

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2288 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Kyle Hilbert

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

PROPOSED OVERSIGHT
COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2288

By: Hilbert

PROPOSED OVERSIGHT COMMITTEE SUBSTITUTE

An Act relating to the Teachers' Retirement System of Oklahoma; amending 62 O.S. 2021, Section 3103, as last amended by Section 127, Chapter 452, O.S.L. 2024 (62 O.S. Supp. 2024, Section 3103), which relates to the Oklahoma Pension Actuarial Analysis Act; modifying definitions; amending 70 O.S. 2021, Section 17-116.10, as amended by Section 9, Chapter 300, O.S.L. 2024 (70 O.S. Supp. 2024, Section 17-116.10), which relates to postretirement employment; modifying provisions related to earning limitations; providing that a retired member may receive earnings without a reduction in retirement benefits; providing effective dates; providing for contingent effective dates based on outcome of approval of the emergency clause; and declaring an emergency.

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

SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, as last amended by Section 127, Chapter 452, O.S.L. 2024 (62 O.S. Supp. 2024, Section 3103), is amended to read as follows:

Section 3103. As used in the Oklahoma Pension Legislation Actuarial Analysis Act:

1 1. "Amendment" means any amendment including a substitute bill,
2 made to a retirement bill by any committee of the House or Senate,
3 any conference committee of the House or Senate or by the House or
4 Senate;

5 2. "RB number" means that number preceded by the letters "RB"
6 assigned to a retirement bill by the respective staffs of the
7 Oklahoma State Senate and the Oklahoma House of Representatives when
8 the respective staff office prepares a retirement bill for a member
9 of the Legislature;

10 3. "Legislative Actuary" means the firm or entity that enters
11 into a contract with the Legislative Service Bureau pursuant to
12 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
13 actuarial services and other duties provided for in the Oklahoma
14 Pension Legislation Actuarial Analysis Act;

15 4. "Nonfiscal amendment" means an amendment to a retirement
16 bill having a fiscal impact, which amendment does not change any
17 factor of an actuarial investigation specified in subsection A of
18 Section 3109 of this title;

19 5. "Nonfiscal retirement bill" means a retirement bill:

- 20 a. which does not affect the cost or funding factors of a
21 retirement system,
22 b. which affects such factors only in a manner which does
23 not:

- 1 (1) grant a benefit increase under the retirement
- 2 system affected by the bill,
- 3 (2) create an actuarial accrued liability for or
- 4 increase the actuarial accrued liability of the
- 5 retirement system affected by the bill, or
- 6 (3) increase the normal cost of the retirement system
- 7 affected by the bill,

- 8 c. which authorizes the purchase by an active member of
- 9 the retirement system, at the actuarial cost for the
- 10 purchase as computed pursuant to the statute in effect
- 11 on the effective date of the measure allowing such
- 12 purchase, of years of service for purposes of reaching
- 13 a normal retirement date in the applicable retirement
- 14 system, but which cannot be used in order to compute
- 15 the number of years of service for purposes of
- 16 computing the retirement benefit for the member,
- 17 d. which provides for the computation of a service-
- 18 connected disability retirement benefit for members of
- 19 the Oklahoma Law Enforcement Retirement System
- 20 pursuant to Section 2-305 of Title 47 of the Oklahoma
- 21 Statutes if the members were unable to complete twenty
- 22 (20) years of service as a result of the disability,
- 23 e. which requires membership in the defined benefit plan
- 24 authorized by Section 901 et seq. of Title 74 of the

1 Oklahoma Statutes for persons whose first elected or
2 appointed service occurs on or after November 1, 2018,
3 if such persons had any prior service in the Oklahoma
4 Public Employees Retirement System prior to November
5 1, 2015,

6 f. which provides for a one-time increase in retirement
7 benefits if the increase in retirement benefits is not
8 a permanent increase in the gross annual retirement
9 benefit payable to a member or beneficiary, occurs
10 only once pursuant to a single statutory authorization
11 and does not exceed:

12 (1) the lesser of two percent (2%) of the gross
13 annual retirement benefit of the member or One
14 Thousand Dollars (\$1,000.00) and requires that
15 the benefit may only be provided if the funded
16 ratio of the affected retirement system would not
17 be less than sixty percent (60%) but not greater
18 than eighty percent (80%) after the benefit
19 increase is paid,

20 (2) the lesser of two percent (2%) of the gross
21 annual retirement benefit of the member or One
22 Thousand Two Hundred Dollars (\$1,200.00) and
23 requires that the benefit may only be provided if
24 the funded ratio of the affected retirement

1 system would be greater than eighty percent (80%)
2 but not greater than one hundred percent (100%)
3 after the benefit increase is paid,

4 (3) the lesser of two percent (2%) of the gross
5 annual retirement benefit of the member or One
6 Thousand Four Hundred Dollars (\$1,400.00) and
7 requires that the benefit may only be provided if
8 the funded ratio of the affected retirement
9 system would be greater than one hundred percent
10 (100%) after the benefit increase is paid, or

11 (4) the greater of two percent (2%) of the gross
12 annual retirement benefit of the volunteer
13 firefighter or One Hundred Dollars (\$100.00) for
14 persons who retired from the Oklahoma
15 Firefighters Pension and Retirement System as
16 volunteer firefighters and who did not retire
17 from the Oklahoma Firefighters Pension and
18 Retirement System as a paid firefighter.

