

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
BILL NO. 2528

By: Lepak of the House

and

Garvin of the Senate

7 An Act relating to retirement; amending 70 O.S. 2021,  
8 Sections 17-101, as amended by Section 2, Chapter  
121, O.S.L. 2022, 17-103, 17-105, 17-105.1, 17-106.3,  
17-107, 17-108, and 17-116.10 (70 O.S. Supp. 2022,  
9 Section 17-101), which relate to the Teachers'  
10 Retirement System of Oklahoma; updating references;  
deleting terms; modifying definitions; modifying how  
11 members shall make proper application for retirement;  
providing membership details; providing procedure at  
12 joint annuitant's death; modifying retirement  
options; releasing System of liability under certain  
13 circumstances; modifying how certain expenses are to  
be paid; modifying earnings limits; repealing 70 O.S.  
2021, Sections 17-104 and 17-114.2, which relate to  
14 the Teachers' Retirement System of Oklahoma; and  
declaring an emergency.

17 AUTHOR: Remove as principal Senate author Garvin and substitute as  
18 principal Senate author Pemberton. Retain Garvin as Senate  
coauthor

19 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and  
20 entire bill and insert

21 "An Act relating to retirement; amending 70 O.S.  
2021, Sections 17-101, as amended by Section 2,  
22 Chapter 121, O.S.L. 2022, 17-103, 17-104, 17-105, 17-  
105.1, 17-106.3, 17-107, 17-108, and 17-116.10 (70  
23 O.S. Supp. 2023, Section 17-101), which relate to the  
Teachers' Retirement System of Oklahoma; updating  
24 references; deleting terms; modifying definitions;

1 modifying how members shall make proper application  
2 for retirement; providing membership details;  
3 modifying requirements for reporting prior service  
4 credit; providing procedure at joint annuitant's  
5 death; modifying retirement options; releasing System  
6 of liability under certain circumstances; modifying  
7 how certain expenses are to be paid; modifying  
8 earnings limits; updating statutory language;  
9 updating statutory references; repealing 70 O.S.  
10 2021, Section 17-114.2, which relates to the  
11 Teachers' Retirement System of Oklahoma; providing an  
12 effective date; and declaring an emergency.

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

10 SECTION 1. AMENDATORY 70 O.S. 2021, Section 17-101, as  
11 amended by Section 2, Chapter 121, O.S.L. 2022 (70 O.S. Supp. 2023,  
12 Section 17-101), is amended to read as follows:

13 Section 17-101. The following words and phrases as used in  
14 Section 17-101 et seq. of this title, unless a different meaning is  
15 clearly required by the context, shall have the following meanings:

16 ~~(1)~~ 1. "Retirement system" shall mean the Teachers' Retirement  
17 System of Oklahoma, as defined in Section 17-102 of this title~~;~~;

18 ~~(2)~~ 2. "Public school" shall mean a school district, a state  
19 college or university, the State Board of Education, the State Board  
20 of Career and Technology Education, and any other state educational  
21 entity conducted within the state supported wholly or partly by  
22 public funds and operating under the authority and supervision of a  
23 legally constituted board or agency having authority and  
24 responsibility for any function of public education. Public school

1 shall also mean a ~~tuition-free~~ tuition-free, nonprofit alternative  
2 school of choice that provides education, therapeutic counseling,  
3 and outreach programs which is aligned with a school district and  
4 which receives grant funds from governmental sources-;

5 ~~(3)~~ 3. "Classified personnel" shall mean any teacher,  
6 principal, superintendent, supervisor, administrator, librarian,  
7 certified or registered nurse, college professor, or college  
8 president whose salary is paid wholly or in part from public funds.  
9 An employee of any state department, board, board of regents, or  
10 board of trustees, who is in a supervisory or an administrative  
11 position, the function of which is primarily devoted to public  
12 education, shall be considered classified personnel under the  
13 meaning of Section 17-101 et seq. of this title, at the discretion  
14 of the Board of Trustees of the Teachers' Retirement System of  
15 Oklahoma. The term "teacher" shall also include instructors and  
16 counselors employed by the Department of Corrections and holding  
17 valid teaching certificates issued by the State Department of  
18 Education. Provided, that a person employed by the Department of  
19 Corrections as an instructor or counselor shall have been actively  
20 engaged in the teaching profession for a period ~~of~~ not less than  
21 three (3) years prior to employment to be eligible to participate in  
22 the Teachers' Retirement System of Oklahoma. The Department of  
23 Corrections shall contribute the employer's share to the Teachers'  
24 Retirement System of Oklahoma-;

1       ~~(4)~~ 4. "Nonclassified optional personnel" shall include persons  
2 hired as adjunct teachers pursuant to subsection G of Section 6-  
3 122.3 of this title, cooks, janitors, maintenance personnel not in a  
4 supervisory capacity, bus drivers, noncertified or nonregistered  
5 nurses, noncertified librarians, and clerical employees of the  
6 public schools, state colleges, universities, or any state  
7 department, board, board of regents, or board of trustees, the  
8 functions of which are primarily devoted to public education and  
9 whose salaries are paid wholly or in part from public funds~~;~~;

10       ~~(5)~~ 5. "Employer" shall mean the state and any of its  
11 designated agents or agencies with responsibility and authority for  
12 public education, such as boards of education of elementary and  
13 independent school districts, boards of regents, boards of control,  
14 or any other agency of and within the state by which a person may be  
15 employed for service in public education. Employer shall also mean  
16 the board of directors of a ~~tuition-free~~ tuition-free, nonprofit  
17 alternative school of choice that provides education, therapeutic  
18 counseling, and outreach programs which is aligned with a school  
19 district and which receives grant funds from governmental sources~~;~~;

20       ~~(6)~~ 6. "Member" shall mean any teacher or other employee  
21 included in the membership of the system as provided in Section 17-  
22 103 of this title~~;~~;

23       ~~(7)~~ 7. "Board of Trustees" shall mean the board provided for in  
24 Section 17-106 of this title to administer the retirement system~~;~~;

1       ~~(8) "Service" shall mean service as a classified or~~  
2 ~~nonclassified optional employee in the public school system, or any~~  
3 ~~other service devoted primarily to public education in the state.~~

4       ~~(9) 8.~~ "Prior service" shall mean withdrawn service rendered  
5 ~~prior to July 1, 1943., provided:~~

6           a. before July 1, 2021, prior service shall exclude  
7           service attributable to any membership period during  
8           which nonclassified optional members voluntarily  
9           ceased contributions while remaining employed in  
10           public education or voluntarily withdrew from  
11           membership in the System, and

12           b. on and after July 1, 2021, prior service shall exclude  
13           service attributable to any period of time during  
14           which nonclassified optional members opted out of  
15           membership in the System;

16       ~~(10) 9.~~ "Membership service" shall mean service as a member of  
17 the classified or nonclassified optional personnel as defined in  
18 paragraphs ~~(3) 3~~ and ~~(4) 4~~ of this section~~;~~;

19       ~~(11) 10.~~ "Creditable service" shall mean membership service  
20 plus any ~~prior~~ other service authorized under this title~~;~~;

21       ~~(12) 11.~~ "Annuitant" shall mean any person in receipt of a  
22 ~~retirement allowance as provided in this title.~~ an annuity as  
23 defined in paragraph 15 of this section;

1       ~~(13)~~ 12. "Accumulated contributions" shall mean the sum of all  
2 amounts deducted from the compensation of a member and credited to  
3 ~~his~~ the member's individual account in the Teachers' Savings Fund,  
4 together with applicable interest as of June 30, 1968~~;~~;

5       ~~(14)~~ 13. "Earnable compensation" shall mean the full rate of  
6 the compensation that would be payable to a member ~~if he~~ who worked  
7 the full normal working time~~;~~;

8       ~~(15)~~ 14. "Average salary":

9       ~~(a)~~ a. for those members who joined the System prior to  
10               July 1, 1992, shall mean the average of the salaries  
11               for the three (3) years on which the highest  
12               contributions to the Teachers' Retirement System ~~was~~ of  
13               Oklahoma were paid not to exceed the maximum  
14               contribution level specified in Section 17-116.2 of  
15               this title or the maximum compensation level specified  
16               in ~~subsection (28)~~ paragraph 25 of this section.  
17               Provided, no member shall retire with an average salary  
18               in excess of Twenty-five Thousand Dollars (\$25,000.00)  
19               unless the member has made the required election and  
20               paid the required contributions on such salary in  
21               excess of Twenty-five Thousand Dollars (\$25,000.00), or  
22               unless an eligible member fulfills the requirements of  
23               Section 17-116.2C of this title in order to have pre-  
24               cap removal service included in the retirement benefit

1 computation of the member using the regular annual  
2 compensation of the member for any pre-cap removal year  
3 of service so included subject to the maximum average  
4 salary amount, and

5 ~~(b)~~ b. for those members who join the System after June 30,  
6 1992, shall mean the average of the salaries for five  
7 (5) consecutive years on which the highest ~~contribution~~  
8 contributions to the Teachers' Retirement System ~~was~~ of  
9 Oklahoma were paid. Only salary on which required  
10 contributions have been made may be used in computing  
11 average salary-;

12 ~~(16)~~ 15. "Annuity" shall mean ~~payments for life derived from~~  
13 ~~the "accumulated contributions" of a member. All annuities shall be~~  
14 ~~payable in equal monthly installments.~~ a lifetime benefit payable in  
15 fixed monthly installments;

16 ~~(17)~~ "Pension" shall mean ~~payments for life derived from money~~  
17 ~~provided by the employer. All pensions shall be payable in equal~~  
18 ~~monthly installments.~~

19 ~~(18)~~ 16. "Monthly retirement" Retirement allowance is one-  
20 twelfth (1/12) of the annual retirement ~~allowance~~ benefit which  
21 shall be payable monthly-;

22 ~~(19)~~ 17. "Retirement Benefit Fund" shall mean the fund from  
23 which all retirement benefits shall be paid based on such mortality  
24 tables as shall be adopted by the Board of Trustees-;

1       ~~(20)~~ 18. "Actuary" shall mean a person or firm especially  
2 skilled through training and experience in financial calculation  
3 respecting the expectancy and duration of life~~;~~;

4       ~~(21)~~ 19. "Actuarial equivalent" shall mean a benefit of equal  
5 value when computed upon the basis of such mortality and other  
6 tables as shall be adopted by the Board of Trustees~~;~~;

7       ~~(22)~~ 20. The masculine pronoun, whenever used, shall include  
8 the feminine~~;~~;

9       ~~(23)~~ 21. "Actuarially determined cost" shall mean the single  
10 sum which is actuarially equivalent in value to a specified ~~pension~~  
11 annuity amount as determined on the basis of mortality and interest  
12 assumptions adopted by the Board of Trustees~~;~~;

13       ~~(24)~~ 22. "Normal retirement age" means the earliest date upon  
14 which:

15           ~~(a)~~ a. a member reaches the age sixty-two (62) with respect  
16           to a member whose first creditable service occurs  
17           prior to November 1, 2011, unless the member reaches a  
18           normal retirement date pursuant to subparagraph ~~(e)~~ c  
19           or subparagraph ~~(d)~~ d of this paragraph,

20           ~~(b)~~ b. a member reaches the age of sixty-five (65) with  
21           respect to a member whose first creditable service  
22           occurs on or after November 1, 2011, or with respect  
23           to a member whose first creditable service occurs on  
24           or after November 1, 2011, reaches a normal retirement



1           date pursuant to subparagraph ~~(d)~~ d of this paragraph  
2           having attained a minimum age of sixty (60) years,  
3       ~~(e)~~ c. the age at which the sum of a member's age and  
4           number of years of creditable service total eighty  
5           (80), with respect to a member whose first creditable  
6           service occurred prior to July 1, 1992, and who does  
7           not reach a normal retirement age pursuant to  
8           subparagraph ~~(a)~~ a of this paragraph, or  
9       ~~(d)~~ d. the age at which the sum of a member's age and  
10          number of years of creditable service total ninety  
11          (90), with respect to a member whose first creditable  
12          service occurred on or after July 1, 1992, but prior  
13          to November 1, 2011, if the member does not reach a  
14          normal retirement age pursuant to subparagraph ~~(a)~~ a  
15          of this paragraph;

16       ~~(25)~~ 23. "Regular annual compensation" means salary plus fringe  
17       benefits, excluding the flexible benefit allowance pursuant to  
18       Section 26-105 of this title ~~and for purposes pursuant to Section~~  
19       ~~17-101 et seq. of this title.~~ For purposes of this definition,  
20       regular annual compensation shall include:

21           ~~(a)~~ a. salary which accrues on a regular basis in  
22                   proportion to the service performed including payments  
23                   for staff development,

- 1        ~~(b)~~ b. amounts that would otherwise qualify as salary under  
2                ~~paragraph (a) subparagraph a~~ of this subsection  
3                paragraph but are not received directly by the member  
4                pursuant to a ~~good faith~~ good-faith, voluntary written  
5                salary reduction agreement in order to finance  
6                payments to a deferred compensation or tax-sheltered  
7                annuity program or to finance benefit options under a  
8                cafeteria plan qualifying under the United States  
9                Internal Revenue Code, 26 U.S.C., Section 101 et seq.,
- 10        ~~(c)~~ c. group health and disability insurance, group term  
11                life insurance, annuities, and pension plans, provided  
12                on a periodic basis to all qualified employees of the  
13                employer, which qualify as fringe benefits under the  
14                United States Internal Revenue Code, and
- 15        ~~(d)~~ d. excluded from regular annual compensation are:
- 16                ~~1.~~ (1)    expense reimbursement payments,  
17                ~~2.~~ (2)    office, vehicle, housing, or other  
18                        maintenance allowances,  
19                ~~3.~~ (3)    the flexible benefit allowance provided  
20                        pursuant to Section 26-105 of this title,  
21                ~~4.~~ (4)    payment for unused vacation and sick leave,  
22                ~~5.~~ (5)    any payment made for reason of termination or  
23                        retirement not specifically provided for in  
24

1                   ~~subparagraphs (a) divisions (1) through (e) (3) of~~  
2                   this ~~subsection~~ subparagraph,

3                   ~~6. (6)~~     maintenance or other nonmonetary  
4                   compensation,

5                   ~~7. (7)~~     payment received as an independent contractor  
6                   or consultant, pursuant to a lawful contract  
7                   which complies with the requirements of  
8                   subsection B of Section 6-101.2 of this title,

9                   ~~8. (8)~~     any benefit payments not made pursuant to a  
10                  valid employment agreement,

11                  ~~9. (9)~~     compensation for clinical related activity  
12                  performed in the University of Oklahoma Health  
13                  Sciences Center (OUHSC) Professional Practice  
14                  Plan or Oklahoma State University Center for  
15                  Health Sciences (OSU-CHS) Professional Practice  
16                  Plan, and

17                  ~~10. (10)~~ any other compensation not described in  
18                  subparagraphs ~~(a) a~~ through ~~(e) c~~ of this  
19                  ~~subsection.~~ paragraph;

20                  ~~(26) "Teacher" means classified personnel and nonclassified~~  
21                  ~~optional personnel.~~

22                  ~~(27) 24.~~   "Active classroom teacher" means a person employed by  
23                  a school district to teach students specifically identified classes  
24                  for specifically identified subjects during the course of a

1 semester, and who holds a valid certificate or license issued by and  
2 in accordance with the rules and regulations of the State Board of  
3 Education-;

4 ~~(28)~~ 25. "Maximum compensation level" shall, except as  
5 otherwise authorized pursuant to the provisions of Section 17-116.2C  
6 of this title, mean:

7 ~~(a)~~ a. Twenty-five Thousand Dollars (\$25,000.00) for  
8 creditable service authorized and performed prior to  
9 July 1, 1995, for members not electing a higher  
10 maximum compensation level,

11 ~~(b)~~ b. Forty Thousand Dollars (\$40,000.00) for creditable  
12 service authorized and performed prior to July 1,  
13 1995, for members electing a maximum compensation  
14 level in excess of Twenty-five Thousand Dollars  
15 (\$25,000.00),

16 ~~(c)~~ c. Twenty-seven Thousand Five Hundred Dollars  
17 (\$27,500.00) for members who, as of June 30, 1995, had  
18 elected to have a maximum compensation level not in  
19 excess of Twenty-five Thousand Dollars (\$25,000.00),  
20 and who were employed by an entity or institution  
21 within The Oklahoma State System of Higher Education  
22 for creditable service authorized and performed on or  
23 after July 1, 1995, but not later than June 30, 1996,  
24 if such member does not elect a higher maximum

1 compensation level for this period as authorized by  
2 Section 17-116.2A of this title,

3 ~~(d)~~ d. Thirty-two Thousand Five Hundred Dollars

4 (\$32,500.00) for members employed by a comprehensive  
5 university if the member meets the requirements  
6 imposed by Section 17-116.2A of this title and the  
7 member elects to impose a higher maximum compensation  
8 level for service performed on or after July 1, 1995,  
9 but not later than June 30, 1996,

10 ~~(e)~~ e. Forty-four Thousand Dollars (\$44,000.00) for members

11 who, as of June 30, 1995, had elected to have a  
12 maximum compensation level in excess of Twenty-five  
13 Thousand Dollars (\$25,000.00), and who were employed  
14 by an entity or institution within The Oklahoma State  
15 System of Higher Education for creditable service  
16 authorized and performed on or after July 1, 1995, but  
17 not later than June 30, 1996, if such member does not  
18 elect a higher maximum compensation level for this  
19 period as authorized by Section 17-116.2A of this  
20 title,

21 ~~(f)~~ f. Forty-nine Thousand Dollars (\$49,000.00) for members

22 employed by a comprehensive university if the member  
23 meets the requirements imposed by Section 17-116.2A of  
24 this title and the member elects to impose a higher

1 maximum compensation level for service performed on or  
2 after July 1, 1995, but not later than June 30, 1996,  
3 ~~(g)~~ g. the following amounts for creditable service  
4 authorized and performed by members employed by a  
5 comprehensive university, based upon the election of  
6 the member in effect as of June 30, 1995:

7 ~~±.~~ (1) for members who elected a maximum compensation  
8 level not in excess of Twenty-five Thousand  
9 Dollars (\$25,000.00):

10 ~~(i)~~ (a) Thirty-two Thousand Five Hundred  
11 Dollars (\$32,500.00) for service authorized  
12 and performed on or after July 1, 1996, but  
13 not later than June 30, 1997,

14 ~~(ii)~~ (b) Thirty-seven Thousand Five Hundred  
15 Dollars (\$37,500.00) for service authorized  
16 and performed on or after July 1, 1997, but  
17 not later than June 30, 1998,

18 ~~(iii)~~ (c) Forty-two Thousand Five Hundred  
19 Dollars (\$42,500.00) for service authorized  
20 and performed on or after July 1, 1998, but  
21 not later than June 30, 2000,

22 ~~(iv)~~ (d) Forty-seven Thousand Five Hundred  
23 Dollars (\$47,500.00) for service authorized  
24

1 and performed on or after July 1, 2000, but  
2 not later than June 30, 2001,

3 ~~(v)~~ (e) Fifty-two Thousand Five Hundred  
4 Dollars (\$52,500.00) for service authorized  
5 and performed on or after July 1, 2001, but  
6 not later than June 30, 2002,

7 ~~(vi)~~ (f) Fifty-seven Thousand Five Hundred  
8 Dollars (\$57,500.00) for service authorized  
9 and performed on or after July 1, 2002, but  
10 not later than June 30, 2003,

11 ~~(vii)~~ (g) Sixty-two Thousand Five Hundred  
12 Dollars (\$62,500.00) for service authorized  
13 and performed on or after July 1, 2003, but  
14 not later than June 30, 2004,

15 ~~(viii)~~ (h) Sixty-seven Thousand Five Hundred  
16 Dollars (\$67,500.00) for service authorized  
17 and performed on or after July 1, 2004, but  
18 not later than June 30, 2005,

19 ~~(ix)~~ (i) Seventy-two Thousand Five Hundred  
20 Dollars (\$72,500.00) for service authorized  
21 and performed on or after July 1, 2005, but  
22 not later than June 30, 2006,

