRODUCED

An Act relating to the Teachers' Retirement System of Oklahoma; amending 70 O.S. 2011, Sections 17-102.3, 17-105, as last amended by Section 1, Chapter 270, O.S.L. 2017, 17-116.2C and 17-116.10, as last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S. Supp. 2017, Sections 17-105 and 17-116.10), which relate to administration of the System; authorizing termination of certain tax-sheltered annuity program; prescribing procedures related to termination; modifying method for determination of disability retirements; modifying procedures for annual medical examination; modifying required period of service for purposes of certain minimum final average salary computation; and providing an effective date.

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 17-102.3, is amended to read as follows:

Section 17-102.3 The Tax-Sheltered Annuity Program provided by Section 17-101 et seq. of this title shall satisfy the applicable qualification requirements for grandfathered governmental tax-sheltered annuity programs as specified in 26 U.S.C. Section 403(b) and the relevant regulatory provisions and guidance related thereto. In order to satisfy these requirements and guidelines, the Teachers'

1 Retirement Tax-Sheltered Annuity Program shall be subject to the  
2 following provisions, notwithstanding any other provision of the law  
3 governing the Oklahoma Teachers' Retirement System:

4 (1) The Board of Trustees shall administer and distribute the  
5 corpus and income of the Tax-Sheltered Annuity Program to members  
6 and their beneficiaries pursuant to the applicable requirements  
7 under 26 U.S.C. Section 403(b), relevant regulatory provisions and  
8 guidance under 26 U.S.C. Section 403(b), and in accordance with the  
9 law governing the Oklahoma Teachers' Retirement System.

10 (2) All benefits paid from the retirement system shall be  
11 distributed in accordance with the applicable requirements of 26  
12 U.S.C. Sections 403(b)(10) and 401(a)(9) and the regulations  
13 thereto.

14 (3) To the extent required by 26 U.S.C. Sections 403(b)(10) and  
15 401(a)(31), the retirement system shall allow members and qualified  
16 beneficiaries to elect a direct rollover of eligible distributions  
17 to another eligible retirement plan.

18 (4) To the extent required under 26 U.S.C. Section 403(b)(11)  
19 and the regulations thereto, distributions under the Tax-Sheltered  
20 Annuity Program shall only be paid when the member attains the age  
21 of fifty-nine and one-half (59 1/2) years, separates from service,  
22 dies, becomes disabled, or in the case of hardship.

23 (5) The Board of Trustees may terminate its Tax-Sheltered  
24 Annuity Program ("the Program") administered under 26 U.S.C.,

1 Section 403(b). The Board may only do so in a way that is  
2 consistent with federal tax law and minimizes financial harm to the  
3 participants in the Program. To assist in minimizing any such harm,  
4 all employers that participate in the Teachers' Retirement System  
5 and maintain their own tax-sheltered annuity programs under Section  
6 403(b) of the Code, and who employ a participant in the Program, or  
7 who employed a retired participant in the Program, shall permit the  
8 firm administering the Program on the effective date of this act to  
9 be a provider in the employer's local programs. Such participation  
10 is only for the purpose of offering the same investment options to  
11 the participants that were available in the Program. Employers need  
12 only keep this firm as a provider for a two-year period beginning  
13 with the end of the local programs' current plan year as of the  
14 effective date of this act. In addition, the firm administering the  
15 Program must continue to be lawfully providing those investment  
16 options during that two-year period. Any active or retired  
17 participant in the local 403(b) programs may choose any other  
18 provider offered under that program.

19 SECTION 2. AMENDATORY 70 O.S. 2011, Section 17-105, as  
20 last amended by Section 1, Chapter 270, O.S.L. 2017 (70 O.S. Supp.  
21 2017, Section 17-105), is amended to read as follows:

22 Section 17-105. (1) (a) Any member who has attained age  
23 fifty-five (55) or who has completed thirty (30) years of creditable  
24 service, as defined in Section 17-101 of this title, or for any

1 person who initially became a member prior to July 1, 1992,  
2 regardless of whether there were breaks in service after July 1,  
3 1992, whose age and number of years of creditable service total  
4 eighty (80) may be retired upon proper application for retirement on  
5 forms established by the System and executing a retirement contract.  
6 Such a retirement date will also apply to any person who became a  
7 member of the sending system as defined in Section 17-101 et seq. of  
8 this title, prior to July 1, 1992, regardless of whether there were  
9 breaks in service after July 1, 1992. Any person who became a  
10 member after June 30, 1992, but prior to November 1, 2011, whose age  
11 and number of years of creditable service total ninety (90) may be  
12 retired upon proper application for retirement and executing a  
13 retirement contract. Any person who becomes a member on or after  
14 November 1, 2011, who attains the age of sixty-five (65) years or  
15 who reaches a normal retirement date pursuant to subparagraph (d) of  
16 paragraph (24) of Section 17-101 of this title having attained a  
17 minimum age of sixty (60) years may be retired upon proper  
18 application for retirement and executing a retirement contract. The  
19 application shall be filed on the form provided by the Board of  
20 Trustees for this purpose, not less than sixty (60) days before the  
21 date of retirement, provided that the Executive Director may waive  
22 the sixty-day deadline for good cause shown as defined by the Board.

23           1. The employer shall provide the System with the  
24           following information for a retiring member, no later

1 than the fifteenth day of the month of retirement:  
2 last day physically on the job; last day on payroll;  
3 any regular compensation not already reported to the  
4 System; and final unused sick leave balance.

- 5 2. Failure to submit this information by the deadline, or  
6 errors in submitted information that result in a  
7 disqualification of retirement eligibility shall be  
8 the responsibility of the employer. In cases where  
9 the error results in disqualification of retirement  
10 eligibility, it is the employer's responsibility to  
11 reemploy the member, or retain the member on the  
12 payroll, for the time period required to reach  
13 eligibility, not exceeding two (2) months.