19 As used in this subparagraph, "funded ratio" means the
20 figure derived by dividing the actuarial value of
21 assets of the applicable retirement system by the
22 actuarial accrued liability of the applicable
23 retirement system,
24

- 1 g. which modifies the disability pension standard for
2 police officers who are members of the Oklahoma Police
3 Pension and Retirement System as provided by Section
4 50-115 of Title 11 of the Oklahoma Statutes,
5 h. which provides a cost-of-living benefit increase
6 pursuant to the provisions of:
7 (1) Section 49-143.7 of Title 11 of the Oklahoma
8 Statutes,
9 (2) Section 50-136.9 of Title 11 of the Oklahoma
10 Statutes,
11 (3) Section 1104K of Title 20 of the Oklahoma
12 Statutes,
13 (4) Section 2-305.12 of Title 47 of the Oklahoma
14 Statutes,
15 (5) Section 17-116.22 of Title 70 of the Oklahoma
16 Statutes, or
17 (6) Section 930.11 of Title 74 of the Oklahoma
18 Statutes,
19 i. which provides for the reinstatement of retirement
20 benefits for members of the Oklahoma Law Enforcement
21 Retirement System pursuant to Section 2-305 of Title
22 47 of the Oklahoma Statutes for those who were hired
23 on or after November 1, 2012, or May 24, 2013,
24

- 1 j. which authorizes the purchase of military service
2 credit as provided in Section 50-128 of Title 11,
3 Section 1102.2 of Title 20, Section 2-307.4 of Title
4 47, and Section 913.8 of Title 74 of the Oklahoma
5 Statutes,
- 6 k. which restores benefits pursuant to Sections 49-100.1,
7 49-101, 49-101.2, 49-106.1, 49-108, 49-117.1, and 49-
8 135 of Title 11 of the Oklahoma Statutes,
- 9 l. which modifies the computation of the line-of-duty
10 disability benefit pursuant to ~~the provisions of this~~
11 ~~act~~ Sections 50-101 and 50-115 of Title 11 of the
12 Oklahoma Statutes; and
- 13 m. which modifies postretirement earning limitations
14 pursuant to the provisions of this act.

15 A nonfiscal retirement bill shall include any retirement bill that
16 has as its sole purpose the appropriation or distribution or
17 redistribution of monies in some manner to a retirement system for
18 purposes of reducing the unfunded liability of such system or the
19 earmarking of a portion of the revenue from a tax to a retirement
20 system or increasing the percentage of the revenue earmarked from a
21 tax to a retirement system;

22 6. "Reduction-in-cost amendment" means an amendment to a
23 retirement bill having a fiscal impact which reduces the cost of the
24

1 bill as such cost is determined by the actuarial investigation for
2 the bill prepared pursuant to Section 3109 of this title;

3 7. "Retirement bill" means any bill or joint resolution
4 introduced or any bill or joint resolution amended by a member of
5 the Oklahoma Legislature which creates or amends any law directly
6 affecting a retirement system. A retirement bill shall not mean a
7 bill or resolution that impacts the revenue of any state tax in
8 which a portion of the revenue generated from such tax is earmarked
9 for the benefit of a retirement system;

10 8. "Retirement bill having a fiscal impact" means any
11 retirement bill creating or establishing a retirement system and any
12 other retirement bill other than a nonfiscal retirement bill; and

13 9. "Retirement system" means the Teachers' Retirement System of
14 Oklahoma, the Oklahoma Public Employees Retirement System, the
15 Uniform Retirement System for Justices and Judges, the Oklahoma
16 Firefighters Pension and Retirement System, the Oklahoma Police
17 Pension and Retirement System, the Oklahoma Law Enforcement
18 Retirement System, or a retirement system established after January
19 1, 2006.

20 SECTION 2. AMENDATORY 70 O.S. 2021, Section 17-116.10,
21 as amended by Section 9, Chapter 300, O.S.L. 2024 (70 O.S. Supp.
22 2024, Section 17-116.10), is amended to read as follows:

23 Section 17-116.10. A. Subject to the requirements of Section
24 6-101.2 of this title and any other applicable requirements of law,

1 a member may enter into postretirement employment with a public
2 school of Oklahoma and still receive monthly retirement benefits
3 subject to the following ~~limitations~~:

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

19 ~~2. For thirty-six (36) months following a member's effective~~
20 ~~retirement date, the retired member shall be subject to earnings~~
21 ~~limitations on allowable earnings. Earnings limits are determined~~
22 ~~annually based on a calendar year. For retired members under the~~
23 ~~age of sixty-two (62) years, allowed earnings from the public~~
24 ~~schools of Oklahoma for employment for the performance of duties~~