23 ~~(x)~~ (j) Seventy-seven Thousand Five Hundred  
24 Dollars (\$77,500.00) for service authorized

1 and performed on or after July 1, 2006, but  
2 not later than June 30, 2007, and

3 ~~(xi)~~ (k) the full amount of regular annual  
4 compensation for service authorized and  
5 performed on or after July 1, 2007, and

6 ~~2.~~ (2) for members who elected a maximum compensation  
7 level in excess of Twenty-five Thousand Dollars  
8 (\$25,000.00):

9 ~~(i)~~ (a) Forty-nine Thousand Dollars  
10 (\$49,000.00) for service authorized and  
11 performed on or after July 1, 1996, but not  
12 later than June 30, 1997,

13 ~~(ii)~~ (b) Fifty-four Thousand Dollars  
14 (\$54,000.00) for service authorized and  
15 performed on or after July 1, 1997, but not  
16 later than June 30, 1998,

17 ~~(iii)~~ (c) Fifty-nine Thousand Dollars  
18 (\$59,000.00) for service authorized and  
19 performed on or after July 1, 1998, but not  
20 later than June 30, 2000,

21 ~~(iv)~~ (d) Sixty-four Thousand Dollars  
22 (\$64,000.00) for service authorized and  
23 performed on or after July 1, 2000, but not  
24 later than June 30, 2001,



1           ~~(v)~~ (e)       Sixty-nine Thousand Dollars  
2                           (\$69,000.00) for service authorized and  
3                           performed on or after July 1, 2001, but not  
4                           later than June 30, 2002,

5           ~~(vi)~~ (f)       Seventy-four Thousand Dollars  
6                           (\$74,000.00) for service authorized and  
7                           performed on or after July 1, 2002, but not  
8                           later than June 30, 2003,

9           ~~(vii)~~ (g)       Seventy-nine Thousand Dollars  
10                           (\$79,000.00) for service authorized and  
11                           performed on or after July 1, 2003, but not  
12                           later than June 30, 2004,

13           ~~(viii)~~ (h)       Eighty-four Thousand Dollars  
14                           (\$84,000.00) for service authorized and  
15                           performed on or after July 1, 2004, but not  
16                           later than June 30, 2005,

17           ~~(ix)~~ (i)       Eighty-nine Thousand Dollars  
18                           (\$89,000.00) for service authorized and  
19                           performed on or after July 1, 2005, but not  
20                           later than June 30, 2006,

21           ~~(x)~~ (j)       Ninety-four Thousand Dollars  
22                           (\$94,000.00) for service authorized and  
23                           performed on or after July 1, 2006, but not  
24                           later than June 30, 2007, and

1                   ~~(xi)~~ (k)       the full amount of regular annual  
2    compensation for service authorized and  
3    performed on or after July 1, 2007, and

4       ~~(h)~~ h.     the full amount of regular annual compensation of:

5           ~~1.~~ (1)    a member of the retirement system not employed  
6    by an entity or institution within The Oklahoma  
7    State System of Higher Education for all  
8    creditable service authorized and performed on or  
9    after July 1, 1995,

10          ~~2.~~ (2)    a member of the retirement system first  
11    employed on or after July 1, 1995, by an entity  
12    or institution within The Oklahoma State System  
13    of Higher Education for all creditable service  
14    authorized and performed on or after July 1,  
15    1995, but not later than June 30, 1996,

16          ~~3.~~ (3)    a member of the retirement system employed by  
17    an entity or institution within The Oklahoma  
18    State System of Higher Education, other than a  
19    comprehensive university, if the member elects to  
20    impose a higher maximum compensation level for  
21    service performed on or after July 1, 1995, but  
22    not later than June 30, 1996, pursuant to  
23    subsection B of Section 17-116.2A of this title,  
24

1           4. (4) a member of the retirement system who is first  
 2           employed on or after July 1, 1996, by any entity  
 3           or institution within The Oklahoma State System  
 4           of Higher Education including a comprehensive  
 5           university, for creditable service authorized and  
 6           performed on or after July 1, 1996,

7           5. (5) a member of the retirement system who, as of  
 8           July 1, 1996, is subject to a maximum  
 9           compensation level pursuant to ~~paragraph (g)~~  
 10          subparagraph g of this ~~subsection~~ paragraph if  
 11          the member terminates service with a  
 12          comprehensive university and is subsequently  
 13          reemployed by a comprehensive university,

14          6. (6) a member of the retirement system employed by  
 15          a comprehensive university for all service  
 16          performed on and after July 1, 2007, or

17          7. (7) an eligible member of the retirement system  
 18          who fulfills the requirements of Section 17-  
 19          116.2C of this title with respect to pre-cap  
 20          removal service included in the retirement  
 21          benefit computation of the member at the average  
 22          salary of the member subject to the maximum  
 23          average salary amount; and

24          ~~(29)~~ 26. "Comprehensive university" shall mean:

1       ~~(a)~~ a.    the University of Oklahoma and all of its  
2                    constituent agencies including the University of  
3                    Oklahoma Health Sciences Center, the University of  
4                    Oklahoma Law Center, and the Oklahoma Geological  
5                    Survey, and

6       ~~(b)~~ b.    Oklahoma State University and all of its  
7                    constituent agencies including the Oklahoma State  
8                    University Agricultural Experiment Station, the  
9                    Oklahoma State University Agricultural Extension  
10                   Division, the Oklahoma State University College of  
11                   Veterinary Medicine, the Oklahoma State University  
12                   Center for Health Sciences, the Technical Branch at  
13                   ~~Oklahoma City~~ OSU-Oklahoma City, the Oklahoma State  
14                   University Institute of Technology-Okmulgee, and  
15                   Oklahoma State University-Tulsa.

16       ~~(30) "Retirement contract" means the document prepared by the~~  
17 ~~Teachers' Retirement System upon member request, which incorporates~~  
18 ~~member's selected retirement option, and which must be executed and~~  
19 ~~submitted to the Teachers' Retirement System no less than thirty~~  
20 ~~(30) days prior to the projected retirement date.~~

21       SECTION 2.        AMENDATORY        70 O.S. 2021, Section 17-103, is  
22 amended to read as follows:  
23  
24

1 Section 17-103. Except as provided in the Alternate Retirement  
2 Plan for Comprehensive Universities Act, the membership of the  
3 retirement system shall consist of the following:

4 A. All classified personnel shall become members of the  
5 retirement system as a condition of their employment~~+~~.

6 B. For the period from August 2, 1969, to ~~the effective date of~~  
7 ~~this act~~ June 30, 2021, all full-time nonclassified optional  
8 personnel regularly employed for more than one (1) year may join the  
9 Teachers' Retirement System of Oklahoma subject to the rules and  
10 regulations adopted pursuant to the Teachers' Retirement System of  
11 Oklahoma. On or after ~~the effective date of this act~~ July 1, 2021,  
12 all nonclassified optional personnel regularly employed for twenty  
13 (20) hours or more per week may join the System upon hiring or  
14 eligibility, subject to the provisions of subsection C of this  
15 section and the rules and regulations adopted by the System pursuant  
16 to ~~this act~~ Section 17-101 et seq. of this title.

17 C. 1. ~~A nonclassified~~ Nonclassified optional ~~employee~~  
18 personnel shall have thirty (30) days from the initial date of hire  
19 or eligibility to make a one-time irrevocable ~~written~~ election to  
20 opt out of participation in the System, in a manner required by the  
21 Board of Trustees. If an eligible employee fails to make an  
22 election within the thirty-day period, the eligible employee shall  
23 be deemed to participate in the System.

24

1        2. If an eligible employee elects to opt out of participation  
2 in the System, the employee shall not make any required employee  
3 contributions to the System and ~~his or her~~ the employee's employer  
4 shall not make any required employer contributions to the System.

5        3. If an eligible nonclassified optional employee ~~elects to~~  
6 ~~participate~~ does not timely opt out of participation in the System,  
7 ~~the~~ such an employee shall make employee contributions to the System  
8 pursuant to Section 17-116.2 of this title and the employer shall  
9 make employer contributions to the System pursuant to Section 17-  
10 108.1 of this title. Nothing in this ~~paragraph~~ subsection shall be  
11 construed to prohibit the employer from making the contribution of  
12 the employee to the System on behalf of the employee.

13        4. ~~A nonclassified~~ Nonclassified optional ~~employee personnel~~  
14 who ~~opts~~ opt out of participation in the System shall be ineligible  
15 for future participation in the System; provided, however, that if  
16 ~~the~~ such an employee is hired for a classified position, he or she  
17 shall become a member of the System pursuant to subsection A of this  
18 section but shall not be eligible for prior service credit for  
19 service performed while employed in a nonclassified position during  
20 which the employee opted out of participation in the System.

21        5. ~~Any nonclassified optional employee employed on the~~  
22 ~~effective date of this act shall make an irrevocable written~~  
23 ~~election to participate in or opt out of the System pursuant to~~  
24 ~~paragraph 1 of this subsection. If the employee fails to make an~~

1 ~~election within thirty (30) days from the effective date of this~~  
2 ~~act, the employee shall be deemed to participate in the System,~~  
3 ~~subject to the provisions of paragraph 3 of this subsection.~~

4 D. The Board of Trustees may, in its discretion, deny the right  
5 to become members to any class of members whose compensation is only  
6 partly paid by the state, or who is serving on a temporary or other  
7 than per annum basis, and it also may, in its discretion, make  
8 ~~optional with~~ the individual entrance into the retirement system for  
9 members in any such class ~~their individual entrance into the~~  
10 ~~retirement system~~ optional.

11 E. Should any non-vested member, ~~with less than ten (10) years~~  
12 ~~of teaching service in Oklahoma,~~ in any period of six (6)  
13 consecutive years after becoming a member, be absent from service  
14 more than five (5) years, withdraw his or her contributions, retire  
15 or die, he or she shall thereupon cease to be a member. The  
16 provisions of this ~~paragraph~~ subsection shall not apply to any  
17 member of the Teachers' Retirement System of Oklahoma who has been a  
18 member of such classes of military services as may be approved by  
19 the Board of Trustees, until a period of one and one-half (1 1/2)  
20 years from date of termination of such service shall have elapsed.

21 F. Effective November 1, 2019, a retired member of the  
22 Teachers' Retirement System of Oklahoma who becomes employed by the  
23 State Department of Education for the first time on or after  
24 November 1, 2019, shall have the option to remain a member of the

1 Teachers' Retirement System of Oklahoma subject to any applicable  
2 limitations placed on retired members returning to work or may  
3 choose to participate as an active member in the Oklahoma Public  
4 Employees Retirement System ~~as an active member~~ defined benefit plan  
5 or the Oklahoma Public Employees Retirement System defined  
6 contribution system, whichever is applicable under the laws and  
7 rules governing those systems.

8 SECTION 3. AMENDATORY 70 O.S. 2021, Section 17-104, is  
9 amended to read as follows:

10 Section 17-104. ~~(1) Under such rules and regulations as the~~  
11 ~~Board of Trustees shall adopt, each member who became a member~~  
12 ~~within one (1) year after July 1, 1943, shall file a detailed~~  
13 ~~statement of all service as a member rendered by him prior to the~~  
14 ~~date of establishment for which he claims credit.~~

15 ~~(2) A.~~ A. The Board of Trustees of the Teachers' Retirement System  
16 of Oklahoma shall fix and determine by appropriate rules and  
17 regulations how much service in any year is equivalent to one (1)  
18 year of service, but in no case ~~shall it allow any credit for a~~  
19 ~~period of absence without pay of more than one (1) month's duration~~  
20 ~~nor~~ shall more than one (1) year of service be creditable for all  
21 services in one (1) school year. Service rendered for a regular  
22 school year shall be equivalent to one (1) ~~year's~~ year of service.

23 ~~(a) Prior service credit shall be granted to any member who~~  
24 ~~shall become a member when he has completed one (1) year of~~



1 ~~membership service credit. Prior service shall include years taught~~  
2 ~~in what is now Oklahoma preceding statehood.~~

3 ~~1. Subject to the above restrictions and to such other rules~~  
4 ~~and regulations as the Board of Trustees may adopt, the Board of~~  
5 ~~Trustees shall verify, as soon as practicable after the filing of~~  
6 ~~such statements of service, the service therein claimed.~~

7 ~~2. Upon verification of the statements of service, the Board of~~  
8 ~~Trustees shall issue prior service certificates certifying to each~~  
9 ~~member the length of service rendered prior to the date of~~  
10 ~~establishment, with which he is credited on the basis of his~~  
11 ~~statement of service. So long as membership continues, a prior~~  
12 ~~service certificate shall be final and conclusive for retirement~~  
13 ~~purposes as to such service; provided, however, the Board of~~  
14 ~~Trustees may, upon request of the member, modify or correct his~~  
15 ~~prior service certificate. The prior service credit and certificate~~  
16 ~~of a member who has retired may be corrected, if incorrect. When~~  
17 ~~the correction constitutes an addition to the retired member's~~  
18 ~~service record, the Board of Trustees may grant allowance~~  
19 ~~retroactively as the facts justify.~~

20 ~~When membership ceases such prior service certificate shall~~  
21 ~~become void. Should the former B. If a member return who has~~  
22 ~~previously withdrawn service returns to service in Oklahoma and~~  
23 ~~completes one (1) year of membership service credit, he shall again~~  
24 ~~become a member not entitled to prior service credit, with the~~

1 ~~provision that he~~ the member may reestablish ~~his~~ prior service  
2 credit by re depositing ~~in the appropriate fund~~ the amount formerly  
3 withdrawn, with the interest at ~~five percent (5%) per annum from the~~  
4 ~~date membership ceased to the date of re deposit; provided, however,~~  
5 ~~effective January 1, 1990, the rate of interest provided herein~~  
6 ~~shall be~~ ten percent (10%) per annum. No member shall be permitted  
7 to ~~take advantage of this provision for restoration of~~ re deposit  
8 prior service more than one time.

9 ~~(b) Any person who is, or shall become, a member of the~~  
10 ~~Teachers' Retirement System may receive prior service credit for not~~  
11 ~~more than five (5) years of service rendered in public schools,~~  
12 ~~state colleges, or state universities outside this state prior to~~  
13 ~~July 1, 1943, subject to the regulations of the Board of Trustees,~~  
14 ~~provided he is not receiving, and is not eligible to receive,~~  
15 ~~retirement credit or benefits for this service in any other teacher~~  
16 ~~retirement system, subject to the following provision:~~

17 1. ~~The member is required to have two (2) years of creditable~~  
18 ~~service teaching earned in Oklahoma for each year of out of state~~  
19 ~~credit granted.~~

20 ~~(3) Any teacher who served in the Armed Forces of the United~~  
21 ~~States of America prior to July 1, 1943, during World War I or World~~  
22 ~~War II, whose service was terminated by an honorable discharge and~~  
23 ~~who qualifies for prior service credit under the terms of this act~~  
24 ~~shall be granted prior service teaching credit by the Board of~~

1 ~~Trustees for the period of such service in the Armed Forces,~~  
 2 ~~occurring prior to July 1, 1943, upon presentation to the Board of~~  
 3 ~~Trustees of satisfactory proof of such service in the Armed Forces.~~  
 4 ~~The amount of prior service teaching credit to be allowed such~~  
 5 ~~teacher shall be determined by the Board of Trustees~~

6 C. The Board of Trustees may adopt such other rules and  
 7 regulations to verify, process, and credit the service herein  
 8 claimed.

9 SECTION 4. AMENDATORY 70 O.S. 2021, Section 17-105, is  
 10 amended to read as follows:

11 Section 17-105. ~~(1)~~ ~~(a)~~ A. 1. Any member who has attained  
 12 age fifty-five (55) or who has completed thirty (30) years of  
 13 creditable service, as defined in Section 17-101 of this title, or  
 14 for any person who initially became a member prior to July 1, 1992,  
 15 regardless of whether there were breaks in service after July 1,  
 16 1992, whose age and number of years of creditable service total  
 17 eighty (80) may be retired upon proper application for retirement ~~on~~  
 18 ~~forms~~ as established by the Teachers' Retirement System and  
 19 ~~executing a retirement contract of Oklahoma.~~ Such a retirement date  
 20 will also apply to any person who became a member of the sending  
 21 system as defined in ~~this act~~ Section 17-116.2 of this title, prior  
 22 to July 1, 1992, regardless of whether there were breaks in service  
 23 after July 1, 1992. Any person who became a member after June 30,  
 24 1992, but prior to November 1, 2011, whose age and number of years

1 of creditable service total ninety (90) may be retired upon proper  
2 application for retirement ~~and executing a retirement contract as~~  
3 established by the System. Any person who becomes a member on or  
4 after November 1, 2011, who attains the age of sixty-five (65) years  
5 or who reaches a normal retirement date pursuant to subparagraph ~~(d)~~  
6 d of paragraph ~~(24)~~ 22 of Section 17-101 of this title having  
7 attained a minimum age of sixty (60) years may be retired upon  
8 proper application for retirement ~~and executing a retirement~~  
9 ~~contract~~ as established by the System. The application shall be  
10 filed ~~on the form provided by the Board of Trustees for this~~  
11 ~~purpose, not less than sixty (60) days before the date of~~  
12 ~~retirement, provided that the Executive Director may waive the~~  
13 ~~sixty-day deadline for good cause shown as defined by the Board~~ with  
14 the System in a manner required by the Board of Trustees.

15 ~~1.~~ 2. The employer shall provide the System with the following  
16 information for a retiring member, no later than the fifteenth day  
17 of the month of retirement: last day physically on the job; last  
18 day on payroll; any regular compensation not already reported to the  
19 System; and final unused sick leave balance.

20 ~~2.~~ 3. Failure to submit this information by the deadline, or  
21 errors in submitted information that result in a disqualification of  
22 retirement eligibility, shall be the responsibility of the employer.  
23 In cases where the error results in disqualification of retirement  
24 eligibility, it is the employer's responsibility to reemploy the

1 member, or retain the member on the payroll, for the time period  
2 required to reach eligibility, not exceeding two (2) months.

3 ~~(b)~~ B. An individual who becomes a member of the Teachers'  
4 Retirement System of Oklahoma after July 1, 1967, through October  
5 31, 2017, shall be employed by the public schools, state colleges,  
6 or universities of Oklahoma for a minimum of five (5) years and be a  
7 contributing member of the Teachers' Retirement System of Oklahoma  
8 for a minimum of five (5) years to qualify for monthly retirement  
9 benefits from the Teachers' Retirement System of Oklahoma.

10 An individual who becomes a member of the Teachers' Retirement  
11 System of Oklahoma on or after November 1, 2017, shall be employed  
12 by the public schools, state colleges or universities of Oklahoma  
13 for a minimum of seven (7) years and be a contributing member of the  
14 Teachers' Retirement System of Oklahoma for a minimum of seven (7)  
15 years to qualify for monthly retirement benefits from the Teachers'  
16 Retirement System of Oklahoma.

17 ~~(c)~~ Any member C. Individuals becoming members after July 1,  
18 1967, through October 31, 2017, with five (5) or more years of  
19 Oklahoma service and whose accumulated contributions during such  
20 period have not been withdrawn shall be given an indefinite  
21 extension of membership beginning with the sixth year following the  
22 member's last contributing membership.

