

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2288

By: Hilbert, Hays, **Boles**, and  
**Pittman** of the House

7 and

8 **Frix** of the Senate

9  
10  
11 COMMITTEE SUBSTITUTE

12 An Act relating to the Teachers' Retirement System of  
13 Oklahoma; amending 62 O.S. 2021, Section 3103, as  
14 last amended by Section 127, Chapter 452, O.S.L. 2024  
(62 O.S. Supp. 2024, Section 3103), which relates to  
15 the Oklahoma Pension Actuarial Analysis Act;  
16 modifying definitions; amending 70 O.S. 2021, Section  
17 17-116.10, as amended by Section 9, Chapter 300,  
18 O.S.L. 2024 (70 O.S. Supp. 2024, Section 17-116.10),  
19 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.

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22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:  
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1 SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, as  
2 last amended by Section 127, Chapter 452, O.S.L. 2024 (62 O.S. Supp.  
3 2024, Section 3103), is amended to read as follows:

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

6 1. "Amendment" means any amendment including a substitute bill,  
7 made to a retirement bill by any committee of the House or Senate,  
8 any conference committee of the House or Senate or by the House or  
9 Senate;

10 2. "RB number" means that number preceded by the letters "RB"  
11 assigned to a retirement bill by the respective staffs of the  
12 Oklahoma State Senate and the Oklahoma House of Representatives when  
13 the respective staff office prepares a retirement bill for a member  
14 of the Legislature;

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

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

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

- 1 a. which does not affect the cost or funding factors of a  
2 retirement system,
- 3 b. which affects such factors only in a manner which does  
4 not:
- 5 (1) grant a benefit increase under the retirement  
6 system affected by the bill,
- 7 (2) create an actuarial accrued liability for or  
8 increase the actuarial accrued liability of the  
9 retirement system affected by the bill, or
- 10 (3) increase the normal cost of the retirement system  
11 affected by the bill,
- 12 c. which authorizes the purchase by an active member of  
13 the retirement system, at the actuarial cost for the  
14 purchase as computed pursuant to the statute in effect  
15 on the effective date of the measure allowing such  
16 purchase, of years of service for purposes of reaching  
17 a normal retirement date in the applicable retirement  
18 system, but which cannot be used in order to compute  
19 the number of years of service for purposes of  
20 computing the retirement benefit for the member,
- 21 d. which provides for the computation of a service-  
22 connected disability retirement benefit for members of  
23 the Oklahoma Law Enforcement Retirement System  
24 pursuant to Section 2-305 of Title 47 of the Oklahoma

- 1 Statutes if the members were unable to complete twenty  
2 (20) years of service as a result of the disability,  
3 e. which requires membership in the defined benefit plan  
4 authorized by Section 901 et seq. of Title 74 of the  
5 Oklahoma Statutes for persons whose first elected or  
6 appointed service occurs on or after November 1, 2018,  
7 if such persons had any prior service in the Oklahoma  
8 Public Employees Retirement System prior to November  
9 1, 2015,  
10 f. which provides for a one-time increase in retirement  
11 benefits if the increase in retirement benefits is not  
12 a permanent increase in the gross annual retirement  
13 benefit payable to a member or beneficiary, occurs  
14 only once pursuant to a single statutory authorization  
15 and does not exceed:  
16 (1) the lesser of two percent (2%) of the gross  
17 annual retirement benefit of the member or One  
18 Thousand Dollars (\$1,000.00) and requires that  
19 the benefit may only be provided if the funded  
20 ratio of the affected retirement system would not  
21 be less than sixty percent (60%) but not greater  
22 than eighty percent (80%) after the benefit  
23 increase is paid,  
24

- 1 (2) the lesser of two percent (2%) of the gross  
2 annual retirement benefit of the member or One  
3 Thousand Two Hundred Dollars (\$1,200.00) and  
4 requires that the benefit may only be provided if  
5 the funded ratio of the affected retirement  
6 system would be greater than eighty percent (80%)  
7 but not greater than one hundred percent (100%)  
8 after the benefit increase is paid,
- 9 (3) the lesser of two percent (2%) of the gross  
10 annual retirement benefit of the member or One  
11 Thousand Four Hundred Dollars (\$1,400.00) and  
12 requires that the benefit may only be provided if  
13 the funded ratio of the affected retirement  
14 system would be greater than one hundred percent  
15 (100%) after the benefit increase is paid, or
- 16 (4) the greater of two percent (2%) of the gross  
17 annual retirement benefit of the volunteer  
18 firefighter or One Hundred Dollars (\$100.00) for  
19 persons who retired from the Oklahoma  
20 Firefighters Pension and Retirement System as  
21 volunteer firefighters and who did not retire  
22 from the Oklahoma Firefighters Pension and  
23 Retirement System as a paid firefighter.  
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1 As used in this subparagraph, "funded ratio" means the  
 2 figure derived by dividing the actuarial value of  
 3 assets of the applicable retirement system by the  
 4 actuarial accrued liability of the applicable  
 5 retirement system,