1 ~~ordinarily performed by classified or nonclassified optional~~
2 ~~personnel shall be limited to one-half (1/2) of the member's final~~
3 ~~average salary used in computing retirement benefits or the earnings~~
4 ~~limit allowed by the Social Security Administration for those under~~
5 ~~Social Security's normal retirement age, whichever is less. For~~
6 ~~retired members sixty-two (62) years of age or older, allowed~~
7 ~~earnings from the public schools of Oklahoma for the performance of~~
8 ~~duties ordinarily performed by classified or nonclassified personnel~~
9 ~~shall be limited to Thirty Thousand Dollars (\$30,000.00) or one-half~~
10 ~~(1/2) of the member's final average salary used in computing~~
11 ~~retirement benefits, whichever is less. For purposes of this~~
12 ~~paragraph, the following shall apply:~~

13 ~~a. earnings shall mean regular annual compensation as~~
14 ~~defined in paragraph 23 of Section 17-101 of this~~
15 ~~title, and shall include any payment by a public~~
16 ~~school for services rendered by a retired member who~~
17 ~~is employed for any purpose whatsoever. Supplemental~~
18 ~~retirement payments paid by a former public school~~
19 ~~employer pursuant to subsection N of Section 17-105 of~~
20 ~~this title or other state law shall not be considered~~
21 ~~as earnings,~~

22 ~~b. the earnings limit for the calendar year in which a~~
23 ~~member retires shall be one-twelfth (1/12) of the~~
24 ~~annual limit multiplied by the number of months the~~

1 ~~member is eligible to work and receive payments from~~
2 ~~the public schools of Oklahoma, and~~
3 e. ~~earnings in excess of the maximum limit on allowed~~
4 ~~earnings from public schools of Oklahoma shall result~~
5 ~~in a loss of retirement benefits of One Dollar (\$1.00)~~
6 ~~for each One Dollar (\$1.00) earned over the maximum~~
7 ~~allowed earnings amount;~~

8 ~~3. Notwithstanding paragraph 2 of this subsection, for a period~~
9 ~~of three (3) years beginning July 1, 2017, members who have retired~~
10 ~~as of July 1, 2017, as active classroom teachers, who have been~~
11 ~~retired and receiving a benefit for at least one (1) year, and who~~
12 ~~have not been employed by any public school during that one-year~~
13 ~~period, shall be eligible to be reemployed as an active classroom~~
14 ~~teacher in common or career tech school districts, with no~~
15 ~~limitations on earnings. For a period of three (3) years beginning~~
16 ~~July 1, 2021, members who have retired as of July 1, 2020, who have~~
17 ~~been retired and receiving a benefit for at least one (1) year, and~~
18 ~~who have not been employed by any public school during that one-year~~
19 ~~period, shall be eligible to be reemployed as an active classroom~~
20 ~~teacher in common or career tech school districts, with no~~
21 ~~limitations on earnings. The one-year period starts with the~~
22 ~~retiree's last day of preretirement public education employment.~~
23 ~~Members returning under this section shall not be subject to any~~
24 ~~earnings limitations following the end of the three-year periods~~

1 ~~described in this paragraph. Members returning under this section~~
2 ~~shall only be employed pursuant to a temporary contract~~ A retired
3 classified or nonclassified member who is employed by a public
4 school to perform duties ordinarily performed by classified or
5 nonclassified personnel shall be able to receive annualized earnings
6 from the public school with no reduction in retirement benefits
7 regardless of the amount of annualized earnings; and

8 ~~4.~~ 3. A member shall be considered to be employed by a school
9 district to perform the duties ordinarily performed by classified or
10 nonclassified optional personnel if the member is hired by the
11 school district in the member's individual capacity to perform the
12 duties or if the member performs the duties through employment with
13 a proprietorship, partnership, corporation, limited liability
14 company or partnership, or any other business structure that has
15 agreed or contracted to provide the services to the school district.

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

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

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

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

9 SECTION 3. If the emergency clause is not approved pursuant to
10 the requirements of the Oklahoma Constitution as part of this
11 measure, the effective date of Section 1 of this act shall be
12 October 1, 2025.

13 SECTION 4. If the emergency clause is not approved pursuant to
14 the requirements of the Oklahoma Constitution as part of this
15 measure, the effective date of Section 2 of this act shall be
16 November 1, 2025.

17 SECTION 5. Except as otherwise provided by Section 3 of this
18 act, Section 1 of this act shall become effective immediately upon
19 signature by the Governor or as otherwise provided by Section 58 of
20 Article V of the Oklahoma Constitution.

21 SECTION 6. Except as otherwise provided by Section 4 of this
22 act, Section 2 of this act shall become effective July 1, 2025.

23 SECTION 7. It being immediately necessary for the preservation
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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