23 Individuals becoming members on or after November 1, 2017, with  
24 seven (7) or more years of Oklahoma ~~teaching~~ service and whose

1 accumulated contributions during such period have not been withdrawn  
2 shall be given an indefinite extension of membership beginning with  
3 the ~~sixth~~ eighth year following ~~his or her~~ the member's last  
4 contributing membership and shall become eligible to apply for  
5 ~~retirement and be retired upon attaining age fifty-five (55).~~

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

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

21 ~~Any individual regardless of residence, who has a minimum of ten~~  
22 ~~(10) years of teaching in Oklahoma schools prior to July 1, 1943, or~~  
23 ~~who taught in Oklahoma schools prior to 1934 and thereafter taught a~~  
24 ~~minimum of ten (10) years and who does not qualify under the present~~

~~retirement System, or who has a minimum of thirty (30) years of teaching in Oklahoma schools and has reached seventy (70) years of age prior to July 1, 1984, and is not otherwise eligible to receive any benefits from the retirement system shall receive a minimum of One Hundred Fifty Dollars (\$150.00) per month in retirement benefits from the Teachers' Retirement System of Oklahoma plus any general increase in benefits for annuitants as may be provided hereafter by the Legislature. Each individual must apply to the Teachers' Retirement System for such benefit and provide evidence to the Teachers' Retirement System that the service was actually rendered. The surviving spouse of any person who made application for the benefit provided for by this paragraph during his or her lifetime but did not receive the benefit may submit an application to the System for payment of the benefit for those months during the lifetime of the deceased person that he or she was eligible for but did not receive the benefit. Upon approval of the application by the Board of Trustees, the benefit shall be paid to the surviving spouse in one lump sum.~~

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

~~(5) G.~~ Upon application of a member who is actively engaged in teaching in Oklahoma or his or her upon application of the member's employer, any member who has been a contributing member for ten (10)

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



1       ~~(6)~~ ~~(a)~~ H. 1. A member who at the time of retirement has been  
2 found to be permanently physically or mentally incapacitated to  
3 perform the necessary duties to continue in ~~his or her~~ the member's  
4 current position shall receive a minimum monthly retirement payment  
5 for life or until such time as the member may be found to be  
6 recovered to the point where ~~he or she~~ the member may return to  
7 teaching. Any member retired before July 1, 1992, shall be eligible  
8 to receive the monthly retirement ~~allowance~~ benefit herein provided,  
9 but such payment shall not begin until the first payment due ~~him or~~  
10 ~~her~~ to the member after July 1, 1992, and shall not be retroactive.  
11 The Board of Trustees is empowered to make such rules and  
12 regulations as it considers proper to preserve equity in retirements  
13 under this provision, which shall include a provision to protect the  
14 rights of the member's spouse.

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

1 retirement benefit to which the deceased member would have been  
2 entitled at the time of death under the Option 2 Plan of Retirement  
3 provided for in paragraph 2 of subsection (8) K of this section in  
4 lieu of the death benefit provided for in this ~~subsection~~ paragraph  
5 and in subsection ~~(12)~~ Q of this section.

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

16 ~~(d)~~ 4. Should the Medical Board report and certify to the Board  
17 of Trustees that such disabled annuitant is engaged in or is able to  
18 engage in a gainful occupation paying more than the difference  
19 between ~~his or her retirement allowance~~ and the member's average  
20 final compensation and the annual benefit amount, and should the  
21 Board of Trustees concur in such report, then the amount of his or  
22 ~~her pension~~ the member's annual benefit shall be reduced to an  
23 amount which, ~~together with his or her retirement allowance and that~~  
24 ~~amount earnable by him or her~~ added to the member's earnings from a

1 gainful occupation, shall equal the amount of ~~his or her~~ the  
2 member's average final compensation. Should ~~his or her~~ the member's  
3 earning capacity be later increased, the amount of ~~his or her~~  
4 ~~pension~~ the member's annual benefit may be further ~~modified,~~  
5 ~~provided the new pension shall not exceed that amount of the pension~~  
6 ~~originally granted nor an amount, which when added to the amount~~  
7 ~~earnable by the member, together with his or her annuity, equals the~~  
8 ~~amount of his or her average final compensation~~ reduced.

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

20 ~~(7)~~ I. Should a member before retirement under Section ~~1-101~~  
21 17-101 et seq. of this title make application for withdrawal duly  
22 filed with the System, not earlier than four (4) months after the  
23 date of termination of ~~such service as a teacher~~ employment with a  
24 participating employer within the System, the contribution standing

1 to the credit of ~~his or her~~ the member's individual account in the  
2 Teachers' Savings Fund shall be paid to ~~him or her~~ the member or, in  
3 the event of ~~his or her~~ the member's death before retirement, shall  
4 be paid to such person or persons as ~~he or she~~ the member shall have  
5 ~~nominated by written designation, duly executed~~ designated in a  
6 manner required by the Board of Trustees and filed with the System;  
7 provided, however, if there ~~be~~ is no designated beneficiary  
8 surviving upon such death, such contributions shall be paid to ~~his~~  
9 ~~or her~~ the member's administrators, executors, or assigns, together  
10 with interest as hereinafter provided. ~~In lieu of a lump sum~~  
11 ~~settlement at the death of the member, the amount of money the~~  
12 ~~member has on deposit in the Teachers' Savings Fund and the money~~  
13 ~~the member has on deposit in the Teachers' Deposit Fund may be paid~~  
14 ~~in monthly payments to a designated beneficiary, who must be the~~  
15 ~~spouse, under the Maximum or Option 1 Plan of Retirement providing~~  
16 ~~the monthly payment shall be not less than Twenty-five Dollars~~  
17 ~~(\$25.00) per month. The monthly payment shall be the actuarial~~  
18 ~~equivalent of the amount becoming due at the member's death based on~~  
19 ~~the sex of the spouse and the age the spouse has attained at the~~  
20 ~~last birthday prior to the member's death. Provided further, if~~  
21 there ~~be~~ is no designated beneficiary surviving upon such death, and  
22 the contributions standing to the credit of such member do not  
23 exceed Two Hundred Dollars (\$200.00), no part of such contributions  
24 shall be subject to the payment of any expense of the last illness

1 or funeral of the deceased member or any expense of administration  
2 of the estate of such deceased and the System, upon satisfactory  
3 proof of the death of such member and of the name or names of the  
4 person or persons who would be entitled to receive such  
5 contributions under the laws of descent and distribution of the  
6 state, may authorize the payment of accumulated contributions to  
7 such person or persons. A member terminating ~~his or her~~ membership  
8 by withdrawal after June 30, 2003, shall have the interest computed  
9 at a rate of interest determined by the Board of Trustees and paid  
10 to ~~him or her~~ the member subject to the following schedule:

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

14 ~~(b)~~ 2. With at least sixteen (16) but less than twenty-one (21)  
15 years of membership, sixty percent (60%) of such interest  
16 accumulations shall be paid;

17 ~~(c)~~ 3. With at least twenty-one (21) but less than twenty-six  
18 (26) years of membership, seventy-five percent (75%) of such  
19 interest accumulations shall be paid; and

20 ~~(d)~~ 4. With at least twenty-six (26) years of membership,  
21 ninety percent (90%) of such interest accumulations shall be paid.

22 In case of death of an active member, the interest shall be  
23 calculated and restored to the member's account and paid to ~~his or~~  
24 ~~her~~ the member's beneficiary.

1       ~~(8)~~ ~~(a)~~ J. 1. In lieu of ~~his or her retirement allowance~~ the  
2 Maximum Retirement Allowance payable throughout life for such an  
3 amount as determined under this section, the member may select a  
4 retirement allowance for a reduced amount payable under any of the  
5 ~~following~~ options listed in subsection K of this section the present  
6 value of which is the actuarial equivalent thereof.

7       ~~(b)~~ A member may select the option under which he or she  
8 desires to retire at the end of the school year in which he or she  
9 attains age seventy (70) and the option shall be binding and cannot  
10 be changed. ~~Provided further that if a member retires before age~~  
11 ~~seventy (70), no election of an option shall be effective in case an~~  
12 ~~annuitant dies before the first payment due under such option has~~  
13 ~~been received.~~

14       ~~(c)~~ 2. The first payment of any benefit selected shall be made  
15 on the first day of the month following approval of the retirement  
16 by the System. If the named ~~designated~~ joint annuitant under Option  
17 2 or 3 dies at any time after the member's retirement date, but  
18 before the death of the member, the member shall return to the  
19 ~~retirement benefit~~ Maximum Plan of Retirement, including any ~~post~~  
20 ~~retirement~~ post-retirement benefit increases the member would have  
21 received had the member not selected Option 2 or 3 ~~of this~~ pursuant  
22 to paragraph 2 or 3 of subsection K of this section. The ~~benefit~~  
23 retirement allowance shall be determined at the date of death of the  
24 ~~designated~~ joint annuitant. This increase shall become effective

1 the first day of the month following the date of death of the  
2 ~~designated~~ joint annuitant, and shall be payable for the member's  
3 remaining lifetime. The member shall notify the Teachers'  
4 Retirement System of Oklahoma of the death of the ~~designated~~ joint  
5 annuitant ~~in writing~~ by providing a copy of the joint annuitant's  
6 death certificate. In the absence of the ~~written notice~~ death  
7 certificate being filed by the member notifying the Teachers'  
8 Retirement System of Oklahoma of the death of the ~~designated~~ joint  
9 annuitant within six (6) months of the date of death, nothing in  
10 this subsection shall require the Teachers' Retirement System of  
11 Oklahoma to pay more than six (6) months of retrospective benefits  
12 increase.

13 K. 1. Option 1. A member takes a slightly reduced retirement  
14 allowance for life. If ~~he or she~~ the member dies before ~~he or she~~  
15 ~~has received~~ receiving in annuity payments the present value of ~~his~~  
16 ~~or her~~ the member's annuity as it was at the time of ~~his or her~~  
17 retirement, the balance shall be paid to ~~his or her legal~~  
18 ~~representatives or to such person as he or she shall nominate~~ the  
19 member's beneficiary by ~~written~~ designation ~~duly acknowledged and~~  
20 filed with the System ~~at the time of his or her retirement; or prior~~  
21 to the member's death.

22 2. Option 2. A member takes a reduced retirement allowance for  
23 life. Upon the death of the member the payments shall continue to  
24 the member's ~~designated~~ joint annuitant for the life of the joint

1 annuitant. The ~~written~~ designation of the joint annuitant must be  
2 ~~duly acknowledged and~~ filed with the System at the time of the  
3 member's retirement and, except as provided in paragraph ~~(e)~~ 2 of  
4 ~~this~~ subsection J of this section, cannot be changed after the  
5 effective date of the member's retirement; ~~or~~.

6 3. Option 3. A member receives a reduced retirement allowance  
7 for life. Upon the death of the member one-half (1/2) of the  
8 retirement allowance paid the member shall be continued throughout  
9 the life of the ~~designated~~ member's joint annuitant. A ~~written~~  
10 designation of a joint annuitant must be ~~duly acknowledged and~~ filed  
11 with the System at the time of the member's retirement and, except  
12 as provided in paragraph ~~(e)~~ 2 of ~~this~~ subsection J of this section,  
13 cannot be changed after the effective date of the member's  
14 retirement; ~~or~~.

15 4. Option 4. ~~Some~~ Provided, the System may establish other  
16 retirement options if certified by the actuary to be of equivalent  
17 actuarial value to the member's retirement allowance. Other  
18 retirement options shall be presented to the Board of Trustees for  
19 approval at its discretion. Such other benefit or benefits shall be  
20 paid either to the member or, if applicable, to such joint annuitant  
21 as ~~he or she~~ the member shall nominate, ~~provided such other benefit~~  
22 ~~or benefits, together with the reduced retirement allowance, shall~~  
23 ~~be certified by the actuary to be of equivalent actuarial value to~~  
24 ~~his or her retirement allowance and shall be approved by the System.~~



1        ~~(d)~~ L. Provided ~~that Option 2 and Option 3,~~ the options listed  
2 in paragraphs 2 and 3 of subsection K of this section shall not be  
3 available if the member's expected benefit is less than fifty  
4 percent (50%) of the lump-sum actuarial equivalent and the  
5 ~~designated~~ joint annuitant is not the spouse of the member.

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

1        ~~(f)~~ 2. A member who retires after ~~the effective date of this~~  
2 ~~act~~ July 1, 2010, and has selected a retirement allowance for a  
3 reduced amount payable under one of the options provided for in ~~this~~  
4 subsection K of this section may make a one-time irrevocable  
5 election to select a different option within sixty (60) days of the  
6 member's retirement date. The beneficiary or joint annuitant  
7 designated by the member at the time of retirement shall not be  
8 changed if the member makes the election provided for in this  
9 paragraph.

10        ~~(g)~~ 3. Any individual who is eligible to be a beneficiary or  
11 joint annuitant of a member under ~~this~~ subsection J of this section,  
12 and who is also a beneficiary of a trust created under the Oklahoma  
13 Discretionary and Special Needs Trust Act, Section 175.81 et seq. of  
14 Title 60 of the Oklahoma Statutes, or a comparable Trust Act created  
15 under the laws of another state, hereinafter collectively referred  
16 to as "Trust Acts", may be a beneficiary or joint annuitant under  
17 ~~this~~ subsection J of this section by having the trustee of the trust  
18 established for the benefit of that individual named as the legal  
19 beneficiary or joint annuitant under ~~this~~ subsection J of this  
20 section. The age of that beneficiary shall be used for calculating  
21 any benefit payable to the trust under ~~this~~ subsection J of this  
22 section. The beneficiary of such a trust shall be treated as the  
23 beneficiary or joint annuitant under ~~this~~ subsection J of this  
24 section except that payments of any benefits due under ~~this~~

1 subsection J of this section shall be payable to the lawfully  
2 appointed trustee of the trust. The obligation of the System to pay  
3 the beneficiary or joint annuitant under ~~this~~ subsection J of this  
4 section shall be satisfied by payment to the trustee whom the  
5 System, in good faith, believes to be the lawfully appointed  
6 trustee. Any conflict between the statutes creating and governing  
7 the Teachers' Retirement System of Oklahoma in Section 17-101 et  
8 seq. of this title and the provisions of any Trust Act referred to  
9 above shall be resolved in favor of the statutes governing the  
10 System. If an eligible beneficiary or joint annuitant is named at  
11 the time of retirement, and becomes a beneficiary of a trust under  
12 one of the Trust Acts described herein after that time, the System  
13 will acknowledge the trust as the beneficiary upon the submission of  
14 adequate documentation of the existence of the trust. All other  
15 provisions of ~~this~~ subsection J of this section shall apply to these  
16 subsequently created trusts.

17 ~~(h)~~ 4. The Board of Trustees of the System may recognize other  
18 trusts set up for the benefit of individuals otherwise eligible to  
19 be named as a beneficiary or joint annuitant under ~~this~~ subsection J  
20 of this section by administrative rule if it can be done without  
21 undue additional administrative expense of the System.

22 ~~(9)~~ N. The governing board of any "~~public school~~" public  
23 school, as that term is defined in Section 17-101 of this title, is  
24 hereby authorized and empowered to pay additional retirement

1 allowances or compensation to any person who was in the employ of  
2 such public school for not less than seven (7) school years  
3 preceding the date of ~~his or her~~ the member's retirement. Payments  
4 so made shall be a proper charge against the current appropriation  
5 or appropriations of any such public school for salaries for the  
6 fiscal year in which such payments are made. Such payments shall be  
7 made in regular monthly installments in such amounts as the  
8 governing board of any such public school, in its judgment, shall  
9 determine to be reasonable and appropriate in view of the length and  
10 type of service rendered by any such person to such public school by  
11 which such person was employed at the time of retirement. All such  
12 additional payments shall be uniform, based upon the length of  
13 service and the type of services performed, to persons formerly  
14 employed by such public school who have retired or been retired in  
15 accordance with the provisions of Section 17-101 et seq. of this  
16 title.

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

21 ~~(10)~~ O. In addition to the teachers' retirement herein  
22 provided, teachers may voluntarily avail themselves of the ~~Federal~~  
23 federal Social Security ~~Program~~ program upon a district basis.

24

1       ~~(11)~~ P. Upon the death of an in-service member, the System  
2 shall pay to the designated beneficiary of the member or, if there  
3 is no designated beneficiary or if the designated beneficiary  
4 predeceases the member, to the estate of the member, the sum of  
5 Eighteen Thousand Dollars (\$18,000.00) as a death benefit.  
6 Provided, if the deceased member had ten (10) years or more of  
7 creditable service, the member's designated beneficiary may elect to  
8 receive the retirement benefit to which the deceased member would  
9 have been entitled at the time of death under the Option 2 plan of  
10 retirement in lieu of the death benefit provided for in this  
11 subsection. Provided further, the option provided in this  
12 subsection is only available when the member has designated one  
13 individual as the designated beneficiary. The beneficiary or  
14 beneficiaries of death benefits in the amount not to exceed Eighteen  
15 Thousand Dollars (\$18,000.00), but exclusive of any retirement  
16 benefit received by an electing beneficiary based upon creditable  
17 service performed by the deceased member, which are provided  
18 pursuant to this subsection, may elect to disclaim such death  
19 benefits in which case such benefits will be transferred to a person  
20 licensed as a funeral director or to a lawfully recognized business  
21 entity licensed as required by law to provide funeral services for  
22 the deceased member. The qualified disclaimer must be in writing  
23 and will be an irrevocable and an unqualified refusal to accept all  
24 or a portion of the death benefit. It must be received by the

1 transferor no more than nine (9) months after the later of the day  
2 the transfer creating the interest in the disclaiming person is made  
3 or the day the disclaiming person attains age twenty-one (21). The  
4 interest in the death benefits must pass without direction by the  
5 disclaiming person to another person. After paying death benefits  
6 to any beneficiary or the member's estate pursuant to this  
7 subsection, the System is discharged and released from any and all  
8 liability, obligation, and costs. The System is not required to  
9 inquire into the truth of any matter specified in this subsection or  
10 into the payment of any estate tax liability.

11 ~~(12)~~ Q. Upon the death of a retired member who has contributed  
12 to the System, the retirement system shall pay to the designated  
13 beneficiary of the member or, if there is no designated beneficiary  
14 or if the designated beneficiary predeceases the member, to the  
15 estate of the member, the sum of Five Thousand Dollars (\$5,000.00)  
16 as a death benefit. The beneficiary or beneficiaries of benefits  
17 provided pursuant to this subsection may elect to disclaim such  
18 death benefits in which case such benefits will be transferred to a  
19 person licensed as a funeral director or to a lawfully recognized  
20 business entity licensed as required by law to provide funeral  
21 services for the deceased member. The qualified disclaimer must be  
22 in writing and will be an irrevocable and an unqualified refusal to  
23 accept all or a portion of the death benefit. It must be received  
24 by the transferor no more than nine (9) months after the later of

1 the day the transfer creating the interest in the disclaiming person  
2 is made or the day the disclaiming person attains age twenty-one  
3 (21). The interest in the death benefits must pass without  
4 direction by the disclaiming person to another person. The benefit  
5 payable pursuant to this subsection shall be deemed, for purposes of  
6 federal income taxation, as life insurance proceeds and not as a  
7 death benefit if the Internal Revenue Service approves this  
8 provision pursuant to a private letter ruling request which shall be  
9 submitted by the Board of Trustees of the System for that purpose.  
10 After paying death benefits to any beneficiary or the member's  
11 estate pursuant to this subsection, the System is discharged and  
12 released from any and all liability, obligation, and costs. The  
13 System is not required to inquire into the truth of any matter  
14 specified in this subsection or into the payment of any estate tax  
15 liability.

16 ~~(13)~~ R. Upon the death of a member who dies leaving no living  
17 beneficiary or having designated ~~his or her~~ the member's estate as  
18 beneficiary, or upon the death of any individual who may be entitled  
19 to a benefit from the System, the System may pay any applicable  
20 death benefit, unpaid contributions, or unpaid benefit which may be  
21 subject to probate, in an amount of Twenty-five Thousand Dollars  
22 (\$25,000.00) or less, without the intervention of the probate court  
23 or probate procedure pursuant to Section 1 et seq. of Title 58 of  
24 the Oklahoma Statutes.