14 (b) An individual who becomes a member of the Teachers'  
15 Retirement System after July 1, 1967, shall be employed by the  
16 public schools, state colleges or universities of Oklahoma for a  
17 minimum of five (5) years and be a contributing member of the  
18 Teachers' Retirement System of Oklahoma for a minimum of five (5)  
19 years to qualify for monthly retirement benefits from the Teachers'  
20 Retirement System of Oklahoma.

21 (c) Any member with five (5) or more years of Oklahoma teaching  
22 service and whose accumulated contributions during such period have  
23 not been withdrawn shall be given an indefinite extension of  
24 membership beginning with the sixth year following his or her last

1 contributing membership and shall become eligible to apply for  
2 retirement and be retired upon attaining age fifty-five (55).

3 (2) An unclassified optional member who has retired or who  
4 retires at sixty-two (62) years of age or older or whose retirement  
5 is because of disability shall have his or her minimum retirement  
6 benefits calculated on an average salary of Five Thousand Three  
7 Hundred Fifty Dollars (\$5,350.00) or, if a larger monthly allowance  
8 would result, an amount arrived at pursuant to application of the  
9 formula prescribed herein.

10 (3) No member shall receive a lesser retirement benefit than he  
11 or she would have received under the law in effect at the time he or  
12 she retired. Any individual under the Teachers' Retirement System,  
13 who through error in stating the title of the position which he or  
14 she held, may, at the discretion of the Board of Trustees, be  
15 changed from the nonclassified optional group to the classified  
16 group for the purpose of calculating retirement benefits.

17 Any individual regardless of residence, who has a minimum of ten  
18 (10) years of teaching in Oklahoma schools prior to July 1, 1943, or  
19 who taught in Oklahoma schools prior to 1934 and thereafter taught a  
20 minimum of ten (10) years and who does not qualify under the present  
21 retirement System, or who has a minimum of thirty (30) years of  
22 teaching in Oklahoma schools and has reached seventy (70) years of  
23 age prior to July 1, 1984, and is not otherwise eligible to receive  
24 any benefits from the retirement system shall receive a minimum of

1 One Hundred Fifty Dollars (\$150.00) per month in retirement benefits  
2 from the Teachers' Retirement System of Oklahoma plus any general  
3 increase in benefits for annuitants as may be provided hereafter by  
4 the Legislature. Each individual must apply to the Teachers'  
5 Retirement System for such benefit and provide evidence to the  
6 Teachers' Retirement System that the service was actually rendered.  
7 The surviving spouse of any person who made application for the  
8 benefit provided for by this paragraph during his or her lifetime  
9 but did not receive said benefit may submit an application to the  
10 System for payment of said benefit for those months during the  
11 lifetime of the deceased person that he or she was eligible for but  
12 did not receive the benefit. Upon approval of the application by  
13 the Board of Trustees, the benefit shall be paid to the surviving  
14 spouse in one lump sum.

15 (4) The value of each year of prior service is the total  
16 monthly retirement benefit divided by the number of years of  
17 creditable service.

18 (5) Upon application of a member who is actively engaged in  
19 teaching in Oklahoma or his or her employer, any member who has been  
20 a contributing member for ten (10) years may be retired by the ~~Board~~  
21 ~~of Trustees~~ System subsequent to the execution and filing thereof,  
22 on a disability retirement allowance, provided that it is found by  
23 the ~~Board of Trustees~~ Medical Board after medical examination of  
24 such member by a duly qualified physician that such member is

1 mentally or physically incapacitated for further performance of  
2 duty, that such incapacity is likely to be permanent, and that such  
3 member should be retired. The ~~Board of Trustees~~ System shall rely  
4 on and give due full consideration to the conclusions and  
5 recommendations in the certified written report of the Medical Board  
6 of the Teachers' Retirement System regarding the disability  
7 application of such member. If the Medical Board does not find that  
8 a member applying for disability retirement is mentally or  
9 physically incapacitated for performance of duty or otherwise  
10 eligible for a disability retirement, the application shall then be  
11 considered by the Board of Trustees. If a member is determined to  
12 be eligible for disability benefits pursuant to the Social Security  
13 System, then such determination shall entitle the member to the  
14 authorized disability retirement allowance provided by law. For  
15 members who are not eligible for disability benefits pursuant to the  
16 Social Security System, the Board of Trustees and Medical Board  
17 shall apply the same standard for which provision is made in the  
18 first two sentences of this subsection for determining the  
19 eligibility of a person for such disability benefits in making a  
20 determination of eligibility for disability benefits as authorized  
21 by this subsection.

22 (6) (a) A member who at the time of retirement has been found  
23 to be permanently physically or mentally incapacitated to perform  
24 the necessary duties to continue in his or her current position



1 shall receive a minimum monthly retirement payment for life or until  
2 such time as the member may be found to be recovered to the point  
3 where he or she may return to teaching. Any member retired before  
4 July 1, 1992, shall be eligible to receive the monthly retirement  
5 allowance herein provided, but such payment shall not begin until  
6 the first payment due him or her after July 1, 1992, and shall not  
7 be retroactive. The Board of Trustees is empowered to make such  
8 rules and regulations as it considers proper to preserve equity in  
9 retirements under this provision, which shall include a provision to  
10 protect the rights of the member's spouse.

11 (b) A member who has qualified for retirement benefits under  
12 disability retirement shall have the total monthly payment deducted  
13 from his or her accumulated contributions plus interest earned and  
14 any money remaining in the member's account after the above  
15 deductions at the death of the member shall be paid in a lump sum to  
16 the beneficiary or to the estate of the member. Provided, if the  
17 deceased disabled member had thirty (30) years or more of creditable  
18 service and the death occurred after June 30, 1981, and death  
19 occurred prior to the disabled member receiving twelve monthly  
20 retirement payments, a surviving spouse may elect to receive the  
21 retirement benefit to which the deceased member would have been  
22 entitled at the time of death under the Option 2 Plan of Retirement  
23 provided for in subsection (8) of this section in lieu of the death  
24

1 benefit provided for in this subsection and in subsection (12) of  
2 this section.