6 g. which modifies the disability pension standard for  
 7 police officers who are members of the Oklahoma Police  
 8 Pension and Retirement System as provided by Section  
 9 50-115 of Title 11 of the Oklahoma Statutes,

10 h. which provides a cost-of-living benefit increase  
 11 pursuant to the provisions of:

12 (1) Section 49-143.7 of Title 11 of the Oklahoma  
 13 Statutes,

14 (2) Section 50-136.9 of Title 11 of the Oklahoma  
 15 Statutes,

16 (3) Section 1104K of Title 20 of the Oklahoma  
 17 Statutes,

18 (4) Section 2-305.12 of Title 47 of the Oklahoma  
 19 Statutes,

20 (5) Section 17-116.22 of Title 70 of the Oklahoma  
 21 Statutes, or

22 (6) Section 930.11 of Title 74 of the Oklahoma  
 23 Statutes,

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- 1 i. which provides for the reinstatement of retirement  
2 benefits for members of the Oklahoma Law Enforcement  
3 Retirement System pursuant to Section 2-305 of Title  
4 47 of the Oklahoma Statutes for those who were hired  
5 on or after November 1, 2012, or May 24, 2013,
- 6 j. which authorizes the purchase of military service  
7 credit as provided in Section 50-128 of Title 11,  
8 Section 1102.2 of Title 20, Section 2-307.4 of Title  
9 47, and Section 913.8 of Title 74 of the Oklahoma  
10 Statutes,
- 11 k. which restores benefits pursuant to Sections 49-100.1,  
12 49-101, 49-101.2, 49-106.1, 49-108, 49-117.1, and 49-  
13 135 of Title 11 of the Oklahoma Statutes,
- 14 l. which modifies the computation of the line-of-duty  
15 disability benefit pursuant to ~~the provisions of this~~  
16 ~~act~~ Sections 50-101 and 50-115 of Title 11 of the  
17 Oklahoma Statutes; and
- 18 m. which modifies postretirement earning limitations  
19 pursuant to the provisions of this act.

20 A nonfiscal retirement bill shall include any retirement bill that  
21 has as its sole purpose the appropriation or distribution or  
22 redistribution of monies in some manner to a retirement system for  
23 purposes of reducing the unfunded liability of such system or the  
24 earmarking of a portion of the revenue from a tax to a retirement

1 system or increasing the percentage of the revenue earmarked from a  
2 tax to a retirement system;

3 6. "Reduction-in-cost amendment" means an amendment to a  
4 retirement bill having a fiscal impact which reduces the cost of the  
5 bill as such cost is determined by the actuarial investigation for  
6 the bill prepared pursuant to Section 3109 of this title;

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

14 8. "Retirement bill having a fiscal impact" means any  
15 retirement bill creating or establishing a retirement system and any  
16 other retirement bill other than a nonfiscal retirement bill; and

17 9. "Retirement system" means the Teachers' Retirement System of  
18 Oklahoma, the Oklahoma Public Employees Retirement System, the  
19 Uniform Retirement System for Justices and Judges, the Oklahoma  
20 Firefighters Pension and Retirement System, the Oklahoma Police  
21 Pension and Retirement System, the Oklahoma Law Enforcement  
22 Retirement System, or a retirement system established after January  
23 1, 2006.

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1 SECTION 2. AMENDATORY 70 O.S. 2021, Section 17-116.10,  
2 as amended by Section 9, Chapter 300, O.S.L. 2024 (70 O.S. Supp.  
3 2024, Section 17-116.10), is amended to read as follows:

