

ENGROSSED HOUSE
BILL NO. 1325

BY: WIDENER of the HOUSE

and

TAYLOR of the SENATE

AN ACT RELATING TO STATE GOVERNMENT; AMENDING 74 O.S.
1981, SECTION 918, AS AMENDED BY SECTION 8, CHAPTER
300, O.S.L. 1985 (74 O.S. SUPP. 1990, SECTION 918),
WHICH RELATES TO THE OKLAHOMA PUBLIC EMPLOYEES
RETIREMENT SYSTEM; MODIFYING TIME LIMITATION FOR
SELECTING CERTAIN RETIREMENT OPTIONS; AND DECLARING
AN EMERGENCY.

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

SECTION 1. AMENDATORY 74 O.S. 1981, Section 918, as amended by Section 8, Chapter 300, O.S.L. 1985 (74 O.S. Supp. 1990, Section 918), is amended to read as follows:

Section 918. (1) Except as otherwise provided for in this section, a member may elect to have his retirement benefit paid under one of the options provided in this section in lieu of having it paid in the form stated in Section 915 of this title. The election of an option must be made at ~~least three (3) years before date of actual retirement or on the entry date, whichever is latest, unless the member submits evidence, satisfactory to the Board, of his good health; provided, that if Option A is elected, and the spouse or a dependent of the member is named joint annuitant, such good health requirement will be waived~~ any time prior to retirement

or prior to termination of service with a vested benefit. A specific person must be designated as joint annuitant at the time of election of Option A or B. Election of an option is available with respect to the vested benefit. All retirement benefits of a married member shall be paid pursuant to the Option A plan as provided for in this section unless the spouse of a member consents in writing for the benefits to be paid as provided for in Section 915 of this title or pursuant to Option B or Option C as provided for in this section.

(2) The amount of retirement benefit payable under an option shall be based on the age and sex of the member and the age and sex of the joint annuitant, and shall be such amount as to be the actuarial equivalent of the retirement benefit otherwise payable under Section 915 of this title.

(3) The retirement options are:

Option A. Joint and one-half to joint annuitant survivor. A reduced retirement benefit is payable to the retirant during his lifetime with one-half of that amount continued to his joint annuitant during such joint annuitant's remaining lifetime, if any, after the death of the retirant.

Option B. Joint and survivor. A reduced retirement benefit is payable to the retirant during his lifetime with that amount continued to the joint annuitant during the joint annuitant's remaining lifetime, if any, after the death of the retirant.

Option C. Life with ten (10) years certain. A reduced retirement benefit is payable to the retirant during his lifetime and if he dies within the ten-year certain period, measured from the commencement of retirement benefits payments, such payments will be continued to his beneficiary during the balance of the ten-year certain period.

(4) Provided that Option A and Option B shall not be available if the retirant's expected benefit is less than fifty percent (50%)

of the lump-sum actuarial equivalent and the joint annuitant is not the spouse of the retirant.

(5) If a member who is eligible to retire in accordance with the provisions of Section 914 of this title but is not actually retired or is eligible to vest or has elected a vested benefit dies, the member's spouse, if the spouse is beneficiary for the member's accumulated contributions, may elect to receive benefits as a joint annuitant under Option A calculated as if the member retired on the date of death, in lieu of receiving the member's accumulated contributions. However, no benefits shall be payable before the date the deceased member would have met the requirements for a normal or early retirement.

(6) Benefits payable to a joint annuitant shall accrue from the first day of the month following the death of a member or retirant and, in the case of Option A and Option B, shall end on the last day of the month in which the joint annuitant dies.

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

Passed the House of Representatives the 4th day of March, 1991.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1991.

President of the Senate