3 (c) Once each year the ~~Board of Trustees~~ System may require any  
4 disabled annuitant who has not yet attained the age of sixty (60)  
5 years to undergo a medical examination, such examination to be made  
6 at the place of residence for the disabled annuitant or other place  
7 mutually agreed upon by a physician or physicians designated by the  
8 ~~Board of Trustees~~ System. Should any disabled annuitant who has not  
9 yet attained the age of sixty (60) years refuse to submit to at  
10 least one medical examination in any such year by a physician or  
11 physicians designated by the ~~Board of Trustees~~ System his or her  
12 allowance may be discontinued until he or she submits to such  
13 examination.

14 (d) Should the Medical Board report and certify to the Board of  
15 Trustees that such disabled annuitant is engaged in or is able to  
16 engage in a gainful occupation paying more than the difference  
17 between his or her retirement allowance and the average final  
18 compensation, and should the Board of Trustees concur in such report  
19 then the amount of his or her pension shall be reduced to an amount  
20 which, together with his or her retirement allowance and that amount  
21 earnable by him or her, shall equal the amount of his or her average  
22 final compensation. Should his or her earning capacity be later  
23 increased, the amount of his or her pension may be further modified,  
24 provided the new pension shall not exceed that amount of the pension

1 originally granted nor an amount, which when added to the amount  
2 earnable by the member, together with his or her annuity, equals the  
3 amount of his or her average final compensation.

4 (e) Should a disabled annuitant be restored to active service,  
5 his or her disability retirement allowance shall cease and he or she  
6 shall again become a member of the Teachers' Retirement System and  
7 shall make regular contributions as required under this article.  
8 The unused portion of his or her accumulated contributions shall be  
9 reestablished to his or her credit in the Teachers' Savings Fund.  
10 Any such prior service certificates on the basis of which his or her  
11 service was computed at the time of his or her retirement shall be  
12 restored to full force and effect.

13 (7) Should a member before retirement under Section 1-101 et  
14 seq. of this title make application for withdrawal duly filed with  
15 the System, not earlier than four (4) months after the date of  
16 termination of such service as a teacher, the contribution standing  
17 to the credit of his or her individual account in the Teachers'  
18 Savings Fund shall be paid to him or her or, in the event of his or  
19 her death before retirement, shall be paid to such person or persons  
20 as he or she shall have nominated by written designation, duly  
21 executed and filed with the System; provided, however, if there be  
22 no designated beneficiary surviving upon such death, such  
23 contributions shall be paid to his or her administrators, executors,  
24 or assigns, together with interest as hereinafter provided. In lieu

1 of a lump-sum settlement at the death of the member, the amount of  
2 money the member has on deposit in the Teachers' Savings Fund and  
3 the money the member has on deposit in the Teachers' Deposit Fund  
4 may be paid in monthly payments to a designated beneficiary, who  
5 must be the spouse, under the Maximum or Option 1 Plan of Retirement  
6 providing the monthly payment shall be not less than Twenty-five  
7 Dollars (\$25.00) per month. The monthly payment shall be the  
8 actuarial equivalent of the amount becoming due at the member's  
9 death based on the sex of the spouse and the age the spouse has  
10 attained at the last birthday prior to the member's death. Provided  
11 further, if there be no designated beneficiary surviving upon such  
12 death, and the contributions standing to the credit of such member  
13 do not exceed Two Hundred Dollars (\$200.00), no part of such  
14 contributions shall be subject to the payment of any expense of the  
15 last illness or funeral of the deceased member or any expense of  
16 administration of the estate of such deceased and the System, upon  
17 satisfactory proof of the death of such member and of the name or  
18 names of the person or persons who would be entitled to receive such  
19 contributions under the laws of descent and distribution of the  
20 state, may authorize the payment of accumulated contributions to  
21 such person or persons. A member terminating his or her membership  
22 by withdrawal after June 30, 2003, shall have the interest computed  
23 at a rate of interest determined by the System and paid to him or  
24 her subject to the following schedule:

1 (a) If termination occurs within sixteen (16) years from the  
2 date membership began, fifty percent (50%) of such interest  
3 accumulations shall be paid.

4 (b) With at least sixteen (16) but less than twenty-one (21)  
5 years of membership, sixty percent (60%) of such interest  
6 accumulations shall be paid.

7 (c) With at least twenty-one (21) but less than twenty-six (26)  
8 years of membership, seventy-five percent (75%) of such interest  
9 accumulations shall be paid.

10 (d) With at least twenty-six (26) years of membership, ninety  
11 percent (90%) of such interest accumulations shall be paid.

12 In case of death of an active member, the interest shall be  
13 calculated and restored to the member's account and paid to his or  
14 her beneficiary.

15 (8) (a) In lieu of his or her retirement allowance payable  
16 throughout life for such an amount as determined under this section,  
17 the member may select a retirement allowance for a reduced amount  
18 payable under any of the following options the present value of  
19 which is the actuarial equivalent thereof.

20 (b) A member may select the option under which he or she  
21 desires to retire at the end of the school year in which he or she  
22 attains age seventy (70) and the option shall be binding and cannot  
23 be changed. Provided further that if a member retires before age  
24 seventy (70), no election of an option shall be effective in case an

1 annuitant dies before the first payment due under such option has  
2 been received.

3 (c) The first payment of any benefit selected shall be made on  
4 the first day of the month following approval of the retirement by  
5 the System. If the named designated beneficiary under Option 2 or 3  
6 dies at any time after the member's retirement date, but before the  
7 death of the member, the member shall return to the retirement  
8 benefit, including any postretirement benefit increases the member  
9 would have received had the member not selected Option 2 or 3 of  
10 this subsection. The benefit shall be determined at the date of  
11 death of the designated beneficiary or July 1, 1994, whichever is  
12 later. This increase shall become effective the first day of the  
13 month following the date of death of the designated beneficiary or  
14 July 1, 1994, whichever is later, and shall be payable for the  
15 member's remaining lifetime. The member shall notify the Teachers'  
16 Retirement System of Oklahoma of the death of the designated  
17 beneficiary in writing. In the absence of the written notice being  
18 filed by the member notifying the Teachers' Retirement System of  
19 Oklahoma of the death of the designated beneficiary within six (6)  
20 months of the date of death, nothing in this subsection shall  
21 require the Teachers' Retirement System of Oklahoma to pay more than  
22 six (6) months of retrospective benefits increase.