1        ~~(a)~~ 1. Before any applicable probate procedure may be waived,  
 2 the System must be in receipt of the ~~member's proof of~~ decedent's  
 3 death certificate and the following documents from those persons  
 4 claiming to be the legal heirs of the deceased member:

5            ~~1. a.~~ a. ~~The member's~~ the decedent's valid last will and  
 6            testament, trust documents or affidavit that a will  
 7            does not exist~~.,~~

8            ~~2. b.~~ b. ~~An~~ an affidavit or affidavits of heirship which must  
 9            state:

- 10            ~~a.~~ (1) the names and signatures of all claiming heirs  
 11            to the ~~deceased member's~~ decedent's estate  
 12            including the claiming heirs' names, relationship  
 13            to the deceased, current addresses, tax ~~I.D.~~ ID  
 14            numbers if known and current telephone numbers,  
 15            ~~b.~~ (2) a statement or statements by the claiming heirs  
 16            that no application or petition for the  
 17            appointment of a personal representative is  
 18            pending or has been granted in any jurisdiction,  
 19            ~~c.~~ (3) a description of the personal property claimed,  
 20            (i.e., death benefit or unpaid contributions or  
 21            both) together with a statement that such  
 22            personal property is subject to probate,  
 23            ~~d.~~ (4) a statement by each individual claiming heir  
 24            identifying the amount of personal property that



1 the heir is claiming from the System, and that  
2 the heir has been notified of, is aware of and  
3 consents to the identified claims of all the  
4 other claiming heirs of the ~~deceased member~~  
5 decedent pending with the System, and

6 (5) a statement by each individual claiming heir  
7 affirming that all debts of the decedent,  
8 including payment of last sickness, hospital,  
9 medical, death, funeral, and burial expenses have  
10 been paid or provided for,

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

18 ~~4.~~ d. A a corroborating affidavit from an individual  
19 other than a claiming heir, who was familiar with the  
20 affairs of the ~~deceased member,~~

21 ~~5.~~ ~~Proof that all debts of the deceased member, including~~  
22 ~~payment of last sickness, hospital, medical, death,~~  
23 ~~funeral and burial expenses have been paid or provided~~  
24 ~~for~~ decedent.

1        ~~(b)~~ 2. The Executive Director of the System shall retain  
2 complete discretion in determining which requests for probate waiver  
3 may be granted or denied, for any reason. Should the System have  
4 any question as to the validity of any document presented by the  
5 claiming heirs, or as to any statement or assertion contained  
6 therein, the probate requirement provided for in Section 1 et seq.  
7 of Title 58 of the Oklahoma Statutes shall not be waived.

8        ~~(e)~~ 3. After paying any death benefits or unpaid contributions  
9 to any claiming heirs as provided pursuant to this subsection, the  
10 System is discharged and released from any and all liability,  
11 obligation and costs to the same extent as if the System had dealt  
12 with a personal representative of the ~~deceased member~~ decedent. The  
13 System is not required to inquire into the truth of any matter  
14 specified in this subsection or into the payment of any estate tax  
15 liability.

16        ~~(14)~~ S. Upon the death of a retired member, the benefit payment  
17 for the month in which the retired member died, if not previously  
18 paid, shall be made to the joint annuitant if still living, to the  
19 beneficiary of the member if the joint annuitant is deceased, or to  
20 the member's estate if there is no surviving joint annuitant or  
21 beneficiary. Such benefit payment shall be made in an amount equal  
22 to a full monthly benefit payment regardless of the day of the month  
23 in which the retired member died. Upon the death of a joint  
24 annuitant receiving monthly benefit payments as prescribed herein,

1 the benefit payment for the month in which the joint annuitant died,  
2 if not previously paid, shall be made to joint annuitant's estate in  
3 an amount equal to the full monthly benefit payment regardless of  
4 the day of the month on which the joint annuitant died.

5 T. The Board of Trustees may adopt such other rules and  
6 regulations as are necessary to administer the benefits enumerated  
7 herein.

8 SECTION 5. AMENDATORY 70 O.S. 2021, Section 17-105.1, is  
9 amended to read as follows:

10 Section 17-105.1. In the event the total retirement payments  
11 made to a retired member and the retired member's joint annuitant,  
12 if any, are less than the member's accumulated contributions with  
13 interest as credited at the time of retirement under Section 17-105  
14 of this title, the difference shall be paid to the member's  
15 designated beneficiary or if no designated beneficiary survives,  
16 then to the member's ~~nearest surviving next of kin as determined by~~  
17 ~~law~~ estate. This provision shall apply to retired members dying on  
18 or after July 1, 1979. After paying unpaid accumulated  
19 contributions to any designated beneficiary or the member's estate  
20 pursuant to this section, the Teachers' Retirement System of  
21 Oklahoma is discharged and released from any and all liability,  
22 obligation, and costs. The System is not required to inquire into  
23 the truth of any matter specified in this section or into the  
24 payment of any estate tax liability.

1 SECTION 6. AMENDATORY 70 O.S. 2021, Section 17-106.3, is  
2 amended to read as follows:

3 Section 17-106.3. A. All employee and employer contributions  
4 and dedicated revenues shall be deposited in the Oklahoma Teachers'  
5 Retirement Fund in the State Treasury. The Board of Trustees of the  
6 Teachers' Retirement System of Oklahoma shall have the  
7 responsibility for the management of the Oklahoma Teachers'  
8 Retirement Fund, and may transfer monies used for investment  
9 purposes by the Teachers' Retirement System of Oklahoma from the  
10 Oklahoma Teachers' Retirement Fund in the State Treasury to the  
11 custodian bank or trust company of the System.

12 B. All benefits payable pursuant to the provisions of the  
13 Teachers' Retirement System of Oklahoma, refunds of contribution and  
14 overpayments, and all administrative expenses in connection with the  
15 System shall be paid from the Oklahoma Teachers' Retirement Fund  
16 upon warrants or vouchers signed by two persons designated by the  
17 Board of Trustees. ~~All expenses of the administration of the Tax-~~  
18 ~~Sheltered Annuity Fund shall be paid from the Oklahoma Teachers'~~  
19 ~~Retirement Fund.~~ The Board of Trustees may transfer monies from the  
20 custodian bank or trust company of the System to the Oklahoma  
21 Teachers' Retirement Fund in the State Treasury for the purposes  
22 specified in this subsection.

23 SECTION 7. AMENDATORY 70 O.S. 2021, Section 17-107, is  
24 amended to read as follows:

1 Section 17-107. The interest earned on the investments in the  
 2 Teachers' Retirement System of Oklahoma shall be credited in the  
 3 following manner:

4 ~~1. money on deposit in the Teachers' Deposit Fund or Tax~~  
 5 ~~Sheltered Annuity Fund shall be credited with interest annually~~  
 6 ~~compounded;~~

7 ~~2. there~~ There shall be deducted from the annual interest on  
 8 investments an amount necessary for the amortization of bonds  
 9 purchased and owned by the Teachers' Retirement System of Oklahoma;

10 ~~3. there~~ 2. There shall be deducted from the annual interest on  
 11 investments an amount of money necessary for the operation of the  
 12 Teachers' Retirement System of Oklahoma; and

13 ~~4. any~~ 3. Any residue remaining in the Interest Fund after the  
 14 requirements of paragraphs 1 ~~through 3~~ and 2 of this section have  
 15 been fully met shall be used for the purpose of paying retirement  
 16 benefits to the retirees of the Teachers' Retirement System of  
 17 Oklahoma and transferred to the Retirement Benefit Fund; the  
 18 interest income shall be distributed to the various funds on June 30  
 19 each year.

20 SECTION 8. AMENDATORY 70 O.S. 2021, Section 17-108, is  
 21 amended to read as follows:

22 Section 17-108. A. Each local school district, or state  
 23 college or university, or State Board of Education, or State Board  
 24 of Career and Technology Education, or other state agencies whose

1 employees are members of the Teachers' Retirement System of Oklahoma  
2 ("participating employers"), shall match, on a pro rata basis, in  
3 accordance with subsection B of this section the contributions of  
4 members whose salaries are paid by federal funds or externally  
5 sponsored agreements such as grants, contracts and cooperative  
6 agreements. These funds shall be remitted at the same time as the  
7 regular contributions of members are remitted to the Teachers'  
8 Retirement System of Oklahoma and deposited in the Retirement  
9 Benefit Fund.

10 B. On an annual basis, the Board of Trustees shall set two  
11 contribution rates to be paid by contributing employers as provided  
12 in subsection A of this section. Both contribution rates shall be  
13 determined using cost principles established by federal regulations  
14 and shall be consistent with policies, regulations and procedures  
15 that apply uniformly to both federally assisted and other  
16 activities, and be accorded consistent treatment through application  
17 of generally accepted accounting principles. The Board shall  
18 approve the contribution rates for each fiscal year ending June 30,  
19 no later than April 1 of the previous fiscal year. The first rate  
20 shall be applied to service performed during the regular school year  
21 of the participating employer. The second rate shall be applied to  
22 service performed by members during a summer school program of the  
23 participating employer. For the purposes of this subsection,  
24 "summer school program" is defined as a program offering academic

1 enrichment for students from ~~Pre-K~~ prekindergarten through ~~12th~~  
2 ~~grades~~ twelfth grade during the summer term after the close of the  
3 school year. Members shall only be considered as providing service  
4 to a summer school program if such service is provided pursuant to a  
5 separate summer school contract between the member and the  
6 participating employer. The term "~~summer school program~~" summer  
7 school program does not include services performed at a  
8 participating employer offering an extended school year pursuant to  
9 Section 1-109.1 of this title, or services performed by staff  
10 pursuant to a twelve-month contract with the employer. The method  
11 applied to setting the second contribution rate may take into  
12 consideration whether, or to what extent, such service is likely to  
13 add to members' service credit or final average salary; provided,  
14 however, the second rate shall not exceed one-half (1/2) of the  
15 first rate established in this subsection. The actuary retained by  
16 the Board may recommend such rates using assumptions that apply to  
17 the group of those members whose service is subject to the second  
18 contribution rate.

19 C. All the assets of the retirement system shall be credited  
20 according to the purpose for which they are held to one of ~~eight~~  
21 seven funds, namely: The Teachers' Savings Fund, the Retirement  
22 Benefit Fund, the Interest Fund, the Permanent Retirement Fund, the  
23 Expense Fund, the Suspense Fund, ~~the Teachers' Deposit Fund,~~ and the  
24 Retiree Medical Benefit Fund.

1        1. The Teachers' Savings Fund shall be a fund in which shall be  
2 accumulated the regular contributions from the compensation of  
3 members, including applicable interest earnings prior to July 1,  
4 1968. Contributions to and payments from the Teachers' Savings Fund  
5 shall be made as specifically provided in each plan available within  
6 the retirement system.

7        2. The deductions provided for in the plans within the  
8 retirement system shall be made notwithstanding that the minimum  
9 compensation provided for any member shall be reduced thereby.

10 Every member shall be deemed to consent and agree to the deductions  
11 made and provided for herein and payment of salary or compensation,  
12 less the deduction, shall be a full and complete discharge and  
13 acquittance of all claims and demands whatsoever for the services  
14 rendered by such person during the period covered by such payment,  
15 except as to the benefits provided under ~~this act~~ Section 17-101 et  
16 seq. of this title. The employer shall certify to the Board of  
17 Trustees on each and every payroll, or in such other manner as the  
18 Board may prescribe, the amounts to be deducted, and each of the  
19 amounts shall be deducted, and when deducted shall be paid into the  
20 Teachers' Savings Fund, and shall be credited to the individual  
21 account of the member from whose compensation the deduction was  
22 made.

23        3. Following the termination of membership in the retirement  
24 system for any member who has been absent from service for five (5)



1 years in any period of six (6) consecutive years, the Teachers'  
2 Savings Fund Account of such member shall be closed and the amount  
3 due the member as provided in Section 17-105 of this title shall be  
4 paid upon the filing of formal application. At the time such  
5 membership is terminated the amount due the member as provided in  
6 Section 17-105 of this title shall be transferred to the Suspense  
7 Fund.

8 4. Upon the retirement of a member, the balance of money ~~he or~~  
9 ~~she~~ the member had in the Teachers' Savings Fund shall be  
10 transferred to the Retirement Benefit Fund.

11 5. Retirement Benefit Fund.

12 a. After August 2, 1969, there shall be transferred from  
13 the Teachers' Savings Fund for those members drawing  
14 retirement benefits from the Teachers' Retirement  
15 System of Oklahoma an amount necessary to provide the  
16 monthly annuity payments and ~~pension~~ payments as  
17 required in Section 17-107 of this title. In  
18 addition, the fund shall consist of monies received  
19 from any state dedicated revenue, monies received from  
20 state appropriations, monies received from federal  
21 matching funds, and the residue of the interest on  
22 investments after the requirements of Section 17-107  
23 of this title have been fully met. The Retirement  
24 Benefit Fund shall consist of an amount of money

1 necessary for the making of retirement payments to  
2 retirees.

3 ~~b. Should a member have deposits in the Teachers' Deposit~~  
4 ~~Fund or the Tax-Sheltered Annuity Fund and wish to~~  
5 ~~receive monthly retirement benefits on such deposits,~~  
6 ~~the actuarial equivalent of a two-year period and each~~  
7 ~~succeeding fiscal year thereafter shall be transferred~~  
8 ~~to the Retirement Benefit Fund. The member may choose~~  
9 ~~any of the plans available in the Teachers' Retirement~~  
10 ~~Act as a method of receiving monthly retirement~~  
11 ~~benefits on the money he has on deposit in the~~  
12 ~~Teachers' Deposit Fund or the Tax-Sheltered Annuity~~  
13 ~~Fund. The monthly retirement benefits paid from the~~  
14 ~~Teachers' Deposit Fund or the Tax-Sheltered Annuity~~  
15 ~~Fund shall be in addition to the regular retirement~~  
16 ~~benefits and the money transferred from the Teachers'~~  
17 ~~Deposit Fund or Tax-Sheltered Annuity Fund shall not~~  
18 ~~be matched by the State of Oklahoma.~~

19 ~~e.~~ From the Retirement Benefit Fund shall be paid all  
20 monthly retirement ~~benefits~~ allowances.

21 ~~d.~~ ~~At the death of a retired member who has retired under~~  
22 ~~the Maximum Plan of Retirement, Option 1 or Option 4,~~  
23 ~~the balance of money the member has in the Teachers'~~  
24 ~~Savings Fund shall be transferred to the Retirement~~

1 ~~Benefit Fund and the amount due the beneficiary or his~~  
2 ~~or her estate under Option 1 or Option 4 shall be paid~~  
3 ~~from the Retirement Benefit Fund.~~

4 e. ~~At the death of both a retired member and the retired~~  
5 ~~member's spouse, who had retired under Option 2 or 3,~~  
6 ~~any balance in the Teachers' Savings Fund shall be~~  
7 ~~transferred from the Teachers' Savings Fund to the~~  
8 ~~Retirement Benefit Fund.~~

9 f. ~~At the death of a retired member who had retired under~~  
10 ~~Option 5, the balance of any monies the member had in~~  
11 ~~the Teachers' Savings Fund shall be transferred to the~~  
12 ~~Retirement Benefit Fund for the purpose of making a~~  
13 ~~lump-sum settlement to the beneficiary or his estate.~~  
14 ~~Providing that if the surviving spouse elects to~~  
15 ~~receive the balance under the Maximum Plan of~~  
16 ~~Retirement or Option 1 the member's money, if any, on~~  
17 ~~a monthly basis, constituting actuarial equivalent of~~  
18 ~~two (2) years' payments, and each year thereafter the~~  
19 ~~annual actuarial equivalent, shall be transferred from~~  
20 ~~the Teachers' Savings Fund for the purpose of paying~~  
21 ~~monthly retirement benefits to the spouse under this~~  
22 ~~option.~~

23 6. The Interest Fund is hereby created to facilitate the  
24 crediting of interest to the various other funds to which interest

1 is to be credited. All income, interest and dividends derived from  
2 the deposits and investments authorized by ~~this act~~ Section 17-101  
3 et seq. of this title shall be paid into the Interest Fund. On June  
4 30, each year, interest shall be transferred to the other funds as  
5 herein provided.

6 7. The Permanent Retirement Fund shall consist of the  
7 accumulated gifts, awards, and bequests made to the retirement  
8 system, and transfers from the Suspense Fund, the principal of which  
9 is hereby held and dedicated as a perpetual endowment of the  
10 retirement system and shall not be diverted or appropriated to any  
11 other cause or purpose unless specifically provided for in such  
12 gifts, awards or bequests.

13 8. The Expense Fund shall be the fund from which the expense of  
14 administration and maintenance of the retirement system shall be  
15 paid. The Board of Trustees shall cause to be prepared and adopt  
16 annually an itemized budget showing the amount required to defray  
17 the expenses for the ensuing fiscal year.

18 Transfers to and payments from this fund shall be made as  
19 follows: first, from the Interest Fund; second, from any dedicated  
20 revenue; and, third, from appropriation by the ~~Oklahoma~~ Legislature.

21 All monies for the operation of the Teachers' Retirement System  
22 of Oklahoma shall be paid from the Expense Fund upon the approval by  
23 the Board of Trustees and the checks signed by two people designated  
24

1 to sign such checks by the Board of Trustees of the Teachers'  
2 Retirement System of Oklahoma.

3 9. The Suspense Fund shall be comprised of amounts transferred  
4 to the fund as provided in this section and Section 17-105 of this  
5 title and obligations of the retirement system to any member or  
6 person which cannot be legally discharged.

7 10. ~~Teachers' Deposit Fund.~~

8 ~~Any member may request, prior to a pay period, that his or her~~  
9 ~~employer make additional deposits for him or her, for tax-sheltered~~  
10 ~~annuity purposes. However, the amount deposited shall not exceed~~  
11 ~~the limits as defined in Section 402(g) and Section 415 of the~~  
12 ~~Internal Revenue Code of 1986, as amended, and applicable federal~~  
13 ~~regulations. All such deposits shall be credited to the member's~~  
14 ~~account in the Teachers' Deposit Fund for the purchase of a tax-~~  
15 ~~sheltered annuity. The amount thus accumulated, with earnings,~~  
16 ~~shall be used upon the member's retirement, separation from service,~~  
17 ~~death or disability to purchase an annuity in addition to his or her~~  
18 ~~regular service retirement allowance. The amount a member~~  
19 ~~accumulates in the Teachers' Deposit Fund, not including interest,~~  
20 ~~may be used to pay distributions in the case of hardship as provided~~  
21 ~~in Section 403(b) (11) of the Internal Revenue Code of 1986, as~~  
22 ~~amended, and applicable federal regulations.~~

23 11. Collection of Contributions. The collection of members'  
24 contributions shall be as follows:

1        ~~(1)~~ a. Each employer shall cause to be deducted on each and  
2                    every payroll or claim of a member for each and every  
3                    payroll claim period subsequent to the date of  
4                    establishment of the retirement system the  
5                    contribution payable by such member as provided in  
6                    ~~this act~~ Section 17-101 et seq. of this title. With  
7                    each and every payroll or claim the employer shall  
8                    deliver to the treasurer of the employer warrants  
9                    issued to the employees as shown to be due by the  
10                   payroll or claim, together with a warrant or warrants  
11                   in favor of the Teachers' Retirement System of  
12                   Oklahoma as shown by the payroll or claim.

13        ~~(2)~~ b. The treasurer or disbursing officer upon delivery of  
14                    the warrants and a true copy of the payroll or claims  
15                    as provided above shall register the warrants as  
16                    provided for the registration of other school  
17                    warrants, and shall deliver to the employer warrants  
18                    issued in favor of the employees, and shall deliver  
19                    warrants issued in favor of the Teachers' Retirement  
20                    System of Oklahoma and the copy of the payroll or  
21                    claims to the school district superintendent as  
22                    designated by the Board of Trustees. For the purpose  
23                    of collecting contributions of teachers in the public  
24                    schools, the superintendent of a school district is

1 hereby designated to receive the Teachers' Retirement  
2 warrants from the treasurer or proper disbursing  
3 officer of the several school districts for the  
4 purpose of transmitting such warrants and payroll or  
5 claims to the Executive Director of the Teachers'  
6 Retirement System of ~~the State of~~ Oklahoma. Any  
7 college or university or other educational institution  
8 or agency operated in whole or in part by the state  
9 shall have the amount retained or deducted from the  
10 funds regularly appropriated by the state for the  
11 current maintenance for such educational departments  
12 and institutions.

13 ~~(3)~~ c. For the purpose of enabling the collection of the  
14 contributions of the members of the retirement system  
15 to be made as simple as possible, the Board of  
16 Trustees shall require the secretary or other officer  
17 of each ~~employer-board~~ employer board or agency,  
18 within thirty (30) days after the beginning of each  
19 school year, to make a list of all teachers in its  
20 employ who are members of the retirement system,  
21 certify to the correctness of this list, and file the  
22 same with the Executive Director of the Board of  
23 Trustees of the Teachers' Retirement System of  
24 Oklahoma. If additions to or deductions from this

1 list should be made during the year such additions or  
2 deductions shall likewise be certified to the Board of  
3 Trustees of the Teachers' Retirement System of  
4 Oklahoma.