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

9 1. A retired member is not eligible to be employed by the  
10 public schools of Oklahoma, in any capacity, for sixty (60) calendar  
11 days between the retiree's last day of preretirement public  
12 education employment and any postretirement public education  
13 employment. For purposes of this section, the term "last day of  
14 preretirement employment" shall mean the last day the employee is  
15 required to be physically present on the job to complete the terms  
16 of the employment contract or agreement or the member's effective  
17 retirement date, whichever is later. An employee on paid leave is  
18 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. ~~For thirty-six (36) months following a member's effective~~  
2 ~~retirement date, the retired member shall be subject to earnings~~  
3 ~~limitations on allowable earnings. Earnings limits are determined~~  
4 ~~annually based on a calendar year. For retired members under the~~  
5 ~~age of sixty-two (62) years, allowed earnings from the public~~  
6 ~~schools of Oklahoma for employment for the performance of duties~~  
7 ~~ordinarily performed by classified or nonclassified optional~~  
8 ~~personnel shall be limited to one-half (1/2) of the member's final~~  
9 ~~average salary used in computing retirement benefits or the earnings~~  
10 ~~limit allowed by the Social Security Administration for those under~~  
11 ~~Social Security's normal retirement age, whichever is less. For~~  
12 ~~retired members sixty-two (62) years of age or older, allowed~~  
13 ~~earnings from the public schools of Oklahoma for the performance of~~  
14 ~~duties ordinarily performed by classified or nonclassified personnel~~  
15 ~~shall be limited to Thirty Thousand Dollars (\$30,000.00) or one-half~~  
16 ~~(1/2) of the member's final average salary used in computing~~  
17 ~~retirement benefits, whichever is less. For purposes of this~~  
18 ~~paragraph, the following shall apply:~~

- 19           a. ~~earnings shall mean regular annual compensation as~~  
20 ~~defined in paragraph 23 of Section 17-101 of this~~  
21 ~~title, and shall include any payment by a public~~  
22 ~~school for services rendered by a retired member who~~  
23 ~~is employed for any purpose whatsoever. Supplemental~~  
24 ~~retirement payments paid by a former public school~~

1 ~~employer pursuant to subsection N of Section 17-105 of~~  
2 ~~this title or other state law shall not be considered~~  
3 ~~as earnings,~~

4 b. ~~the earnings limit for the calendar year in which a~~  
5 ~~member retires shall be one twelfth (1/12) of the~~  
6 ~~annual limit multiplied by the number of months the~~  
7 ~~member is eligible to work and receive payments from~~  
8 ~~the public schools of Oklahoma, and~~

9 c. ~~earnings in excess of the maximum limit on allowed~~  
10 ~~earnings from public schools of Oklahoma shall result~~  
11 ~~in a loss of retirement benefits of One Dollar (\$1.00)~~  
12 ~~for each One Dollar (\$1.00) earned over the maximum~~  
13 ~~allowed earnings amount;~~

14 ~~3. Notwithstanding paragraph 2 of this subsection, for a period~~  
15 ~~of three (3) years beginning July 1, 2017, members who have retired~~  
16 ~~as of July 1, 2017, as active classroom teachers, who have been~~  
17 ~~retired and receiving a benefit for at least one (1) year, and who~~  
18 ~~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. For a period of three (3) years beginning~~  
22 ~~July 1, 2021, members who have retired as of July 1, 2020, who have~~  
23 ~~been retired and receiving a benefit for at least one (1) year, and~~  
24 ~~who have not been employed by any public school during that one-year~~

1 ~~period, shall be eligible to be reemployed as an active classroom~~  
2 ~~teacher in common or career tech school districts, with no~~  
3 ~~limitations on earnings. The one-year period starts with the~~  
4 ~~retiree's last day of preretirement public education employment.~~  
5 ~~Members returning under this section shall not be subject to any~~  
6 ~~earnings limitations following the end of the three-year periods~~  
7 ~~described in this paragraph. Members returning under this section~~  
8 ~~shall only be employed pursuant to a temporary contract~~ A retired  
9 classified or nonclassified member who is employed by a public  
10 school to perform duties ordinarily performed by classified or  
11 nonclassified personnel shall be able to receive annualized earnings  
12 from the public school with no reduction in retirement benefits  
13 regardless of the amount of annualized earnings; and

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

22 B. A public school district that employs a retired member shall  
23 be required to make contributions to the System for the retired  
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1 member in an amount as required in Section 17-108.1 and in paragraph  
2 3 of subsection B of Section 17-116.2 of this title.

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

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

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

16 SECTION 3. If the emergency clause is not approved pursuant to  
17 the requirements of the Oklahoma Constitution as part of this  
18 measure, the effective date of Section 1 of this act shall be  
19 October 1, 2025.

20 SECTION 4. If the emergency clause is not approved pursuant to  
21 the requirements of the Oklahoma Constitution as part of this  
22 measure, the effective date of Section 2 of this act shall be  
23 November 1, 2025.

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

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

7 SECTION 7. It being immediately necessary for the preservation  
8 of the public peace, health or safety, an emergency is hereby  
9 declared to exist, by reason whereof this act shall take effect and  
10 be in full force from and after its passage and approval.

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12 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT OVERSIGHT, dated  
13 03/10/2025 - DO PASS, As Amended and Coauthored.

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