23 Option 1. If he or she dies before he or she has received in  
24 annuity payments the present value of his or her annuity as it was

1 at the time of his or her retirement, the balance shall be paid to  
2 his or her legal representatives or to such person as he or she  
3 shall nominate by written designation duly acknowledged and filed  
4 with the System at the time of his or her retirement; or

5       Option 2. A member takes a reduced retirement allowance for  
6 life. Upon the death of the member the payments shall continue to  
7 the member's designated beneficiary for the life of the beneficiary.  
8 The written designation of the beneficiary must be duly acknowledged  
9 and filed with the System at the time of the member's retirement  
10 and, except as provided in paragraph (e) of this subsection, cannot  
11 be changed after the effective date of the member's retirement; or

12       Option 3. A member receives a reduced retirement allowance for  
13 life. Upon the death of the member one-half (1/2) of the retirement  
14 allowance paid the member shall be continued throughout the life of  
15 the designated beneficiary. A written designation of a beneficiary  
16 must be duly acknowledged and filed with the System at the time of  
17 the member's retirement and, except as provided in paragraph (e) of  
18 this subsection, cannot be changed after the effective date of the  
19 member's retirement; or

20       Option 4. Some other benefit or benefits shall be paid either  
21 to the member or to such person or persons as he or she shall  
22 nominate, provided such other benefit or benefits, together with the  
23 reduced retirement allowance, shall be certified by the actuary to  
24

1 be of equivalent actuarial value to his or her retirement allowance  
2 and shall be approved by the System.

3 (d) Provided that Option 2 and Option 3 shall not be available  
4 if the member's expected benefit is less than fifty percent (50%) of  
5 the lump-sum actuarial equivalent and the designated beneficiary is  
6 not the spouse of the member.

7 (e) A member who chose the maximum retirement benefit plan at  
8 the time of retirement may make a one-time election to choose either  
9 Option 2 or 3 and name the member's spouse as designated beneficiary  
10 if the member marries after making the initial election. Such an  
11 election shall be made by July 1, 2011, or within one (1) year of  
12 the date of marriage, whichever is later. The member shall provide  
13 proof of a member's good health before the Board of Trustees will  
14 permit a change to either Option 2 or 3 and the naming of a  
15 designated beneficiary. A medical examination conducted by a  
16 licensed physician is required for purposes of determining good  
17 health. Such examination must be approved by the Medical Board.  
18 The member shall be required to provide proof of age for the new  
19 beneficiary. The Board of Trustees shall adjust the monthly benefit  
20 to the actuarially equivalent amount based on the new designated  
21 beneficiary's age. The Board of Trustees shall promulgate rules to  
22 implement the provisions of this subsection.

23 (f) A member who retires after the effective date of this act  
24 and has selected a retirement allowance for a reduced amount payable



1 under one of the options provided for in this subsection may make a  
2 one-time irrevocable election to select a different option within  
3 sixty (60) days of the member's retirement date. The beneficiary  
4 designated by the member at the time of retirement shall not be  
5 changed if the member makes the election provided for in this  
6 paragraph.

7 (g) Any individual who is eligible to be a beneficiary of a  
8 member under this subsection, and who is also a beneficiary of a  
9 trust created under the Oklahoma Discretionary and Special Needs  
10 Trust Act, Section 175.81 et seq. of Title 60 of the Oklahoma  
11 Statutes, or a comparable Trust Act created under the laws of  
12 another state, hereinafter collectively referred to as "Trust Acts",  
13 may be a beneficiary under this subsection by having the trustee of  
14 the trust established for the benefit of that individual named as  
15 the legal beneficiary under this subsection. The age of that  
16 beneficiary shall be used for calculating any benefit payable to the  
17 trust under this subsection. The beneficiary of such a trust shall  
18 be treated as the beneficiary under this subsection except that  
19 payments of any benefits due under this subsection shall be payable  
20 to the lawfully appointed trustee of the trust. The obligation of  
21 the System to pay the beneficiary under this subsection shall be  
22 satisfied by payment to the trustee whom the System, in good faith,  
23 believes to be the lawfully appointed trustee. Any conflict between  
24 the statutes creating and governing the Teachers' Retirement System

1 in Section 17-101 et seq. of this title and the provisions of any  
2 Trust Act referred to above shall be resolved in favor of the  
3 statutes governing the System. If an eligible beneficiary is named  
4 at the time of retirement, and becomes a beneficiary of a trust  
5 under one of the Trust Acts described herein after that time, the  
6 System will acknowledge the trust as the beneficiary upon the  
7 submission of adequate documentation of the existence of the trust.  
8 All other provisions of this subsection shall apply to these  
9 subsequently created trusts.

10 (h) The Board of Trustees of the System may recognize other  
11 trusts set up for the benefit of individuals otherwise eligible to  
12 be named as a beneficiary under this subsection by administrative  
13 rule if it can be done without undue additional administrative  
14 expense of the System.

15 (9) The governing board of any "public school", as that term is  
16 defined in Section 17-101 of this title, is hereby authorized and  
17 empowered to pay additional retirement allowances or compensation to  
18 any person who was in the employ of such public school for not less  
19 than seven (7) school years preceding the date of his or her  
20 retirement. Payments so made shall be a proper charge against the  
21 current appropriation or appropriations of any such public school  
22 for salaries for the fiscal year in which such payments are made.  
23 Such payments shall be made in regular monthly installments in such  
24 amounts as the governing board of any such public school, in its

1 judgment, shall determine to be reasonable and appropriate in view  
2 of the length and type of service rendered by any such person to  
3 such public school by which such person was employed at the time of  
4 retirement. All such additional payments shall be uniform, based  
5 upon the length of service and the type of services performed, to  
6 persons formerly employed by such public school who have retired or  
7 been retired in accordance with the provisions of Section 17-101 et  
8 seq. of this title.