5 ~~(4)~~ d. The State Treasurer shall furnish annually to the  
6 Board of Trustees a sworn statement of the amount of  
7 the funds in his or her custody belonging to the  
8 retirement system. The records of the Board of  
9 Trustees shall be open to public inspection and any  
10 member of the retirement system shall be furnished  
11 with a statement of the amount of the credit to ~~his or~~  
12 ~~her~~ the member's individual account upon written  
13 request by such member, provided the Board of Trustees  
14 shall not be required to answer more than one such  
15 request of a member in any one (1) year.

16 ~~(5)~~ e. Failure of any superintendent, officer, or other  
17 person to discharge the duties imposed upon him or her  
18 by this act shall render him or her or his or her  
19 bondsman liable for any loss occasioned thereby to the  
20 Teachers' Retirement System of Oklahoma or the  
21 employees of the school district, or both.

22 ~~(6)~~ f. On a showing by the Teachers' Retirement System of  
23 Oklahoma that a warrant, voucher or check issued to it  
24 has, for any reason, been lost or never received,



1 after ninety (90) days from the date of issue or from  
2 transmittal for payment, it shall be the duty of the  
3 issuing authority forthwith, without any indemnifying  
4 bond or other requirements, to issue a duplicate  
5 thereof in lieu of that which was lost, to the  
6 Teachers' Retirement System of Oklahoma; and the  
7 Teachers' Retirement System of Oklahoma shall save  
8 harmless any school district or agency of state  
9 government making payment under the provisions hereof  
10 to the ~~State~~ Teachers' Retirement System of Oklahoma  
11 if the original warrant, voucher or check is later  
12 presented for payment and same is paid after a  
13 duplicate warrant, voucher or check has been issued  
14 and paid to the Teachers' Retirement System of  
15 Oklahoma, and any loss sustained therefrom shall be  
16 charged to the Interest Fund.

17 ~~12.~~ 11. Rollover Contributions and Direct Trustee-to-Trustee  
18 Transfers from Other Plans.

19 Any member may purchase credit for service, to the extent  
20 specified in this title, with rollovers from an eligible retirement  
21 plan as defined by the Internal Revenue Code of 1986, as amended  
22 from time to time. A member may also purchase permissive service  
23 credit, as defined by ~~Code~~ 26 U.S.C., Section 415(n) (3) (A), with a  
24 direct trustee-to-trustee transfer from a governmental ~~Code~~ 26

1 U.S.C., Section 403(b) plan or governmental Code ~~Code~~ 26 U.S.C., Section  
2 457(b) plan. All rollovers and direct trustee-to-trustee transfers  
3 shall be allowed to the extent permitted by federal law. Rollovers  
4 or direct transfers in excess of the amount necessary to purchase  
5 such service credit shall not be allowed.

6 ~~13.~~ 12. Retiree Medical Benefit Fund.

7 The Retiree Medical Benefit Fund shall be maintained as a  
8 subaccount under the Retirement Benefit Fund. The Retiree Medical  
9 Benefit Fund is composed of all assets contributed to this  
10 subaccount to pay the retirement system's portion of the monthly  
11 retiree health insurance benefits described in Section 1316.3 of  
12 Title 74 of the Oklahoma Statutes. All allocated assets and the  
13 earnings thereon in the Retiree Medical Benefit Fund shall be held  
14 for the exclusive purpose of providing retiree medical benefits  
15 pursuant to Section 1316.3 of Title 74 of the Oklahoma Statutes.  
16 The Retiree Medical Benefit Fund shall be administered in accordance  
17 with the requirements under Section 401(h) of the Internal Revenue  
18 Code of 1986, as amended from time to time. An amount necessary to  
19 pay the health insurance premiums for retired members as provided by  
20 Section 1316.3 of Title 74 of the Oklahoma Statutes shall be  
21 deposited each month into the Retiree Medical Benefit Fund.

22 SECTION 9. AMENDATORY 70 O.S. 2021, Section 17-116.10,  
23 is amended to read as follows:  
24

1 Section 17-116.10. A. Subject to the requirements of Section  
2 6-101.2 of this title and any other applicable requirements of law,  
3 a member may enter into postretirement employment with a public  
4 school of Oklahoma and still receive monthly retirement benefits  
5 subject to the following limitations:

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

21 ~~2. Unless otherwise provided in paragraph 3 of this subsection,~~  
22 ~~earnings from the public schools may not exceed one-half (1/2) of~~  
23 ~~the member's final average salary used in computing retirement~~  
24 ~~benefits, or the Earnings Limitation for employees allowed by the~~

1 ~~Social Security Administration, whichever is less.~~ For thirty-six  
2 (36) months following a member's effective retirement date, the  
3 retired member shall be subject to earnings limitations on allowable  
4 earnings. Earnings limits are determined annually based on a  
5 calendar year. For retired members under the age of sixty-two (62)  
6 years, ~~the limit on~~ allowed earnings from the public schools of  
7 Oklahoma for employment for the performance of duties ordinarily  
8 performed by classified or nonclassified optional personnel shall be  
9 ~~the lesser of Fifteen Thousand Dollars (\$15,000.00) or~~ limited to  
10 one-half (1/2) of the member's final average salary used in  
11 computing retirement benefits ~~unless or~~ the earnings ~~limitation~~  
12 limit allowed by the Social Security Administration ~~would be greater~~  
13 ~~than Fifteen Thousand Dollars (\$15,000.00) for those under Social~~  
14 Security's normal retirement age, whichever is less. For retired  
15 members sixty-two (62) years of age or older ~~the limit on,~~ allowed  
16 earnings from the public schools of Oklahoma for the performance of  
17 duties ordinarily performed by classified or nonclassified personnel  
18 shall be ~~the lesser of~~ limited to Thirty Thousand Dollars  
19 (\$30,000.00) or one-half (1/2) of the member's final average salary  
20 used in computing retirement benefits, whichever is less. For  
21 purposes of this paragraph, the following shall apply:

- 22 a. earnings shall mean ~~"regular annual compensation"~~  
23 regular annual compensation as defined in paragraph  
24 ~~(25)~~ 23 of Section 17-101 of this title, and shall

- 1 include any payment by a public school for services  
2 rendered by a retired member who is employed for any  
3 purpose whatsoever. Supplemental retirement payments  
4 paid by a former public school employer pursuant to  
5 subsection ~~9~~ N of Section 17-105 of this title or  
6 other state law shall not be considered as earnings,
- 7 ~~b. the Earnings Limitation for employees allowed by the~~  
8 ~~Social Security Administration to workers between the~~  
9 ~~age of sixty-two (62) years and sixty-five (65) years~~  
10 ~~shall apply to retired members below the age of sixty-~~  
11 ~~two (62) years,~~
- 12 ~~e. the limit on allowed earnings from the public schools~~  
13 ~~shall be automatically adjusted effective the first~~  
14 ~~day of January of each year to reflect the current~~  
15 ~~Earnings Limitation for employees as determined from~~  
16 ~~time to time by the Social Security Administration,~~
- 17 ~~d. the earnings limit for the calendar year in which a~~  
18 ~~member retires shall be one-twelfth (1/12) of the~~  
19 ~~annual limit multiplied by the number of months the~~  
20 ~~member is eligible to work and receive payments from~~  
21 ~~the public schools of Oklahoma, and~~
- 22 ~~e. c. earnings in excess of the maximum limit on allowed~~  
23 ~~earnings from public schools of Oklahoma shall result~~  
24 ~~in a loss of ~~future~~ retirement benefits ~~for the year~~~~

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

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

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

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

18 4. A member shall be considered to be employed by a school  
19 district to perform the duties ordinarily performed by classified or  
20 nonclassified optional personnel if the member is hired by the  
21 school district in the member's individual capacity to perform the  
22 duties or if the member performs the duties through employment with  
23 a proprietorship, partnership, corporation, limited liability  
24

1 company or partnership, or any other business structure that has  
2 agreed or contracted to provide the services to the school district.

3 B. A public school district that employs a retired member shall  
4 be required to make contributions to the System for the retired  
5 member in an amount as required in Section 17-108.1 and in paragraph  
6 3 of subsection B of Section 17-116.2 of this title.

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

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

15 E. A member who has entered into postretirement employment with  
16 a participating employer of the Teachers' Retirement System of  
17 Oklahoma must fully comply with all the provisions of the rules  
18 promulgated by the Board of Trustees pursuant to this section in  
19 order to continue receiving ~~his or her~~ the member's monthly  
20 retirement benefit.

21 SECTION 10. REPEALER 70 O.S. 2021, Section 17-114.2, is  
22 hereby repealed.

23 SECTION 11. This act shall become effective July 1, 2024.

24



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

5 Passed the Senate the 25th day of April, 2024.

6  
7 \_\_\_\_\_  
8 Presiding Officer of the Senate

9 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
10 2024.

11  
12 \_\_\_\_\_  
13 Presiding Officer of the House  
14 of Representatives  
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1 ENGROSSED HOUSE  
2 BILL NO. 2528

By: Lepak of the House

3 and

4 Garvin of the Senate

5  
6  
7 An Act relating to retirement; amending 70 O.S. 2021,  
8 Sections 17-101, as amended by Section 2, Chapter  
9 121, O.S.L. 2022, 17-103, 17-105, 17-105.1, 17-106.3,  
10 17-107, 17-108, and 17-116.10 (70 O.S. Supp. 2022,  
11 Section 17-101), which relate to the Teachers'  
12 Retirement System of Oklahoma; updating references;  
13 deleting terms; modifying definitions; modifying how  
14 members shall make proper application for retirement;  
15 providing membership details; providing procedure at  
16 joint annuitant's death; modifying retirement  
17 options; releasing System of liability under certain  
18 circumstances; modifying how certain expenses are to  
19 be paid; modifying earnings limits; repealing 70 O.S.  
20 2021, Sections 17-104 and 17-114.2, which relate to  
21 the Teachers' Retirement System of Oklahoma; and  
22 declaring an emergency.

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

24 SECTION 13. AMENDATORY 70 O.S. 2021, Section 17-101, as  
amended by Section 2, Chapter 121, O.S.L. 2022 (70 O.S. Supp. 2022,  
Section 17-101), is amended to read as follows:

Section 17-101. The following words and phrases as used in  
Section 17-101 et seq. of this title, unless a different meaning is  
clearly required by the context, shall have the following meanings:

1 (1) "Retirement system" shall mean the Teachers' Retirement  
2 System of Oklahoma, as defined in Section 17-102 of this title.

3 (2) "Public school" shall mean a school district, a state  
4 college or university, the State Board of Education, the State Board  
5 of Career and Technology Education, and any other state educational  
6 entity conducted within the state supported wholly or partly by  
7 public funds and operating under the authority and supervision of a  
8 legally constituted board or agency having authority and  
9 responsibility for any function of public education. Public school  
10 shall also mean a tuition free, nonprofit alternative school of  
11 choice that provides education, therapeutic counseling, and outreach  
12 programs which is aligned with a school district and which receives  
13 grant funds from governmental sources.

14 (3) "Classified personnel" shall mean any teacher, principal,  
15 superintendent, supervisor, administrator, librarian, certified or  
16 registered nurse, college professor, or college president whose  
17 salary is paid wholly or in part from public funds. An employee of  
18 any state department, board, board of regents, or board of trustees,  
19 who is in a supervisory or an administrative position, the function  
20 of which is primarily devoted to public education, shall be  
21 considered classified personnel under the meaning of Section 17-101  
22 et seq. of this title, at the discretion of the Board of Trustees of  
23 the Teachers' Retirement System. The term "teacher" shall also  
24 include instructors and counselors employed by the Department of

1 Corrections and holding valid teaching certificates issued by the  
2 State Department of Education. Provided, that a person employed by  
3 the Department of Corrections as an instructor or counselor shall  
4 have been actively engaged in the teaching profession for a period  
5 of not less than three (3) years prior to employment to be eligible  
6 to participate in the Teachers' Retirement System of Oklahoma. The  
7 Department of Corrections shall contribute the employer's share to  
8 the Teachers' Retirement System of Oklahoma.

9 (4) "Nonclassified optional personnel" shall include persons  
10 hired as adjunct teachers pursuant to subsection G of Section 6-  
11 122.3 of this title, cooks, janitors, maintenance personnel not in a  
12 supervisory capacity, bus drivers, noncertified or nonregistered  
13 nurses, noncertified librarians, and clerical employees of the  
14 public schools, state colleges, universities, or any state  
15 department, board, board of regents, or board of trustees, the  
16 functions of which are primarily devoted to public education and  
17 whose salaries are paid wholly or in part from public funds.

18 (5) "Employer" shall mean the state and any of its designated  
19 agents or agencies with responsibility and authority for public  
20 education, such as boards of education of elementary and independent  
21 school districts, boards of regents, boards of control, or any other  
22 agency of and within the state by which a person may be employed for  
23 service in public education. Employer shall also mean the board of  
24 directors of a tuition free, nonprofit alternative school of choice

1 that provides education, therapeutic counseling, and outreach  
2 programs which is aligned with a school district and which receives  
3 grant funds from governmental sources.

4 (6) "Member" shall mean any teacher or other employee included  
5 in the membership of the system as provided in Section 17-103 of  
6 this title.

7 (7) "Board of Trustees" shall mean the board provided for in  
8 Section 17-106 of this title to administer the retirement system.

9 (8) ~~"Service" shall mean service as a classified or~~  
10 ~~nonclassified optional employee in the public school system, or any~~  
11 ~~other service devoted primarily to public education in the state.~~

12 ~~(9) "Prior service" shall mean service rendered prior to July~~  
13 ~~1, 1943.~~

14 ~~(10) "Membership service" shall mean service as a member of the~~  
15 ~~classified or nonclassified personnel as defined in paragraphs (3)~~  
16 ~~and (4) of this section.~~

17 ~~(11) (9) "Creditable service" shall mean membership service~~  
18 ~~plus any prior other service authorized under this title.~~

19 ~~(12) (10) "Annuitant" shall mean any person in receipt of a~~  
20 ~~retirement allowance as provided in this title an annuity as defined~~  
21 ~~in paragraph (14) of this section.~~

22 ~~(13) (11) "Accumulated contributions" shall mean the sum of all~~  
23 ~~amounts deducted from the compensation of a member and credited to~~  
24

1 ~~his~~ the member's individual account in the Teachers' Savings Fund,  
2 together with applicable interest as of June 30, 1968.

3 ~~(14)~~ (12) "Earnable compensation" shall mean the full rate of  
4 the compensation that would be payable to a member ~~if he~~ who worked  
5 the full normal working time.

6 ~~(15)~~ (13) "Average salary":

7 (a) for those members who joined the System prior to July  
8 1, 1992, shall mean the average of the salaries for  
9 the three (3) years on which the highest contributions  
10 to the Teachers' Retirement System ~~was~~ were paid not  
11 to exceed the maximum contribution level specified in  
12 Section 17-116.2 of this title or the maximum  
13 compensation level specified in subsection ~~(28)~~ (24)  
14 of this section. Provided, no member shall retire  
15 with an average salary in excess of Twenty-five  
16 Thousand Dollars (\$25,000.00) unless the member has  
17 made the required election and paid the required  
18 contributions on such salary in excess of Twenty-five  
19 Thousand Dollars (\$25,000.00), or unless an eligible  
20 member fulfills the requirements of Section 17-116.2C  
21 of this title in order to have pre-cap removal service  
22 included in the retirement benefit computation of the  
23 member using the regular annual compensation of the  
24 member for any pre-cap removal year of service so

1 included subject to the maximum average salary amount,  
2 and

3 (b) for those members who join the System after June 30,  
4 1992, shall mean the average of the salaries for five  
5 (5) consecutive years on which the highest  
6 ~~contribution~~ contributions to the Teachers' Retirement  
7 System ~~was~~ were paid. Only salary on which required  
8 contributions have been made may be used in computing  
9 average salary.

10 ~~(16)~~ (14) "Annuity" shall mean ~~payments for life derived from~~  
11 ~~the "accumulated contributions" of a member. All annuities shall be~~  
12 ~~payable in equal monthly installments~~ a lifetime benefit payable in  
13 fixed monthly installments.

14 ~~(17)~~ "Pension" shall mean ~~payments for life derived from money~~  
15 ~~provided by the employer. All pensions shall be payable in equal~~  
16 ~~monthly installments.~~

17 ~~(18)~~ (15) "~~Monthly retirement~~ Retirement allowance" is one-  
18 twelfth (1/12) of the annual retirement ~~allowance~~ benefit which  
19 shall be payable monthly.

20 ~~(19)~~ (16) "Retirement Benefit Fund" shall mean the fund from  
21 which all retirement benefits shall be paid based on such mortality  
22 tables as shall be adopted by the Board of Trustees.

1       ~~(20)~~ (17) "Actuary" shall mean a person or firm especially  
2 skilled through training and experience in financial calculation  
3 respecting the expectancy and duration of life.

4       ~~(21)~~ (18) "Actuarial equivalent" shall mean a benefit of equal  
5 value when computed upon the basis of such mortality and other  
6 tables as shall be adopted by the Board of Trustees.

7       ~~(22)~~ (19) The masculine pronoun, whenever used, shall include  
8 the feminine.

9       ~~(23)~~ (20) "Actuarially determined cost" shall mean the single  
10 sum which is actuarially equivalent in value to a specified ~~pension~~  
11 annuity amount as determined on the basis of mortality and interest  
12 assumptions adopted by the Board of Trustees.

13       ~~(24)~~ (21) "Normal retirement age" means the earliest date upon  
14 which:

15           (a) a member reaches the age sixty-two (62) with respect  
16 to a member whose first creditable service occurs  
17 prior to November 1, 2011, unless the member reaches a  
18 normal retirement date pursuant to subparagraph (c) or  
19 subparagraph (d) of this paragraph,

20           (b) a member reaches the age of sixty-five (65) with  
21 respect to a member whose first creditable service  
22 occurs on or after November 1, 2011, or with respect  
23 to a member whose first creditable service occurs on  
24 or after November 1, 2011, reaches a normal retirement



- 1 date pursuant to subparagraph (d) of this paragraph  
2 having attained a minimum age of sixty (60) years,  
3 (c) the age at which the sum of a member's age and number  
4 of years of creditable service total eighty (80), with  
5 respect to a member whose first creditable service  
6 occurred prior to July 1, 1992, and who does not reach  
7 a normal retirement age pursuant to subparagraph (a)  
8 of this paragraph, or  
9 (d) the age at which the sum of a member's age and number  
10 of years of creditable service total ninety (90), with  
11 respect to a member whose first creditable service  
12 occurred on or after July 1, 1992, but prior to  
13 November 1, 2011, if the member does not reach a  
14 normal retirement age pursuant to subparagraph (a) of  
15 this paragraph.

16 ~~(25)~~ (22) "Regular annual compensation" means salary plus  
17 fringe benefits, excluding the flexible benefit allowance pursuant  
18 to Section 26-105 of this title ~~and for purposes pursuant to Section~~  
19 ~~17-101 et seq. of this title.~~ For purposes of this definition,  
20 regular annual compensation shall include:

- 21 (a) salary which accrues on a regular basis in proportion  
22 to the service performed including payments for staff  
23 development,  
24

1 (b) amounts that would otherwise qualify as salary under  
2 paragraph (a) of this subsection but are not received  
3 directly by the member pursuant to a good faith,  
4 voluntary written salary reduction agreement in order  
5 to finance payments to a deferred compensation or tax-  
6 sheltered annuity program or to finance benefit  
7 options under a cafeteria plan qualifying under the  
8 United States Internal Revenue Code, 26 U.S.C.,  
9 Section 101 et seq.,

10 (c) group health and disability insurance, group term life  
11 insurance, annuities, and pension plans, provided on a  
12 periodic basis to all qualified employees of the  
13 employer, which qualify as fringe benefits under the  
14 United States Internal Revenue Code, and

15 (d) excluded from regular annual compensation are:

- 16 1. expense reimbursement payments,
- 17 2. office, vehicle, housing, or other maintenance  
18 allowances,
- 19 3. the flexible benefit allowance provided pursuant  
20 to Section 26-105 of this title,
- 21 4. payment for unused vacation and sick leave,
- 22 5. any payment made for reason of termination or  
23 retirement not specifically provided for in  
24 subparagraphs (a) through (c) of this subsection,

- 1           6. maintenance or other nonmonetary compensation,
- 2           7. payment received as an independent contractor or
- 3           consultant, pursuant to a lawful contract which
- 4           complies with the requirements of subsection B of
- 5           Section 6-101.2 of this title,
- 6           8. any benefit payments not made pursuant to a valid
- 7           employment agreement,
- 8           9. compensation for clinical related activity
- 9           performed in the University of Oklahoma Health
- 10          Sciences Center (OUHSC) Professional Practice
- 11          Plan or Oklahoma State University Center for
- 12          Health Sciences (OSU-CHS) Professional Practice
- 13          Plan, and
- 14          10. any other compensation not described in
- 15          subparagraphs (a) through (c) of this subsection.

