

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

HOUSE BILL 1274

By: Hays

AS INTRODUCED

An Act relating to the Teachers' Retirement System of Oklahoma; 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; providing for increased earnings limitations for certain retired members through certain date; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 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), is amended to read as follows:

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

1. A retired member is not eligible to be employed by the public schools of Oklahoma, in any capacity, for sixty (60) calendar days between the retiree's last day of preretirement public

1 education employment and any postretirement public education
2 employment. For purposes of this section, the term "last day of
3 preretirement employment" shall mean the last day the employee is
4 required to be physically present on the job to complete the terms
5 of the employment contract or agreement or the member's effective
6 retirement date, whichever is later. An employee on paid leave is
7 still considered to be employed for purposes of this section.
8 Employment under any conditions during this time, volunteer services
9 for the purpose of obtaining a paid position at a later date, or
10 payment at a later time for services performed during this time
11 period shall cause the forfeiture of all retirement benefits
12 received during the period;

13 2. For thirty-six (36) months following a member's effective
14 retirement date, the retired member shall be subject to earnings
15 limitations on allowable earnings. Earnings limits are determined
16 annually based on a calendar year. For retired members under the
17 age of sixty-two (62) years, allowed earnings from the public
18 schools of Oklahoma for employment for the performance of duties
19 ordinarily performed by classified or nonclassified optional
20 personnel shall be limited to one-half (1/2) of the member's final
21 average salary used in computing retirement benefits or the earnings
22 limit allowed by the Social Security Administration for those under
23 Social Security's normal retirement age, whichever is less. For
24 retired members sixty-two (62) years of age or older, allowed

1 earnings from the public schools of Oklahoma for the performance of
2 duties ordinarily performed by classified or nonclassified personnel
3 shall be limited to Thirty Thousand Dollars (\$30,000.00) or one-half
4 (1/2) of the member's final average salary used in computing
5 retirement benefits, whichever is less. Notwithstanding the
6 earnings limits provided in this paragraph, for a period beginning
7 on the effective date of this act and ending December 31, 2028, a
8 retired member who has fulfilled the sixty-day break in employment
9 provided in paragraph 1 of this subsection and who returns or has
10 previously returned to work as an active classroom teacher in common
11 education or career tech school districts shall be subject to annual
12 earnings limitations of Fifty Thousand Dollars (\$50,000.00) on
13 allowable earnings for the member's reemployment period. For
14 purposes of this paragraph, the following shall apply:

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

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

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

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

1 ~~retiree's last day of preretirement public education employment.~~
2 ~~Members returning under this section shall not be subject to any~~
3 ~~earnings limitations following the end of the three year periods~~
4 ~~described in this paragraph. Members returning under this section~~
5 ~~shall only be employed pursuant to a temporary contract; and~~

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

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

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

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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 2. This act shall become effective August 1, 2025.

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

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15 60-1-10283 CMA 12/17/24

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December 27, 2024

Representative Hays
Room 302

Re: RBH No. 10283

RBH No 10283. would allow teachers who have been retired for at least 60 days to return to teaching and earn up to \$50.000 and continue to receive retirement benefits. This option is only available from the effective date of this bill and December 31, 2028.

RBH No. 10283 is a non fiscal bill as defined OPLAAA,

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