9 The governing board of any such public school may adopt rules  
10 and regulations of general application outlining the terms and  
11 conditions under which such additional retirement benefits shall be  
12 paid, and all decisions of such board shall be final.

13 (10) In addition to the teachers' retirement herein provided,  
14 teachers may voluntarily avail themselves of the Federal Social  
15 Security Program upon a district basis.

16 (11) Upon the death of an in-service member, the System shall  
17 pay to the designated beneficiary of the member or, if there is no  
18 designated beneficiary or if the designated beneficiary predeceases  
19 the member, to the estate of the member, the sum of Eighteen  
20 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the  
21 deceased member had ten (10) years or more of creditable service and  
22 the death occurred after February 1, 1985, the member's designated  
23 beneficiary may elect to receive the retirement benefit to which the  
24 deceased member would have been entitled at the time of death under

1 the Option 2 plan of retirement in lieu of the death benefit  
2 provided for in this subsection. Provided further, the option  
3 provided in this subsection is only available when the member has  
4 designated one individual as the designated beneficiary. The  
5 beneficiary or beneficiaries of death benefits in the amount not to  
6 exceed Eighteen Thousand Dollars (\$18,000.00), but exclusive of any  
7 retirement benefit received by an electing beneficiary based upon  
8 creditable service performed by the deceased member, which are  
9 provided pursuant to this subsection may elect to disclaim such  
10 death benefits in which case such benefits will be transferred to a  
11 person licensed as a funeral director or to a lawfully recognized  
12 business entity licensed as required by law to provide funeral  
13 services for the deceased member. The qualified disclaimer must be  
14 in writing and will be an irrevocable and an unqualified refusal to  
15 accept all or a portion of the death benefit. It must be received  
16 by the transferor no more than nine (9) months after the later of  
17 the day the transfer creating the interest in the disclaiming person  
18 is made or the day the disclaiming person attains age twenty-one  
19 (21). The interest in the death benefits must pass without  
20 direction by the disclaiming person to another person.

21 (12) Upon the death of an annuitant who has contributed to the  
22 System, the retirement system shall pay to the designated  
23 beneficiary of the annuitant or, if there is no designated  
24 beneficiary or if the designated beneficiary predeceases the

1 annuitant, to the estate of the annuitant, the sum of Five Thousand  
2 Dollars (\$5,000.00) as a death benefit. The beneficiary or  
3 beneficiaries of benefits provided pursuant to this subsection may  
4 elect to disclaim such death benefits in which case such benefits  
5 will be transferred to a person licensed as a funeral director or to  
6 a lawfully recognized business entity licensed as required by law to  
7 provide funeral services for the deceased member. The qualified  
8 disclaimer must be in writing and will be an irrevocable and an  
9 unqualified refusal to accept all or a portion of the death benefit.  
10 It must be received by the transferor no more than nine (9) months  
11 after the later of the day the transfer creating the interest in the  
12 disclaiming person is made or the day the disclaiming person attains  
13 age twenty-one (21). The interest in the death benefits must pass  
14 without direction by the disclaiming person to another person. The  
15 benefit payable pursuant to this subsection shall be deemed, for  
16 purposes of federal income taxation, as life insurance proceeds and  
17 not as a death benefit if the Internal Revenue Service approves this  
18 provision pursuant to a private letter ruling request which shall be  
19 submitted by the board of trustees of the System for that purpose.

20 (13) Upon the death of a member who dies leaving no living  
21 beneficiary or having designated his or her estate as beneficiary,  
22 the System may pay any applicable death benefit, unpaid  
23 contributions, or unpaid benefit which may be subject to probate, in  
24 an amount of Twenty-five Thousand Dollars (\$25,000.00) or less,

1 without the intervention of the probate court or probate procedure  
2 pursuant to Section 1 et seq. of Title 58 of the Oklahoma Statutes.

3 (a) Before any applicable probate procedure may be waived, the  
4 System must be in receipt of the member's proof of death and the  
5 following documents from those persons claiming to be the legal  
6 heirs of the deceased member:

7 1. The member's valid last will and testament, trust  
8 documents or affidavit that a will does not exist;

9 2. An affidavit or affidavits of heirship which must  
10 state:

11 a. the names and signatures of all claiming heirs to  
12 the deceased member's estate including the  
13 claiming heirs' names, relationship to the  
14 deceased, current addresses, tax I.D. numbers if  
15 known and current telephone numbers,

16 b. a statement or statements by the claiming heirs  
17 that no application or petition for the  
18 appointment of a personal representative is  
19 pending or has been granted in any jurisdiction,

20 c. a description of the personal property claimed,  
21 (i.e., death benefit or unpaid contributions or  
22 both) together with a statement that such  
23 personal property is subject to probate,  
24

1           d.    a statement by each individual claiming heir  
2                    identifying the amount of personal property that  
3                    the heir is claiming from the System, and that  
4                    the heir has been notified of, is aware of and  
5                    consents to the identified claims of all the  
6                    other claiming heirs of the deceased member  
7                    pending with the System;

8           3.    A written agreement or agreements signed by all  
9                    claiming heirs of the deceased member which provides  
10                   that the claiming heirs release, discharge and hold  
11                   harmless the System from any and all liability,  
12                   obligations and costs which it may incur as a result  
13                   of making a payment to any of the deceased member's  
14                   heirs;

15           4.    A corroborating affidavit from an individual other  
16                   than a claiming heir, who was familiar with the  
17                   affairs of the deceased member;

18           5.    Proof that all debts of the deceased member, including  
19                   payment of last sickness, hospital, medical, death,  
20                   funeral and burial expenses have been paid or provided  
21                   for.