16       ~~(26) "Teacher" means classified personnel and nonclassified~~  
17 ~~optional personnel.~~

18       ~~(27)~~ (23) "Active classroom teacher" means a person employed by  
19 a school district to teach students specifically identified classes  
20 for specifically identified subjects during the course of a  
21 semester, and who holds a valid certificate or license issued by and  
22 in accordance with the rules and regulations of the State Board of  
23 Education.

1        ~~(28)~~ (24) "Maximum compensation level" shall, except as  
2 otherwise authorized pursuant to the provisions of Section 17-116.2C  
3 of this title, mean:

4            (a) Twenty-five Thousand Dollars (\$25,000.00) for  
5            creditable service authorized and performed prior to  
6            July 1, 1995, for members not electing a higher  
7            maximum compensation level,

8            (b) Forty Thousand Dollars (\$40,000.00) for creditable  
9            service authorized and performed prior to July 1,  
10           1995, for members electing a maximum compensation  
11           level in excess of Twenty-five Thousand Dollars  
12           (\$25,000.00),

13           (c) Twenty-seven Thousand Five Hundred Dollars  
14           (\$27,500.00) for members who, as of June 30, 1995, had  
15           elected to have a maximum compensation level not in  
16           excess of Twenty-five Thousand Dollars (\$25,000.00),  
17           and who were employed by an entity or institution  
18           within The Oklahoma State System of Higher Education  
19           for creditable service authorized and performed on or  
20           after July 1, 1995, but not later than June 30, 1996,  
21           if such member does not elect a higher maximum  
22           compensation level for this period as authorized by  
23           Section 17-116.2A of this title,  
24

1 (d) Thirty-two Thousand Five Hundred Dollars (\$32,500.00)  
2 for members employed by a comprehensive university if  
3 the member meets the requirements imposed by Section  
4 17-116.2A of this title and the member elects to  
5 impose a higher maximum compensation level for service  
6 performed on or after July 1, 1995, but not later than  
7 June 30, 1996,

8 (e) Forty-four Thousand Dollars (\$44,000.00) for members  
9 who, as of June 30, 1995, had elected to have a  
10 maximum compensation level in excess of Twenty-five  
11 Thousand Dollars (\$25,000.00), and who were employed  
12 by an entity or institution within The Oklahoma State  
13 System of Higher Education for creditable service  
14 authorized and performed on or after July 1, 1995, but  
15 not later than June 30, 1996, if such member does not  
16 elect a higher maximum compensation level for this  
17 period as authorized by Section 17-116.2A of this  
18 title,

19 (f) Forty-nine Thousand Dollars (\$49,000.00) for members  
20 employed by a comprehensive university if the member  
21 meets the requirements imposed by Section 17-116.2A of  
22 this title and the member elects to impose a higher  
23 maximum compensation level for service performed on or  
24 after July 1, 1995, but not later than June 30, 1996,

1 (g) the following amounts for creditable service  
2 authorized and performed by members employed by a  
3 comprehensive university, based upon the election of  
4 the member in effect as of June 30, 1995:

5 1. for members who elected a maximum compensation  
6 level not in excess of Twenty-five Thousand  
7 Dollars (\$25,000.00):

8 (i) Thirty-two Thousand Five Hundred Dollars  
9 (\$32,500.00) for service authorized and  
10 performed on or after July 1, 1996, but not  
11 later than June 30, 1997,

12 (ii) Thirty-seven Thousand Five Hundred Dollars  
13 (\$37,500.00) for service authorized and  
14 performed on or after July 1, 1997, but not  
15 later than June 30, 1998,

16 (iii) Forty-two Thousand Five Hundred Dollars  
17 (\$42,500.00) for service authorized and  
18 performed on or after July 1, 1998, but not  
19 later than June 30, 2000,

20 (iv) Forty-seven Thousand Five Hundred Dollars  
21 (\$47,500.00) for service authorized and  
22 performed on or after July 1, 2000, but not  
23 later than June 30, 2001,  
24

1 (v) Fifty-two Thousand Five Hundred Dollars  
2 (\$52,500.00) for service authorized and  
3 performed on or after July 1, 2001, but not  
4 later than June 30, 2002,

5 (vi) Fifty-seven Thousand Five Hundred Dollars  
6 (\$57,500.00) for service authorized and  
7 performed on or after July 1, 2002, but not  
8 later than June 30, 2003,

9 (vii) Sixty-two Thousand Five Hundred Dollars  
10 (\$62,500.00) for service authorized and  
11 performed on or after July 1, 2003, but not  
12 later than June 30, 2004,

13 (viii) Sixty-seven Thousand Five Hundred Dollars  
14 (\$67,500.00) for service authorized and  
15 performed on or after July 1, 2004, but not  
16 later than June 30, 2005,

17 (ix) Seventy-two Thousand Five Hundred Dollars  
18 (\$72,500.00) for service authorized and  
19 performed on or after July 1, 2005, but not  
20 later than June 30, 2006,

21 (x) Seventy-seven Thousand Five Hundred Dollars  
22 (\$77,500.00) for service authorized and  
23 performed on or after July 1, 2006, but not  
24 later than June 30, 2007, and

1 (xi) the full amount of regular annual  
2 compensation for service authorized and  
3 performed on or after July 1, 2007, and

4 2. for members who elected a maximum compensation  
5 level in excess of Twenty-five Thousand Dollars  
6 (\$25,000.00):

7 (i) Forty-nine Thousand Dollars (\$49,000.00) for  
8 service authorized and performed on or after  
9 July 1, 1996, but not later than June 30,  
10 1997,

11 (ii) Fifty-four Thousand Dollars (\$54,000.00) for  
12 service authorized and performed on or after  
13 July 1, 1997, but not later than June 30,  
14 1998,

15 (iii) Fifty-nine Thousand Dollars (\$59,000.00) for  
16 service authorized and performed on or after  
17 July 1, 1998, but not later than June 30,  
18 2000,

19 (iv) Sixty-four Thousand Dollars (\$64,000.00) for  
20 service authorized and performed on or after  
21 July 1, 2000, but not later than June 30,  
22 2001,

23 (v) Sixty-nine Thousand Dollars (\$69,000.00) for  
24 service authorized and performed on or after



1 July 1, 2001, but not later than June 30,  
2 2002,

3 (vi) Seventy-four Thousand Dollars (\$74,000.00)  
4 for service authorized and performed on or  
5 after July 1, 2002, but not later than June  
6 30, 2003,

7 (vii) Seventy-nine Thousand Dollars (\$79,000.00)  
8 for service authorized and performed on or  
9 after July 1, 2003, but not later than June  
10 30, 2004,

11 (viii) Eighty-four Thousand Dollars (\$84,000.00)  
12 for service authorized and performed on or  
13 after July 1, 2004, but not later than June  
14 30, 2005,

15 (ix) Eighty-nine Thousand Dollars (\$89,000.00)  
16 for service authorized and performed on or  
17 after July 1, 2005, but not later than June  
18 30, 2006,

19 (x) Ninety-four Thousand Dollars (\$94,000.00)  
20 for service authorized and performed on or  
21 after July 1, 2006, but not later than June  
22 30, 2007, and  
23  
24

1 (xi) the full amount of regular annual  
2 compensation for service authorized and  
3 performed on or after July 1, 2007, and

4 (h) the full amount of regular annual compensation of:

- 5 1. a member of the retirement system not employed by  
6 an entity or institution within The Oklahoma  
7 State System of Higher Education for all  
8 creditable service authorized and performed on or  
9 after July 1, 1995,
- 10 2. a member of the retirement system first employed  
11 on or after July 1, 1995, by an entity or  
12 institution within The Oklahoma State System of  
13 Higher Education for all creditable service  
14 authorized and performed on or after July 1,  
15 1995, but not later than June 30, 1996,
- 16 3. a member of the retirement system employed by an  
17 entity or institution within The Oklahoma State  
18 System of Higher Education, other than a  
19 comprehensive university, if the member elects to  
20 impose a higher maximum compensation level for  
21 service performed on or after July 1, 1995, but  
22 not later than June 30, 1996, pursuant to  
23 subsection B of Section 17-116.2A of this title,  
24

- 1           4.    a member of the retirement system who is first  
2               employed on or after July 1, 1996, by any entity  
3               or institution within The Oklahoma State System  
4               of Higher Education including a comprehensive  
5               university, for creditable service authorized and  
6               performed on or after July 1, 1996,
- 7           5.    a member of the retirement system who, as of July  
8               1, 1996, is subject to a maximum compensation  
9               level pursuant to paragraph (g) of this  
10              subsection if the member terminates service with  
11              a comprehensive university and is subsequently  
12              reemployed by a comprehensive university,
- 13          6.    a member of the retirement system employed by a  
14               comprehensive university for all service  
15               performed on and after July 1, 2007, or
- 16          7.    an eligible member of the retirement system who  
17               fulfills the requirements of Section 17-116.2C of  
18               this title with respect to pre-cap removal  
19               service included in the retirement benefit  
20               computation of the member at the average salary  
21               of the member subject to the maximum average  
22               salary amount.

23       ~~(29)~~ (25) "Comprehensive university" shall mean:  
24

1 (a) the University of Oklahoma and all of its constituent  
2 agencies including the University of Oklahoma Health  
3 Sciences Center, the University of Oklahoma Law  
4 Center, and the Geological Survey, and

5 (b) Oklahoma State University and all of its constituent  
6 agencies including the Oklahoma State University  
7 Agricultural Experiment Station, the Oklahoma State  
8 University Agricultural Extension Division, the  
9 Oklahoma State University College of Veterinary  
10 Medicine, the Oklahoma State University Center for  
11 Health Sciences, the Technical Branch at Oklahoma  
12 City, the Oklahoma State University Institute of  
13 Technology-Okmulgee, and Oklahoma State University-  
14 Tulsa.

15 ~~(30) "Retirement contract" means the document prepared by the~~  
16 ~~Teachers' Retirement System upon member request, which incorporates~~  
17 ~~member's selected retirement option, and which must be executed and~~  
18 ~~submitted to the Teachers' Retirement System no less than thirty~~  
19 ~~(30) days prior to the projected retirement date.~~

20 SECTION 14. AMENDATORY 70 O.S. 2021, Section 17-103, is  
21 amended to read as follows:

22 Section 17-103. Except as provided in the Alternate Retirement  
23 Plan for Comprehensive Universities Act, the membership of the  
24 retirement system shall consist of the following:

1 A. All classified personnel shall become members of the  
2 retirement system as a condition of their employment~~+~~.

3 B. For the period from August 2, 1969, to ~~the effective date of~~  
4 ~~this act~~ June 30, 2021, all full-time nonclassified optional  
5 personnel regularly employed for more than one (1) year may join the  
6 Teachers' Retirement System of Oklahoma subject to the rules and  
7 regulations adopted pursuant to the Teachers' Retirement System. On  
8 or after ~~the effective date of this act~~ July 1, 2021, all  
9 nonclassified optional personnel regularly employed for twenty (20)  
10 hours or more per week may join the System upon hiring or  
11 eligibility, subject to the provisions of subsection C of this  
12 section and the rules and regulations adopted by the System pursuant  
13 to this act.

14 C. 1. A nonclassified optional employee shall have thirty (30)  
15 days from the initial date of hire or eligibility to make a one-time  
16 irrevocable ~~written~~ election to opt out of participation in the  
17 System, in a manner required by the Board of Trustees. If an  
18 eligible employee fails to make an election within the thirty-day  
19 period, the eligible employee shall be deemed to participate in the  
20 System.

21 2. If an eligible employee elects to opt out of participation  
22 in the System, the employee shall not make any required employee  
23 contributions to the System and ~~his or her~~ the employee's employer  
24 shall not make any required employer contributions to the System.

1        3. If an eligible nonclassified optional employee ~~elects to~~  
2 ~~participate~~ does not timely opt out of participation in the System,  
3 the employee shall make employee contributions to the System  
4 pursuant to Section 17-116.2 of this title and the employer shall  
5 make employer contributions to the System pursuant to Section 17-  
6 108.1 of this title. Nothing in this paragraph shall be construed  
7 to prohibit the employer from making the contribution of the  
8 employee to the System on behalf of the employee.

9        4. A nonclassified optional employee who opts out of  
10 participation in the System shall be ineligible for future  
11 participation in the System; provided, however, that if the employee  
12 is hired for a classified position, he or she shall become a member  
13 of the System pursuant to subsection A of this section but shall not  
14 be eligible for prior service credit for service performed while  
15 employed in a nonclassified position during which the employee opted  
16 out of participation in the System.

17        ~~5. Any nonclassified optional employee employed on the~~  
18 ~~effective date of this act shall make an irrevocable written~~  
19 ~~election to participate in or opt out of the System pursuant to~~  
20 ~~paragraph 1 of this subsection. If the employee fails to make an~~  
21 ~~election within thirty (30) days from the effective date of this~~  
22 ~~act, the employee shall be deemed to participate in the System,~~  
23 ~~subject to the provisions of paragraph 3 of this subsection.~~

1 D. The Board of Trustees may, in its discretion, deny the right  
2 to become members to any class of members whose compensation is only  
3 partly paid by the state, or who is serving on a temporary or other  
4 than per annum basis, and it also may, in its discretion, make  
5 ~~optional with~~ the individual entrance into the retirement system for  
6 members in any such class ~~their individual entrance into the~~  
7 ~~retirement system~~ optional.

8 E. Should any non-vested member, ~~with less than ten (10) years~~  
9 ~~of teaching service in Oklahoma,~~ in any period of six (6)  
10 consecutive years after becoming a member be absent from service  
11 more than five (5) years, withdraw his or her contributions, retire  
12 or die, he or she shall thereupon cease to be a member. The  
13 provisions of this paragraph shall not apply to any member of the  
14 Teachers' Retirement System who has been a member of such classes of  
15 military services as may be approved by the Board of Trustees, until  
16 a period of one and one-half (1 1/2) years from date of termination  
17 of such service shall have elapsed.

18 F. Effective November 1, 2019, a retired member of the  
19 Teachers' Retirement System who becomes employed by the State  
20 Department of Education for the first time on or after November 1,  
21 2019, shall have the option to remain a member of the Teachers'  
22 Retirement System subject to any applicable limitations placed on  
23 retired members returning to work or may choose to participate as an  
24 active member in the Oklahoma Public Employees Retirement System ~~as~~

1 ~~an active member~~ Defined Benefit Plan or the Oklahoma Public  
2 Employees Retirement System Defined Contribution System, whichever  
3 is applicable under the laws and rules governing those systems.

4 SECTION 15. AMENDATORY 70 O.S. 2021, Section 17-105, is  
5 amended to read as follows:

6 Section 17-105. (1) (a) Any member who has attained age  
7 fifty-five (55) or who has completed thirty (30) years of creditable  
8 service, as defined in Section 17-101 of this title, or for any  
9 person who initially became a member prior to July 1, 1992,  
10 regardless of whether there were breaks in service after July 1,  
11 1992, whose age and number of years of creditable service total  
12 eighty (80) may be retired upon proper application for retirement ~~on~~  
13 ~~forms as~~ established by the System and executing a retirement  
14 ~~contract.~~ Such a retirement date will also apply to any person who  
15 became a member of the sending system as defined in this act, prior  
16 to July 1, 1992, regardless of whether there were breaks in service  
17 after July 1, 1992. Any person who became a member after June 30,  
18 1992, but prior to November 1, 2011, whose age and number of years  
19 of creditable service total ninety (90) may be retired upon proper  
20 application for retirement ~~and executing a retirement contract as~~  
21 established by the System. Any person who becomes a member on or  
22 after November 1, 2011, who attains the age of sixty-five (65) years  
23 or who reaches a normal retirement date pursuant to subparagraph (d)  
24 of paragraph ~~(24)~~ (21) of Section 17-101 of this title having



1 attained a minimum age of sixty (60) years may be retired upon  
2 proper application for retirement ~~and executing a retirement~~  
3 ~~contract~~ as established by the System. The application shall be  
4 filed ~~on the form provided by the Board of Trustees for this~~  
5 ~~purpose, not less than sixty (60) days before the date of~~  
6 ~~retirement, provided that the Executive Director may waive the~~  
7 ~~sixty day deadline for good cause shown as defined by the Board~~ with  
8 the System in a manner required by the Board of Trustees.

9 1. The employer shall provide the System with the  
10 following information for a retiring member, no later  
11 than the fifteenth day of the month of retirement:  
12 last day physically on the job; last day on payroll;  
13 any regular compensation not already reported to the  
14 System; and final unused sick leave balance.

15 2. Failure to submit this information by the deadline, or  
16 errors in submitted information that result in a  
17 disqualification of retirement eligibility shall be  
18 the responsibility of the employer. In cases where  
19 the error results in disqualification of retirement  
20 eligibility, it is the employer's responsibility to  
21 reemploy the member, or retain the member on the  
22 payroll, for the time period required to reach  
23 eligibility, not exceeding two (2) months.

24

1       (b) An individual who becomes a member of the Teachers'  
2 Retirement System of Oklahoma after July 1, 1967, through October  
3 31, 2017, shall be employed by the public schools, state colleges,  
4 or universities of Oklahoma for a minimum of five (5) years and be a  
5 contributing member of the Teachers' Retirement System of Oklahoma  
6 for a minimum of five (5) years to qualify for monthly retirement  
7 benefits from the Teachers' Retirement System of Oklahoma.

8       An individual who becomes a member of the Teachers' Retirement  
9 System on or after November 1, 2017, shall be employed by the public  
10 schools, state colleges or universities of Oklahoma for a minimum of  
11 seven (7) years and be a contributing member of the Teachers'  
12 Retirement System of Oklahoma for a minimum of seven (7) years to  
13 qualify for monthly retirement benefits from the Teachers'  
14 Retirement System of Oklahoma.

15       (c) Any member Individuals becoming members after July 1, 1967,  
16 to October 31, 2017, with five (5) or more years of Oklahoma  
17 teaching service and whose accumulated contributions during such  
18 period have not been withdrawn shall be given an indefinite  
19 extension of membership beginning with the sixth year following the  
20 member's last contributing membership.

21       Individuals becoming members on or after November 1, 2017, with  
22 seven (7) or more years of Oklahoma teaching service and whose  
23 accumulated contributions during such period have not been withdrawn  
24 shall be given an indefinite extension of membership beginning with

1 the ~~sixth~~ eighth year following ~~his or her~~ the member's last  
2 contributing membership ~~and shall become eligible to apply for~~  
3 ~~retirement and be retired upon attaining age fifty five (55).~~

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

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

19 ~~Any individual regardless of residence, who has a minimum of ten~~  
20 ~~(10) years of teaching in Oklahoma schools prior to July 1, 1943, or~~  
21 ~~who taught in Oklahoma schools prior to 1934 and thereafter taught a~~  
22 ~~minimum of ten (10) years and who does not qualify under the present~~  
23 ~~retirement System, or who has a minimum of thirty (30) years of~~  
24 ~~teaching in Oklahoma schools and has reached seventy (70) years of~~

1 ~~age prior to July 1, 1984, and is not otherwise eligible to receive~~  
2 ~~any benefits from the retirement system shall receive a minimum of~~  
3 ~~One Hundred Fifty Dollars (\$150.00) per month in retirement benefits~~  
4 ~~from the Teachers' Retirement System of Oklahoma plus any general~~  
5 ~~increase in benefits for annuitants as may be provided hereafter by~~  
6 ~~the Legislature. Each individual must apply to the Teachers'~~  
7 ~~Retirement System for such benefit and provide evidence to the~~  
8 ~~Teachers' Retirement System that the service was actually rendered.~~  
9 ~~The surviving spouse of any person who made application for the~~  
10 ~~benefit provided for by this paragraph during his or her lifetime~~  
11 ~~but did not receive the benefit may submit an application to the~~  
12 ~~System for payment of the benefit for those months during the~~  
13 ~~lifetime of the deceased person that he or she was eligible for but~~  
14 ~~did not receive the benefit. Upon approval of the application by~~  
15 ~~the Board of Trustees, the benefit shall be paid to the surviving~~  
16 ~~spouse in one lump sum.~~

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

20 (5) Upon application of a member who is actively engaged in  
21 teaching in Oklahoma or his or her upon application of the member's  
22 employer, any member who has been a contributing member for ten (10)  
23 years may be retired by the System subsequent to the execution and  
24 filing thereof, on a disability retirement allowance, provided that

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

23 (6) (a) A member who at the time of retirement has been found  
24 to be permanently physically or mentally incapacitated to perform

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

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

1 provided for in subsection (8) of this section in lieu of the death  
2 benefit provided for in this subsection and in subsection (12) of  
3 this section.

4 (c) Once each year the System may require any disabled  
5 annuitant who has not yet attained the age of sixty (60) years to  
6 undergo a medical examination, such examination to be made at the  
7 place of residence for the disabled annuitant or other place  
8 mutually agreed upon by a physician or physicians designated by the  
9 System. Should any disabled annuitant who has not yet attained the  
10 age of sixty (60) years refuse to submit to at least one medical  
11 examination in any such year by a physician or physicians designated  
12 by the System ~~his or her allowance~~ the member's benefit may be  
13 discontinued until ~~he or she~~ the member submits to such 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~~ member's average  
18 final compensation and the annual benefit amount, and should the  
19 Board of Trustees concur in such report, then the amount of ~~his or~~  
20 ~~her pension~~ the member's annual benefit shall be reduced to an  
21 amount which, ~~together with his or her retirement allowance and that~~  
22 ~~amount earnable by him or her~~ added to the member's earnings from a  
23 gainful occupation, shall equal the amount of ~~his or her~~ the  
24 member's average final compensation. Should ~~his or her~~ the member's

1 earning capacity be later increased, the amount of ~~his or her~~  
2 pension the member's annual benefit may be further ~~modified,~~  
3 ~~provided the new pension shall not exceed that amount of the pension~~  
4 ~~originally granted nor an amount, which when added to the amount~~  
5 ~~earnable by the member, together with his or her annuity, equals the~~  
6 ~~amount of his or her average final compensation~~ reduced.

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

18 (7) Should a member before retirement under Section ~~1-101~~ 17-  
19 101 et seq. of this title make application for withdrawal duly filed  
20 with the System, not earlier than four (4) months after the date of  
21 termination of ~~such service as a teacher~~ eligible employment, the  
22 contribution standing to the credit of ~~his or her~~ the member's  
23 individual account in the Teachers' Savings Fund shall be paid to  
24 ~~him or her~~ the member or, in the event of ~~his or her~~ the member's



1 death before retirement, shall be paid to such person or persons as  
2 ~~he or she~~ the member shall have nominated by written designation,  
3 ~~duly executed~~ designated in a manner required by the Board of  
4 Trustees and filed with the System; provided, however, if there be  
5 no designated beneficiary surviving upon such death, such  
6 contributions shall be paid to ~~his or her~~ the member's  
7 administrators, executors, or assigns, together with interest as  
8 hereinafter provided. ~~In lieu of a lump sum settlement at the death~~  
9 ~~of the member, the amount of money the member has on deposit in the~~  
10 ~~Teachers' Savings Fund and the money the member has on deposit in~~  
11 ~~the Teachers' Deposit Fund may be paid in monthly payments to a~~  
12 ~~designated beneficiary, who must be the spouse, under the Maximum or~~  
13 ~~Option 1 Plan of Retirement providing the monthly payment shall be~~  
14 ~~not less than Twenty-five Dollars (\$25.00) per month. The monthly~~  
15 ~~payment shall be the actuarial equivalent of the amount becoming due~~  
16 ~~at the member's death based on the sex of the spouse and the age the~~  
17 ~~spouse has attained at the last birthday prior to the member's~~  
18 ~~death.~~ Provided further, if there be no designated beneficiary  
19 surviving upon such death, and the contributions standing to the  
20 credit of such member do not exceed Two Hundred Dollars (\$200.00),  
21 no part of such contributions shall be subject to the payment of any  
22 expense of the last illness or funeral of the deceased member or any  
23 expense of administration of the estate of such deceased and the  
24 System, upon satisfactory proof of the death of such member and of

1 the name or names of the person or persons who would be entitled to  
2 receive such contributions under the laws of descent and  
3 distribution of the state, may authorize the payment of accumulated  
4 contributions to such person or persons. A member terminating ~~his~~  
5 ~~or her~~ membership by withdrawal after June 30, 2003, shall have the  
6 interest computed at a rate of interest determined by the Board of  
7 Trustees and paid to ~~him or her~~ the member subject to the following  
8 schedule:

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

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

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

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

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

23 (8) (a) In lieu of ~~his or her retirement allowance~~ the Maximum  
24 Retirement Allowance payable throughout life for such an amount as

1 determined under this section, the member may select a retirement  
2 allowance for a reduced amount payable under any of the following  
3 options the present value of which is the actuarial equivalent  
4 thereof.

5 (b) ~~A member may select the option under which he or she~~  
6 ~~desires to retire at the end of the school year in which he or she~~  
7 ~~attains age seventy (70) and the option shall be binding and cannot~~  
8 ~~be changed. Provided further that if a member retires before age~~  
9 ~~seventy (70), no election of an option shall be effective in case an~~  
10 ~~annuitant dies before the first payment due under such option has~~  
11 ~~been received.~~

12 (c) The first payment of any benefit selected shall be made on  
13 the first day of the month following approval of the retirement by  
14 the System. If the named ~~designated~~ joint annuitant under Option 2  
15 or 3 dies at any time after the member's retirement date, but before  
16 the death of the member, the member shall return to the ~~retirement~~  
17 ~~benefit~~ Maximum Plan of Retirement, including any post-retirement  
18 benefit increases the member would have received had the member not  
19 selected Option 2 or 3 of this subsection. The ~~benefit~~ retirement  
20 allowance shall be determined at the date of death of the ~~designated~~  
21 joint annuitant. This increase shall become effective the first day  
22 of the month following the date of death of the ~~designated~~ joint  
23 annuitant, and shall be payable for the member's remaining lifetime.  
24 The member shall notify the Teachers' Retirement System ~~of Oklahoma~~

1 of the death of the ~~designated~~ joint annuitant ~~in writing~~ by  
2 providing a copy of the joint annuitant's death certificate. In the  
3 absence of the ~~written notice~~ death certificate being filed by the  
4 member notifying the Teachers' Retirement System ~~of Oklahoma~~ of the  
5 death of the ~~designated~~ joint annuitant within six (6) months of the  
6 date of death, nothing in this subsection shall require the  
7 Teachers' Retirement System ~~of Oklahoma~~ to pay more than six (6)  
8 months of retrospective benefits increase.

9 Option 1. A member takes a slightly reduced retirement  
10 allowance for life. If ~~he or she~~ the member dies before ~~he or she~~  
11 ~~has received~~ receiving in annuity payments the present value of ~~his~~  
12 ~~or her~~ the member's annuity as it was at the time of ~~his or her~~  
13 retirement, the balance shall be paid to ~~his or her legal~~  
14 ~~representatives or to such person as he or she shall nominate~~ the  
15 member's beneficiary by ~~written~~ designation ~~duly acknowledged and~~  
16 filed with the System ~~at the time of his or her retirement~~ prior to  
17 the member's death; or

18 Option 2. A member takes a reduced retirement allowance for  
19 life. Upon the death of the member the payments shall continue to  
20 the member's ~~designated~~ joint annuitant for the life of the joint  
21 annuitant. The ~~written~~ designation of the joint annuitant must be  
22 ~~duly acknowledged and~~ filed with the System at the time of the  
23 member's retirement and, except as provided in paragraph ~~(e)~~ (d) of  
24

1 this subsection, cannot be changed after the effective date of the  
2 member's retirement; or

3 Option 3. A member receives a reduced retirement allowance for  
4 life. Upon the death of the member one-half (1/2) of the retirement  
5 allowance paid the member shall be continued throughout the life of  
6 the ~~designated~~ member's joint annuitant. A ~~written~~ designation of a  
7 joint annuitant must be ~~duly acknowledged and~~ filed with the System  
8 at the time of the member's retirement and, except as provided in  
9 paragraph ~~(e)~~ (d) of this subsection, cannot be changed after the  
10 effective date of the member's retirement; or

11 Option 4. ~~Some~~ Provided, the System may establish other  
12 retirement options if certified by the actuary to be of equivalent  
13 actuarial value to the member's retirement allowance. Other  
14 retirement options shall be presented to the Board of Trustees for  
15 approval at its discretion. These other benefit or benefits shall  
16 be paid either to the member or, if applicable, to such joint  
17 annuitant as ~~he or she~~ the member shall nominate, ~~provided such~~  
18 ~~other benefit or benefits, together with the reduced retirement~~  
19 ~~allowance, shall be certified by the actuary to be of equivalent~~  
20 ~~actuarial value to his or her retirement allowance and shall be~~  
21 ~~approved by the System.~~

22 ~~(d)~~ (c) Provided that Option 2 and Option 3 shall not be  
23 available if the member's expected benefit is less than fifty  
24

1 percent (50%) of the lump-sum actuarial equivalent and the  
2 ~~designated~~ joint annuitant is not the spouse of the member.

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

19 ~~(f)~~ (e) A member who retires after ~~the effective date of this~~  
20 ~~act~~ July 1, 2010, and has selected a retirement allowance for a  
21 reduced amount payable under one of the options provided for in this  
22 subsection may make a one-time irrevocable election to select a  
23 different option within sixty (60) days of the member's retirement  
24 date. The beneficiary or joint annuitant designated by the member

1 at the time of retirement shall not be changed if the member makes  
2 the election provided for in this paragraph.

3 ~~(g)~~ (f) Any individual who is eligible to be a beneficiary or  
4 joint annuitant of a member under this subsection, and who is also a  
5 beneficiary of a trust created under the Oklahoma Discretionary and  
6 Special Needs Trust Act, Section 175.81 et seq. of Title 60 of the  
7 Oklahoma Statutes, or a comparable Trust Act created under the laws  
8 of another state, hereinafter collectively referred to as "Trust  
9 Acts", may be a beneficiary or joint annuitant under this subsection  
10 by having the trustee of the trust established for the benefit of  
11 that individual named as the legal beneficiary or joint annuitant  
12 under this subsection. The age of that beneficiary shall be used  
13 for calculating any benefit payable to the trust under this  
14 subsection. The beneficiary of such a trust shall be treated as the  
15 beneficiary or joint annuitant under this subsection except that  
16 payments of any benefits due under this subsection shall be payable  
17 to the lawfully appointed trustee of the trust. The obligation of  
18 the System to pay the beneficiary or joint annuitant under this  
19 subsection shall be satisfied by payment to the trustee whom the  
20 System, in good faith, believes to be the lawfully appointed  
21 trustee. Any conflict between the statutes creating and governing  
22 the Teachers' Retirement System in Section 17-101 et seq. of this  
23 title and the provisions of any Trust Act referred to above shall be  
24 resolved in favor of the statutes governing the System. If an

1 eligible beneficiary or joint annuitant is named at the time of  
2 retirement, and becomes a beneficiary of a trust under one of the  
3 Trust Acts described herein after that time, the System will  
4 acknowledge the trust as the beneficiary upon the submission of  
5 adequate documentation of the existence of the trust. All other  
6 provisions of this subsection shall apply to these subsequently  
7 created trusts.

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

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



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

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

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

14 (11) Upon the death of an in-service member, the System shall  
15 pay to the designated beneficiary of the member or, if there is no  
16 designated beneficiary or if the designated beneficiary predeceases  
17 the member, to the estate of the member, the sum of Eighteen  
18 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the  
19 deceased member had ten (10) years or more of creditable service,  
20 the member's designated beneficiary 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 in lieu of the death benefit provided for in this subsection.  
24 Provided further, the option provided in this subsection is only

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

24

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

1 estate pursuant to this subsection, the System is discharged and  
2 released from any and all liability, obligation, and costs. The  
3 System is not required to inquire into the truth of any matter  
4 specified in this subsection or into the payment of any estate tax  
5 liability.

6 (13) Upon the death of a member who dies leaving no living  
7 beneficiary or having designated his or her estate as beneficiary,  
8 the System may pay any applicable death benefit, unpaid  
9 contributions, or unpaid benefit which may be subject to probate, in  
10 an amount of Twenty-five Thousand Dollars (\$25,000.00) or less,  
11 without the intervention of the probate court or probate procedure  
12 pursuant to Section 1 et seq. of Title 58 of the Oklahoma Statutes.

13 (a) Before any applicable probate procedure may be waived, the  
14 System must be in receipt of the member's ~~proof of~~ death certificate  
15 and the following documents from those persons claiming to be the  
16 legal heirs of the deceased member:

- 17 1. The member's valid last will and testament, trust  
18 documents or affidavit that a will does not exist;
- 19 2. An affidavit or affidavits of heirship which must  
20 state:
  - 21 a. the names and signatures of all claiming heirs to  
22 the deceased member's estate including the  
23 claiming heirs' names, relationship to the  
24

1           deceased, current addresses, tax I.D. numbers if  
2           known and current telephone numbers,

3           b.    a statement or statements by the claiming heirs  
4           that no application or petition for the  
5           appointment of a personal representative is  
6           pending or has been granted in any jurisdiction,

7           c.    a description of the personal property claimed,  
8           (i.e., death benefit or unpaid contributions or  
9           both) together with a statement that such  
10          personal property is subject to probate,

11          d.    a statement by each individual claiming heir  
12          identifying the amount of personal property that  
13          the heir is claiming from the System, and that  
14          the heir has been notified of, is aware of and  
15          consents to the identified claims of all the  
16          other claiming heirs of the deceased member  
17          pending with the System;

18          3.    A written agreement or agreements signed by all  
19          claiming heirs of the deceased member which provides  
20          that the claiming heirs release, discharge and hold  
21          harmless the System from any and all liability,  
22          obligations and costs which it may incur as a result  
23          of making a payment to any of the deceased member's  
24          heirs;

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

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

8           (b)   The Executive Director of the System shall retain complete  
9                    discretion in determining which requests for probate waiver may be  
10                   granted or denied, for any reason.  Should the System have any  
11                   question as to the validity of any document presented by the  
12                   claiming heirs, or as to any statement or assertion contained  
13                   therein, the probate requirement provided for in Section 1 et seq.  
14                   of Title 58 of the Oklahoma Statutes shall not be waived.

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

22           (14)  Upon the death of a retired member, the benefit payment  
23                   for the month in which the retired member died, if not previously  
24                   paid, shall be made to the joint annuitant if still living, to the

1 beneficiary of the member if the joint annuitant is deceased, or to  
2 the member's estate if there is no surviving joint annuitant or  
3 beneficiary. Such benefit payment shall be made in an amount equal  
4 to a full monthly benefit payment regardless of the day of the month  
5 in which the retired member died.

6 SECTION 16. AMENDATORY 70 O.S. 2021, Section 17-105.1,  
7 is amended to read as follows:

8 Section 17-105.1 In the event the total retirement payments  
9 made to a retired member and the retired member's joint annuitant,  
10 if any, are less than the member's accumulated contributions with  
11 interest as credited at the time of retirement under Section 17-105  
12 of this title, the difference shall be paid to the member's  
13 designated beneficiary or if no designated beneficiary survives,  
14 then to the member's ~~nearest surviving next of kin as determined by~~  
15 ~~law~~ estate. This provision shall apply to retired members dying on  
16 or after July 1, 1979. After paying unpaid accumulated  
17 contributions to any designated beneficiary or the member's estate  
18 pursuant to this section, the System is discharged and released from  
19 any and all liability, obligation, and costs. The System is not  
20 required to inquire into the truth of any matter specified in this  
21 section or into the payment of any estate tax liability.

22 SECTION 17. AMENDATORY 70 O.S. 2021, Section 17-106.3,  
23 is amended to read as follows:

24

1 Section 17-106.3 A. All employee and employer contributions  
2 and dedicated revenues shall be deposited in the Oklahoma Teachers'  
3 Retirement Fund in the State Treasury. The Board of Trustees shall  
4 have the responsibility for the management of the Oklahoma Teachers'  
5 Retirement Fund, and may transfer monies used for investment  
6 purposes by the Teachers' Retirement System of Oklahoma from the  
7 Oklahoma Teachers' Retirement Fund in the State Treasury to the  
8 custodian bank or trust company of the System.

9 B. All benefits payable pursuant to the provisions of the  
10 Teachers' Retirement System of Oklahoma, refunds of contribution and  
11 overpayments, and all administrative expenses in connection with the  
12 System shall be paid from the Oklahoma Teachers' Retirement Fund  
13 upon warrants or vouchers signed by two persons designated by the  
14 Board of Trustees. ~~All expenses of the administration of the Tax-~~  
15 ~~Sheltered Annuity Fund shall be paid from the Oklahoma Teachers'~~  
16 ~~Retirement Fund.~~ The Board of Trustees may transfer monies from the  
17 custodian bank or trust company of the System to the Oklahoma  
18 Teachers' Retirement Fund in the State Treasury for the purposes  
19 specified in this subsection.

20 SECTION 18. AMENDATORY 70 O.S. 2021, Section 17-107, is  
21 amended to read as follows:

22 Section 17-107. The interest earned on the investments in the  
23 Teachers' Retirement System of Oklahoma shall be credited in the  
24 following manner:



1       1. ~~money on deposit in the Teachers' Deposit Fund or Tax-~~  
 2 ~~Sheltered Annuity Fund shall be credited with interest annually~~  
 3 ~~compounded;~~

4       ~~2.~~ there shall be deducted from the annual interest on  
 5 investments an amount necessary for the amortization of bonds  
 6 purchased and owned by the Teachers' Retirement System of Oklahoma;

7       ~~3.~~ 2. there shall be deducted from the annual interest on  
 8 investments an amount of money necessary for the operation of the  
 9 Teachers' Retirement System of Oklahoma; and

10       ~~4.~~ 3. any residue remaining in the Interest Fund after the  
 11 requirements of paragraphs 1 ~~through 3~~ and 2 of this section have  
 12 been fully met shall be used for the purpose of paying retirement  
 13 benefits to the retirees of the Teachers' Retirement System of  
 14 Oklahoma and transferred to the Retirement Benefit Fund; the  
 15 interest income shall be distributed to the various funds on June 30  
 16 each year.

17       SECTION 19.        AMENDATORY        70 O.S. 2021, Section 17-108, is  
 18 amended to read as follows:

19       Section 17-108. A. Each local school district, or state  
 20 college or university, or State Board of Education, or State Board  
 21 of Career and Technology Education, or other state agencies whose  
 22 employees are members of the Teachers' Retirement System  
 23 ("participating employers"), shall match, on a pro rata basis, in  
 24 accordance with subsection B of this section the contributions of

1 members whose salaries are paid by federal funds or externally  
2 sponsored agreements such as grants, contracts and cooperative  
3 agreements. These funds shall be remitted at the same time as the  
4 regular contributions of members are remitted to the Teachers'  
5 Retirement System of Oklahoma and deposited in the Retirement  
6 Benefit Fund.