22           (b)   The Executive Director of the System shall retain complete  
23           discretion in determining which requests for probate waiver may be  
24           granted or denied, for any reason.  Should the System have any

1 question as to the validity of any document presented by the  
2 claiming heirs, or as to any statement or assertion contained  
3 therein, the probate requirement provided for in Section 1 et seq.  
4 of Title 58 of the Oklahoma Statutes, shall not be waived.

5 (c) After paying any death benefits or unpaid contributions to  
6 any claiming heirs as provided pursuant to this subsection, the  
7 System is discharged and released from any and all liability,  
8 obligation and costs to the same extent as if the System had dealt  
9 with a personal representative of the deceased member. The System  
10 is not required to inquire into the truth of any matter specified in  
11 this subsection or into the payment of any estate tax liability.

12 (14) Upon the death of a retired member, the benefit payment  
13 for the month in which the retired member died, if not previously  
14 paid, shall be made to the beneficiary of the member or to the  
15 member's estate if there is no beneficiary. Such benefit payment  
16 shall be made in an amount equal to a full monthly benefit payment  
17 regardless of the day of the month in which the retired member died.

18 SECTION 3. AMENDATORY 70 O.S. 2011, Section 17-116.2C,  
19 is amended to read as follows:

20 Section 17-116.2C A. As used in this section:

21 1. "Contribution deficit" means the amount of money computed  
22 for an eligible employee by multiplying the employee contribution  
23 rate in effect for any period of service performed on or after July  
24 1, 1987, through June 30, 1995, multiplied by the amount of salary



1 earned by the member in excess of the applicable maximum  
2 compensation level of the member for such period with interest at  
3 the rate of ten percent (10%) per year compounded annually;  
4 provided, that for the designated fiscal years prescribed by  
5 subparagraphs a and b of this paragraph, the contribution deficit  
6 payment shall be adjusted to:

- 7 a. fifty percent (50%) of the total amount of the  
8 computation otherwise prescribed by this paragraph for  
9 the fiscal year ending June 30, 2007,
- 10 b. seventy-five percent (75%) of the total amount of the  
11 computation otherwise prescribed by this paragraph for  
12 the fiscal year ending June 30, 2008, and
- 13 c. one hundred percent (100%) of the total amount of the  
14 computation otherwise prescribed by this paragraph for  
15 the fiscal year ending June 30, 2009, and for each  
16 fiscal year thereafter;

17 2. "Eligible employee" means a member of the System who has not  
18 retired prior to the effective date of this act and who has  
19 performed service at any time prior to June 30, 1995, and who  
20 fulfills the requirements of this act with respect to inclusion of  
21 pre-cap removal years of service in a retirement benefit computation  
22 and:

23  
24

- 1           a.    who has already reached a normal retirement age prior  
2                   to the effective date of this act and has not retired  
3                   prior to the effective date of this act,  
4           b.    who reaches a normal retirement age on or after the  
5                   effective date of this act, and  
6           c.    who is employed by an institution within The Oklahoma  
7                   State System of Higher Education that is not a  
8                   comprehensive university or a regional institution  
9                   offering a four-year degree program as designated or  
10                  authorized by the Oklahoma State Regents for Higher  
11                  Education;

12           3.    "Maximum average salary amount", subject to the requirements  
13 of this paragraph related to the funding level for employer  
14 contribution rates, means:

- 15           a.    Sixty Thousand Dollars (\$60,000.00) regardless of any  
16                   otherwise applicable maximum compensation level for  
17                   the fiscal year ending June 30, 2007,  
18           b.    Eighty Thousand Dollars (\$80,000.00) regardless of any  
19                   otherwise applicable maximum compensation level for  
20                   the fiscal year ending June 30, 2008, and  
21           c.    the full amount of the average salary without any  
22                   limitation for the fiscal year ending June 30, 2009,  
23                   and or each fiscal year thereafter.  
24

1 The maximum final average salary amount otherwise authorized  
2 pursuant to subparagraph b or subparagraph c of this paragraph shall  
3 be contingent upon the participating employer in whose employment  
4 the member is active upon the date the member retires receiving, for  
5 the fiscal year during which the member's retirement will begin, the  
6 amount of funds required pursuant to paragraph 8 of Section 17-108.1  
7 of this title in order to allow the employer contribution rates  
8 prescribed by paragraphs 6, 7 and 8 of Section 17-108.1 of this  
9 title to be effective as law. If a member is employed by an  
10 employer that does not receive the funding required by paragraph 8  
11 of Section 17-108.1 of this title for the fiscal year during which  
12 the member's retirement will begin, the member shall not be  
13 authorized to use the maximum final average salary otherwise  
14 authorized by this paragraph to compute retirement benefits.—A  
15 ~~member shall be required to have been employed by a participating~~  
16 ~~employer for a period of at least twelve (12) months prior to~~  
17 ~~retirement in order to compute a retirement benefit using the~~  
18 ~~maximum final average salary authorized by this paragraph;~~

19 4. "Maximum compensation level" means either:

- 20 a. Twenty-five Thousand Dollars (\$25,000.00) if a member  
21 did not elect to make employee contributions on a  
22 higher salary amount for any pre-cap removal years of  
23 service, or  
24

1           b.   Forty Thousand Dollars (\$40,000.00) if a member did  
2                   elect to make employee contributions upon actual  
3                   salary not in excess of such amount for any pre-cap  
4                   removal years of service;

5           5.   "Pre-cap removal service" means any service performed by an  
6 active member prior to June 30, 1995; and

7           6.   "System" means the Teachers' Retirement System of Oklahoma;

8           B.   Unless otherwise expressly provided by this section, any  
9 definition contained in Section 17-101 of this title otherwise  
10 applicable to computation of benefits for retired members of the  
11 Teachers' Retirement System of Oklahoma shall have the same meaning  
12 for purposes of this section.

13           C.   Effective July 1, 2006, any eligible member of the Teachers'  
14 Retirement System of Oklahoma, who, as of July 1, 2006, has already  
15 reached a normal retirement age or who on or after July 1, 2006,  
16 reaches a normal retirement age as defined by paragraph 24 of  
17 Section 17-101 of this title, shall be eligible to have a retirement  
18 benefit computed as provided by this section. If a member is  
19 eligible for the benefit computation authorized by this section, the  
20 average salary used to compute the retirement benefit of the member  
21 shall be governed by the provisions of this section and such  
22 provisions shall govern in the event of conflict between this  
23 section and the provisions of Section 17-116.2 of this title.

1 D. An eligible employee who performs service in the manner  
2 prescribed by subsection E of this section and who makes payment of  
3 the applicable contribution deficit amount may have a retirement  
4 benefit computed as otherwise authorized by Section 17-105 of this  
5 title, but shall have such benefit computed without regard to any  
6 maximum compensation level that would otherwise be applicable to the  
7 compensation of the member for any period of pre-cap removal  
8 service.

9 E. In order to have retirement benefits computed as authorized  
10 by subsection C of this section, and in addition to the payment of  
11 the contribution deficit amount required by this section, in order  
12 to have any pre-cap removal service included in the retirement  
13 benefit computation of the member using the average salary earned  
14 during such period of participating service subject to the maximum  
15 average salary amount, the member shall be required to perform one  
16 (1) year of participating service on or after the date as of which  
17 the member reaches a normal retirement age, for each two (2) years  
18 of service performed prior to July 1, 1995. For purposes of this  
19 section, any year of service performed prior to the effective date  
20 of this act after a member reached a normal retirement age shall  
21 qualify for purposes of the retirement benefit computation  
22 authorized by this section.

23 F. One (1) year of participating service performed by an  
24 eligible member who, prior to the effective date of this act has

1 reached a normal retirement age or, who on or after July 1, 2006,  
2 reaches a normal retirement age, shall result in the inclusion of  
3 the two (2) years of participating service immediately preceding  
4 July 1, 1995, in a retirement benefit computation using the average  
5 salary of the member, subject to the maximum average salary amount.  
6 For each additional year of participating service performed by the  
7 eligible member thereafter, whether such service has been performed  
8 prior to the effective date of this act or whether such service is  
9 performed on or after the effective date of this act, the two (2)  
10 next succeeding years of pre-cap removal service performed prior to  
11 the end of the preceding two-year period may be included in the  
12 benefit computation without regard to the maximum compensation level  
13 of the member that would otherwise be applicable to such pre-cap  
14 removal service.

15 G. The eligible member shall be required to make payment to the  
16 Teachers' Retirement System of Oklahoma of the contribution deficit  
17 amount for any year of service performed on or after July 1, 1987,  
18 but not later than June 30, 1995, as prescribed by subsections H  
19 through K of this section in order to have any years of pre-cap  
20 removal service included in the retirement benefit computation using  
21 the average salary of the member subject to the maximum average  
22 salary amount.

23 H. In order to have years of service included in the benefit  
24 computation using average salary subject to the maximum average

1 salary amount, the member shall be required to make payment of the  
2 contribution deficit for the following years of service and in the  
3 sequence prescribed by subsection I of this section according to the  
4 adjustments required by subparagraphs a and b of paragraph 1 of  
5 subsection A of this section:

- 6 1. July 1, 1987, through June 30, 1988;
- 7 2. July 1, 1988, through June 30, 1989;
- 8 3. July 1, 1989, through June 30, 1990;
- 9 4. July 1, 1990, through June 30, 1991;
- 10 5. July 1, 1991, through June 30, 1992;
- 11 6. July 1, 1992, through June 30, 1993;
- 12 7. July 1, 1993, through June 30, 1994; and
- 13 8. July 1, 1994, through June 30, 1995.

14 I. For each year of service performed by the eligible member  
15 prior to the effective date of this act and after having reached a  
16 normal retirement age, or for each year of service performed by the  
17 member after reaching a normal retirement age on or after the  
18 effective date of this act, the member shall be required to make  
19 payment of the contribution deficit amount for each year of service  
20 beginning with the years described in paragraphs 7 and 8 of  
21 subsection H of this section. For each additional year of service  
22 performed by the eligible member after the normal retirement age of  
23 the member, the member shall make payment of the contribution  
24

1 deficit amount for each of the next two (2) years of service as  
2 described in:

- 3 1. Paragraphs 5 and 6 of subsection H of this section;
- 4 2. Paragraphs 3 and 4 of subsection H of this section; and
- 5 3. Paragraphs 1 and 2 of subsection H of this section.

6 J. After making payment of all required contribution deficit  
7 amounts for all periods of service described in paragraphs 1 through  
8 8 of subsection H of this section, an eligible member who has  
9 performed any additional years of service after having reached a  
10 normal retirement age, or for each year of service performed by the  
11 member after reaching a normal retirement age on or after the  
12 effective date of this act, the member may then include any  
13 additional two-year period of service performed prior to July 1,  
14 1987, using the average salary of the member, subject to the maximum  
15 average salary amount, in the retirement benefit computation for  
16 such years of service by performing one (1) additional year of  
17 service.

18 K. No contribution deficit payments shall be required of the  
19 eligible member with respect to years of service performed prior to  
20 July 1, 1987, if such years of service are included in the  
21 retirement benefit computation of the member using average salary as  
22 otherwise authorized by this section, subject to the maximum average  
23 salary amount.

24



1 L. An eligible member may make the payment of the contribution  
2 deficit amount required by this section at any time prior to the  
3 retirement of the member from the System; however, no years of pre-  
4 cap removal service for which full payment of the required  
5 contribution deficit has not been made pursuant to the requirements  
6 of this section may be included in the retirement benefit  
7 computation of the otherwise eligible member using the average  
8 salary of the member for such period, subject to the maximum average  
9 salary amount.

10 M. Any pre-cap removal years of service for which the required  
11 contribution deficit payment has not been made to the System shall  
12 only be included in a retirement benefit computation using the  
13 maximum compensation level in effect for the member at the time such  
14 years of service were performed.