7       B. On an annual basis, the Board of Trustees shall set two  
8 contribution rates to be paid by contributing employers as provided  
9 in subsection A of this section. Both contribution rates shall be  
10 determined using cost principles established by federal regulations  
11 and shall be consistent with policies, regulations and procedures  
12 that apply uniformly to both federally assisted and other  
13 activities, and be accorded consistent treatment through application  
14 of generally accepted accounting principles. The Board shall  
15 approve the contribution rates for each fiscal year ending June 30,  
16 no later than April 1 of the previous fiscal year. The first rate  
17 shall be applied to service performed during the regular school year  
18 of the participating employer. The second rate shall be applied to  
19 service performed by members during a summer school program of the  
20 participating employer. For the purposes of this subsection,  
21 "summer school program" is defined as a program offering academic  
22 enrichment for students from Pre-K through 12th grades during the  
23 summer term after the close of the school year. Members shall only  
24 be considered as providing service to a summer school program if

1 such service is provided pursuant to a separate summer school  
2 contract between the member and the participating employer. The  
3 term "summer school program" does not include services performed at  
4 a participating employer offering an extended school year pursuant  
5 to Section 1-109.1 of this title, or services performed by staff  
6 pursuant to a twelve-month contract with the employer. The method  
7 applied to setting the second contribution rate may take into  
8 consideration whether, or to what extent, such service is likely to  
9 add to members' service credit or final average salary; provided,  
10 however, the second rate shall not exceed one-half (1/2) of the  
11 first rate established in this subsection. The actuary retained by  
12 the Board may recommend such rates using assumptions that apply to  
13 the group of those members whose service is subject to the second  
14 contribution rate.

15 C. All the assets of the retirement system shall be credited  
16 according to the purpose for which they are held to one of ~~eight~~  
17 seven funds, namely: The Teachers' Savings Fund, the Retirement  
18 Benefit Fund, the Interest Fund, the Permanent Retirement Fund, the  
19 Expense Fund, the Suspense Fund, ~~the Teachers' Deposit Fund,~~ and the  
20 Retiree Medical Benefit Fund.

21 1. The Teachers' Savings Fund shall be a fund in which shall be  
22 accumulated the regular contributions from the compensation of  
23 members, including applicable interest earnings prior to July 1,  
24 1968. Contributions to and payments from the Teachers' Savings Fund

1 shall be made as specifically provided in each plan available within  
2 the retirement system.

3 2. The deductions provided for in the plans within the  
4 retirement system shall be made notwithstanding that the minimum  
5 compensation provided for any member shall be reduced thereby.  
6 Every member shall be deemed to consent and agree to the deductions  
7 made and provided for herein and payment of salary or compensation,  
8 less the deduction, shall be a full and complete discharge and  
9 acquittance of all claims and demands whatsoever for the services  
10 rendered by such person during the period covered by such payment,  
11 except as to the benefits provided under this act. The employer  
12 shall certify to the Board of Trustees on each and every payroll, or  
13 in such other manner as the Board may prescribe, the amounts to be  
14 deducted, and each of the amounts shall be deducted, and when  
15 deducted shall be paid into the Teachers' Savings Fund, and shall be  
16 credited to the individual account of the member from whose  
17 compensation the deduction was made.

18 3. Following the termination of membership in the retirement  
19 system for any member who has been absent from service for five (5)  
20 years in any period of six (6) consecutive years, the Teachers'  
21 Savings Fund Account of such member shall be closed and the amount  
22 due the member as provided in Section 17-105 of this title shall be  
23 paid upon the filing of formal application. At the time such  
24 membership is terminated the amount due the member as provided in

1 Section 17-105 of this title shall be transferred to the Suspense  
2 Fund.

3 4. Upon the retirement of a member, the balance of money ~~he or~~  
4 ~~she~~ the member had in the Teachers' Savings Fund shall be  
5 transferred to the Retirement Benefit Fund.

6 5. Retirement Benefit Fund.

7 a. After August 2, 1969, there shall be transferred from  
8 the Teachers' Savings Fund for those members drawing  
9 retirement benefits from the Teachers' Retirement  
10 System of Oklahoma an amount necessary to provide the  
11 monthly annuity payments and ~~pension~~ payments as  
12 required in Section 17-107 of this title. In addition  
13 the fund shall consist of monies received from any  
14 state dedicated revenue, monies received from state  
15 appropriations, monies received from federal matching  
16 funds, and the residue of the interest on investments  
17 after the requirements of Section 17-107 of this title  
18 have been fully met. The Retirement Benefit Fund  
19 shall consist of an amount of money necessary for the  
20 making of retirement payments to retirees.

21 ~~b. Should a member have deposits in the Teachers' Deposit~~  
22 ~~Fund or the Tax-Sheltered Annuity Fund and wish to~~  
23 ~~receive monthly retirement benefits on such deposits,~~  
24 ~~the actuarial equivalent of a two-year period and each~~

1 ~~succeeding fiscal year thereafter shall be transferred~~  
2 ~~to the Retirement Benefit Fund. The member may choose~~  
3 ~~any of the plans available in the Teachers' Retirement~~  
4 ~~Act as a method of receiving monthly retirement~~  
5 ~~benefits on the money he has on deposit in the~~  
6 ~~Teachers' Deposit Fund or the Tax Sheltered Annuity~~  
7 ~~Fund. The monthly retirement benefits paid from the~~  
8 ~~Teachers' Deposit Fund or the Tax Sheltered Annuity~~  
9 ~~Fund shall be in addition to the regular retirement~~  
10 ~~benefits and the money transferred from the Teachers'~~  
11 ~~Deposit Fund or Tax Sheltered Annuity Fund shall not~~  
12 ~~be matched by the State of Oklahoma.~~

13 ~~e.~~ From the Retirement Benefit Fund shall be paid all  
14 monthly retirement benefits allowances.

15 ~~d.~~ ~~At the death of a retired member who has retired under~~  
16 ~~the Maximum Plan of Retirement, Option 1 or Option 4,~~  
17 ~~the balance of money the member has in the Teachers'~~  
18 ~~Savings Fund shall be transferred to the Retirement~~  
19 ~~Benefit Fund and the amount due the beneficiary or his~~  
20 ~~or her estate under Option 1 or Option 4 shall be paid~~  
21 ~~from the Retirement Benefit Fund.~~

22 ~~e.~~ ~~At the death of both a retired member and the retired~~  
23 ~~member's spouse, who had retired under Option 2 or 3,~~  
24 ~~any balance in the Teachers' Savings Fund shall be~~

1           ~~transferred from the Teachers' Savings Fund to the~~  
2           ~~Retirement Benefit Fund.~~

3           ~~f. At the death of a retired member who had retired under~~  
4           ~~Option 5, the balance of any monies the member had in~~  
5           ~~the Teachers' Savings Fund shall be transferred to the~~  
6           ~~Retirement Benefit Fund for the purpose of making a~~  
7           ~~lump-sum settlement to the beneficiary or his estate.~~  
8           ~~Providing that if the surviving spouse elects to~~  
9           ~~receive the balance under the Maximum Plan of~~  
10           ~~Retirement or Option 1 the member's money, if any, on~~  
11           ~~a monthly basis, constituting actuarial equivalent of~~  
12           ~~two (2) years' payments, and each year thereafter the~~  
13           ~~annual actuarial equivalent, shall be transferred from~~  
14           ~~the Teachers' Savings Fund for the purpose of paying~~  
15           ~~monthly retirement benefits to the spouse under this~~  
16           ~~option.~~

17           6. The Interest Fund is hereby created to facilitate the  
18           crediting of interest to the various other funds to which interest  
19           is to be credited. All income, interest and dividends derived from  
20           the deposits and investments authorized by this act shall be paid  
21           into the Interest Fund. On June 30, each year, interest shall be  
22           transferred to the other funds as herein provided.

23           7. The Permanent Retirement Fund shall consist of the  
24           accumulated gifts, awards, and bequests made to the retirement

1 system, and transfers from the Suspense Fund, the principal of which  
2 is hereby held and dedicated as a perpetual endowment of the  
3 retirement system and shall not be diverted or appropriated to any  
4 other cause or purpose unless specifically provided for in such  
5 gifts, awards or bequests.

6 8. The Expense Fund shall be the fund from which the expense of  
7 administration and maintenance of the retirement system shall be  
8 paid. The Board of Trustees shall cause to be prepared and adopt  
9 annually an itemized budget showing the amount required to defray  
10 the expenses for the ensuing fiscal year.

11 Transfers to and payments from this fund shall be made as  
12 follows: first, from the Interest Fund; second, from any dedicated  
13 revenue; and, third, from appropriation by the Oklahoma Legislature.

14 All monies for the operation of the Teachers' Retirement System  
15 of Oklahoma shall be paid from the Expense Fund upon the approval by  
16 the Board of Trustees and the checks signed by two people designated  
17 to sign such checks by the Board of Trustees of the Teachers'  
18 Retirement System of Oklahoma.

19 9. The Suspense Fund shall be comprised of amounts transferred  
20 to the fund as provided in this section and Section 17-105 of this  
21 title and obligations of the retirement system to any member or  
22 person which cannot be legally discharged.

23 10. ~~Teachers' Deposit Fund.~~

24



1     ~~Any member may request, prior to a pay period, that his or her~~  
2 ~~employer make additional deposits for him or her, for tax-sheltered~~  
3 ~~annuity purposes. However, the amount deposited shall not exceed~~  
4 ~~the limits as defined in Section 402(g) and Section 415 of the~~  
5 ~~Internal Revenue Code of 1986, as amended, and applicable federal~~  
6 ~~regulations. All such deposits shall be credited to the member's~~  
7 ~~account in the Teachers' Deposit Fund for the purchase of a tax-~~  
8 ~~sheltered annuity. The amount thus accumulated, with earnings,~~  
9 ~~shall be used upon the member's retirement, separation from service,~~  
10 ~~death or disability to purchase an annuity in addition to his or her~~  
11 ~~regular service retirement allowance. The amount a member~~  
12 ~~accumulates in the Teachers' Deposit Fund, not including interest,~~  
13 ~~may be used to pay distributions in the case of hardship as provided~~  
14 ~~in Section 403(b) (11) of the Internal Revenue Code of 1986, as~~  
15 ~~amended, and applicable federal regulations.~~

16     ~~11.~~ Collection of Contributions.

17             The collection of members' contributions shall be as  
18             follows:

- 19             (1) Each employer shall cause to be deducted on each  
20             and every payroll or claim of a member for each  
21             and every payroll claim period subsequent to the  
22             date of establishment of the retirement system  
23             the contribution payable by such member as  
24             provided in this act. With each and every

1 payroll or claim the employer shall deliver to  
2 the treasurer of the employer warrants issued to  
3 the employees as shown to be due by the payroll  
4 or claim, together with a warrant or warrants in  
5 favor of the Teachers' Retirement System as shown  
6 by the payroll or claim.

7 (2) The treasurer or disbursing officer upon delivery  
8 of the warrants and a true copy of the payroll or  
9 claims as provided above shall register the  
10 warrants as provided for the registration of  
11 other school warrants, and shall deliver to the  
12 employer warrants issued in favor of the  
13 employees, and shall deliver warrants issued in  
14 favor of the Teachers' Retirement System and the  
15 copy of the payroll or claims to the school  
16 district superintendent as designated by the  
17 Board of Trustees. For the purpose of collecting  
18 contributions of teachers in the public schools,  
19 the superintendent of a school district is hereby  
20 designated to receive the Teachers' Retirement  
21 warrants from the treasurer or proper disbursing  
22 officer of the several school districts for the  
23 purpose of transmitting such warrants and payroll  
24 or claims to the Executive Director of the

1 Teachers' Retirement System of the State of  
2 Oklahoma. Any college or university or other  
3 educational institution or agency operated in  
4 whole or in part by the state shall have the  
5 amount retained or deducted from the funds  
6 regularly appropriated by the state for the  
7 current maintenance for such educational  
8 departments and institutions.

- 9 (3) For the purpose of enabling the collection of the  
10 contributions of the members of the retirement  
11 system to be made as simple as possible, the  
12 Board of Trustees shall require the secretary or  
13 other officer of each employer-board or agency,  
14 within thirty (30) days after the beginning of  
15 each school year, to make a list of all teachers  
16 in its employ who are members of the retirement  
17 system, certify to the correctness of this list,  
18 and file the same with the Executive Director of  
19 the Board of Trustees of the Teachers' Retirement  
20 System. If additions to or deductions from this  
21 list should be made during the year such  
22 additions or deductions shall likewise be  
23 certified to the Board of Trustees of the  
24 Teachers' Retirement System.

1           (4) The State Treasurer shall furnish annually to the  
2           Board of Trustees a sworn statement of the amount  
3           of the funds in his or her custody belonging to  
4           the retirement system. The records of the Board  
5           of Trustees shall be open to public inspection  
6           and any member of the retirement system shall be  
7           furnished with a statement of the amount of the  
8           credit to ~~his or her~~ the member's individual  
9           account upon written request by such member,  
10          provided the Board of Trustees shall not be  
11          required to answer more than one such request of  
12          a member in any one (1) year.

13          (5) Failure of any superintendent, officer, or other  
14          person to discharge the duties imposed upon him  
15          or her by this act shall render him or her or his  
16          or her bondsman liable for any loss occasioned  
17          thereby to the Teachers' Retirement System or the  
18          employees of the school district, or both.

19          (6) On a showing by the Teachers' Retirement System  
20          that a warrant, voucher or check issued to it  
21          has, for any reason, been lost or never received,  
22          after ninety (90) days from the date of issue or  
23          from transmittal for payment, it shall be the  
24          duty of the issuing authority forthwith, without

1 any indemnifying bond or other requirements, to  
2 issue a duplicate thereof in lieu of that which  
3 was lost, to the Teachers' Retirement System; and  
4 the Teachers' Retirement System shall save  
5 harmless any school district or agency of state  
6 government making payment under the provisions  
7 hereof to the State Teachers' Retirement System  
8 if the original warrant, voucher or check is  
9 later presented for payment and same is paid  
10 after a duplicate warrant, voucher or check has  
11 been issued and paid to the Teachers' Retirement  
12 System, and any loss sustained therefrom shall be  
13 charged to the Interest Fund.

14 ~~12.~~ 11. Rollover Contributions and Direct Trustee-to-Trustee  
15 Transfers from Other Plans.

16 Any member may purchase credit for service, to the extent  
17 specified in this title, with rollovers from an eligible retirement  
18 plan as defined by the Internal Revenue Code of 1986, as amended  
19 from time to time. A member may also purchase permissive service  
20 credit, as defined by Code Section 415(n)(3)(A), with a direct  
21 trustee-to-trustee transfer from a governmental Code Section 403(b)  
22 plan or governmental Code Section 457(b) plan. All rollovers and  
23 direct trustee-to-trustee transfers shall be allowed to the extent  
24 permitted by federal law. Rollovers or direct transfers in excess

1 of the amount necessary to purchase such service credit shall not be  
2 allowed.

3 ~~13.~~ 12. Retiree Medical Benefit Fund.

4 The Retiree Medical Benefit Fund shall be maintained as a  
5 subaccount under the Retirement Benefit Fund. The Retiree Medical  
6 Benefit Fund is composed of all assets contributed to this  
7 subaccount to pay the retirement system's portion of the monthly  
8 retiree health insurance benefits described in Section 1316.3 of  
9 Title 74 of the Oklahoma Statutes. All allocated assets and the  
10 earnings thereon in the Retiree Medical Benefit Fund shall be held  
11 for the exclusive purpose of providing retiree medical benefits  
12 pursuant to Section 1316.3 of Title 74 of the Oklahoma Statutes.  
13 The Retiree Medical Benefit Fund shall be administered in accordance  
14 with the requirements under Section 401(h) of the Internal Revenue  
15 Code of 1986, as amended from time to time. An amount necessary to  
16 pay the health insurance premiums for retired members as provided by  
17 Section 1316.3 of Title 74 of the Oklahoma Statutes shall be  
18 deposited each month into the Retiree Medical Benefit Fund.

19 SECTION 20. AMENDATORY 70 O.S. 2021, Section 17-116.10,  
20 is amended to read as follows:

21 Section 17-116.10 A. Subject to the requirements of Section 6-  
22 101.2 of this title and any other applicable requirements of law, a  
23 member may enter into postretirement employment with a public school  
24

1 of Oklahoma and still receive monthly retirement benefits subject to  
2 the following limitations:

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

18 2. ~~Unless otherwise provided in paragraph 3 of this subsection,~~  
19 ~~earnings from the public schools may not exceed one-half (1/2) of~~  
20 ~~the member's final average salary used in computing retirement~~  
21 ~~benefits, or the Earnings Limitation for employees allowed by the~~  
22 ~~Social Security Administration, whichever is less. For thirty-six~~  
23 (36) months following a member's effective retirement date, the  
24 retired member shall be subject to earnings limitations on allowable

1 earnings. Earnings limits are determined annually based on a  
2 calendar year. For retired members under the age of sixty-two (62)  
3 years, ~~the limit on~~ allowed earnings from the public schools of  
4 Oklahoma for employment for the performance of duties ordinarily  
5 performed by classified or nonclassified personnel shall be ~~the~~  
6 ~~lesser of Fifteen Thousand Dollars (\$15,000.00) or~~ limited to one-  
7 half (1/2) of the member's final average salary used in computing  
8 retirement benefits ~~unless or~~ the earnings ~~limitation~~ limit allowed  
9 by the Social Security Administration ~~would be greater than Fifteen~~  
10 ~~Thousand Dollars (\$15,000.00)~~ for those under Social Security's full  
11 retirement age, whichever is less. For retired members sixty-two  
12 (62) years of age or older ~~the limit on,~~ allowed earnings from the  
13 public schools of Oklahoma for the performance of duties ordinarily  
14 performed by classified or nonclassified personnel shall be ~~the~~  
15 ~~lesser of~~ limited to Thirty Thousand Dollars (\$30,000.00) or one-  
16 half (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 ~~(25)~~ (22) of Section 17-101 of  
21 this 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 (9) of Section 17-105  
2 of this title or other state law shall not be  
3 considered as earnings,

4 ~~b. the Earnings Limitation for employees allowed by the~~  
5 ~~Social Security Administration to workers between the~~  
6 ~~age of sixty two (62) years and sixty five (65) years~~  
7 ~~shall apply to retired members below the age of sixty~~  
8 ~~two (62) years,~~

9 ~~c. the limit on allowed earnings from the public schools~~  
10 ~~shall be automatically adjusted effective the first~~  
11 ~~day of January of each year to reflect the current~~  
12 ~~Earnings Limitation for employees as determined from~~  
13 ~~time to time by the Social Security Administration,~~

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

19 ~~e.~~

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

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

3 ~~f. for those members age seventy (70) years and over, the~~  
4 ~~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 for a period of three (3)~~  
23 ~~years beginning July 1, 2017, members who have retired as of July 1,~~  
24 ~~2017, as active classroom teachers, who have been retired and~~

1 receiving a benefit for at least one (1) year, and who have not been  
2 employed by any public school during that one-year period, shall be  
3 eligible to be reemployed as an active classroom teacher in common  
4 or career tech school districts, with no limitations on earnings.  
5 For a period of three (3) years beginning July 1, 2021, members who  
6 have retired as of July 1, 2020, who have been retired and receiving  
7 a benefit for at least one (1) year, and who have not been employed  
8 by any public school during that one-year period, shall be eligible  
9 to be reemployed as an active classroom teacher in common or career  
10 tech school districts, with no limitations on earnings. The one-  
11 year period starts with the retiree's last day of preretirement  
12 public education employment. Members returning under this section  
13 shall not be subject to any earning limitations following the end of  
14 the three-year periods described in this paragraph. Members  
15 returning under this section shall only be employed pursuant to a  
16 temporary contract; and

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

1 B. A public school district that employs a retired member shall  
2 be required to make contributions to the System for the retired  
3 member in an amount as required in Section 17-108.1 and in paragraph  
4 3 of subsection B of Section 17-116.2 of this title.

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

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

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

18 SECTION 21. REPEALER 70 O.S. 2021, Sections 17-104 and  
19 17-114.2, are hereby repealed.

20 SECTION 22. This act shall become effective July 1, 2023.

21 SECTION 23. It being immediately necessary for the preservation  
22  
23  
24