15 N. All payments to the System for pre-cap removal service shall  
16 be made prior to the date as of which a member retires. No payments  
17 to the System for pre-cap removal service otherwise authorized by  
18 this section shall be made after a member retires from the System  
19 and begins to receive benefits.

20 O. Any eligible member who, prior to the effective date of this  
21 act, has not previously made an election for payment of employee  
22 contributions on a maximum compensation level of Twenty-five  
23 Thousand Dollars (\$25,000.00) for pre-cap removal service may file  
24 an election with the System to make payment of the required

1 contribution deficit amount pursuant to this section. Such an  
2 election shall be irrevocable.

3 P. No participating employer of the System shall make payment  
4 of any required contribution deficit amount on behalf of any  
5 otherwise eligible member, whether directly or indirectly, in order  
6 for the member to have retirement benefits computed according to the  
7 provisions of this section.

8 Q. No member of the System who has retired prior to July 1,  
9 2006, shall be eligible to make any payments of the contribution  
10 deficit amount and no such member shall have the ability to have a  
11 retirement benefit recomputed as a result of the provisions of this  
12 section.

13 R. The additional retirement benefit attributable to the  
14 provisions of this section may be computed for members who retire on  
15 or after July 1, 2006, but prior to January 1, 2007, but the  
16 additional retirement benefit attributable to the provisions of this  
17 section shall not be payable until January 1, 2007. On and after  
18 January 1, 2007, the additional retirement benefit attributable to  
19 the provisions of this section shall be added to the retirement  
20 benefit amount of any member who retires on or after July 1, 2006,  
21 and prior to January 1, 2007, and such increased benefit amount  
22 shall be payable to the member or any beneficiary of the member as  
23 otherwise provided pursuant to the provisions of Section 17-101 of  
24

1 this title in the same manner as other retirement benefits are  
2 payable.

3 SECTION 4. AMENDATORY 70 O.S. 2011, Section 17-116.10,  
4 as last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S.  
5 Supp. 2017, Section 17-116.10), is amended to read as follows:

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

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

1        2. Unless otherwise provided in paragraph 3 of this subsection,  
2 earnings from the public schools may not exceed one-half (1/2) of  
3 the member's final average salary used in computing retirement  
4 benefits, or the Earnings Limitation for employees allowed by the  
5 Social Security Administration, whichever is less. For retired  
6 members under the age of sixty-two (62) years, the limit on allowed  
7 earnings from the public schools of Oklahoma for employment for the  
8 performance of duties ordinarily performed by classified or  
9 nonclassified personnel shall be the lesser of Fifteen Thousand  
10 Dollars (\$15,000.00) or one-half (1/2) of the member's final average  
11 salary used in computing retirement benefits unless the earnings  
12 limitation allowed by the Social Security Administration would be  
13 greater than Fifteen Thousand Dollars (\$15,000.00). For retired  
14 members sixty-two (62) years of age or older the limit on allowed  
15 earnings from the public schools of Oklahoma for the performance of  
16 duties ordinarily performed by classified or nonclassified personnel  
17 shall be the lesser of Thirty Thousand Dollars (\$30,000.00) or one-  
18 half (1/2) of the member's final average salary used in computing  
19 retirement benefits. For purposes of this paragraph, the following  
20 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 for employees allowed by the~~  
7 ~~Social Security Administration to workers between the~~  
8 ~~age of sixty-two (62) years and sixty-five (65) years~~  
9 ~~shall apply to retired members below the age of sixty-~~  
10 ~~two (62) years,~~

11 ~~e.~~ 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 for employees as determined from  
15 time to time by the Social Security Administration,

16 ~~d.~~ c. the earnings limit for the calendar year in which  
17 a member retires shall be one-twelfth (1/12) of the  
18 annual limit multiplied by the number of months the  
19 member is eligible to work and receive payments from  
20 the public schools of Oklahoma,

21 ~~e.~~ d. earnings in excess of the maximum limit on allowed  
22 earnings from public schools of Oklahoma shall result  
23 in a loss of future retirement benefits for the year  
24 the postretirement employment was performed of One

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

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

16 3. Notwithstanding paragraph 2 of this subsection, a retired  
17 classified or nonclassified member who has been retired for thirty-  
18 six (36) or more months and who is employed by a public school to  
19 perform duties ordinarily performed by classified or nonclassified  
20 personnel shall be able to receive annualized earnings from the  
21 public school with no reduction in retirement benefits regardless of  
22 the amount of annualized earnings. For a period of three (3) years  
23 beginning July 1, 2017, members who have retired as of July 1, 2017,  
24 as active classroom teachers, who have been retired and receiving a

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

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

19 B. A public school district that employs a retired member shall  
20 be required to make contributions to the System for the retired  
21 member in an amount as required in Section 17-108.1 and in paragraph  
22 3 of subsection B of Section 17-116.2 of this title.

23 C. For purposes of this section, postretirement employment of  
24 less than one thousand (1,000) hours per year with the Governor, the

1 State Senate, the House of Representatives or the Legislative  
2 Service Bureau shall not be considered as postretirement employment  
3 with a public school of Oklahoma.

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

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

12 SECTION 5. This act shall become effective November 1, 2018.

13

14 56-2-8327 MAH 01/10/18

15

16

17

18

19

20

21

22

23

24



**THOMAS E. CUMMINS CONSULTING ACTUARY, INC.**

2512 E. 71<sup>st</sup> Street, Suite D · Tulsa, Oklahoma 74136

(918) 492-9658 · (918) 492-9659

---

January 10, 2018

Representative Randy McDaniel  
Room 438

Re: RBH No. 8327

RBH No. 8327 deals with termination of the tax sheltered annuity program administered by Teachers Retirement System. It also has administrative changes in the disability benefit provided under Teachers Retirement System.

This bill removes a paragraph dealing the post retirement earnings limitation for Oklahoma Teachers Retirement System retired members who under age 62. The limitation is covered in an existing another paragraph making the stricken language redundant.

RBH No. 8327 is a non fiscal bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act because there was no benefit increase contained in this bill.

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