

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

HOUSE BILL NO. 1335

BY: ROACH of the HOUSE

and

HERBERT of the SENATE

AS INTRODUCED

AN ACT RELATING TO STATE GOVERNMENT; AMENDING 74 O.S. 1981, SECTION 917, AS LAST AMENDED BY SECTION 41, CHAPTER 340, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 917), WHICH RELATES TO THE OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM; REQUIRING INTEREST TO BE PAID BY THE SYSTEM UPON WITHDRAWN CONTRIBUTIONS; PROVIDING FOR A DEDUCTION FOR ADMINISTRATIVE COSTS; MODIFYING VESTING REQUIREMENT; ADDING PROVISION FROM DUPLICATE SECTION; REPEALING SECTION 3, CHAPTER 324, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 917), WHICH IS A DUPLICATE SECTION RELATING TO THE OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 74 O.S. 1981, Section 917, as last amended by Section 41, Chapter 340, O.S.L. 1990 (74 O.S. Supp. 1990, Section 917), is amended to read as follows:

Section 917. (1) Upon termination of employment with a participating employer, not followed by employment with such participating employer, or another participating employer, within four (4) calendar months, the member shall be paid an amount equal to his accumulated contributions and interest as determined by the Board upon the filing of the proper application with the System. From the interest required to be paid pursuant to this subsection, the Board may deduct any administrative costs associated with the retirement account of the member.

(2) If such member has completed ~~eight (8)~~ six (6) years of credited service at date of termination or if the member has completed twenty (20) years of full-time-equivalent employment as a correctional officer or a probation and parole officer with the Department of Corrections and is such an officer at the time of election of a vested benefit or if the member is a legislative session employee of the Legislature, four (4) years of credited service at date of termination, he may elect a vested benefit in lieu of receiving his accumulated contributions. The amount of the vested benefit shall commence at the normal retirement date and shall be paid monthly during the lifetime of the retirant with the last payment made on the last day of the month in which death occurs.

(3) Upon death before the normal or early retirement date of a member who has elected a vested benefit, his accumulated contributions shall be paid to his beneficiary unless the spouse of the deceased member is the beneficiary and elects monthly benefits as provided for in Section 918 of this title.

(4) Upon death after the normal or early retirement date of a retirant who elected a vested benefit without an option, the excess,

if any, of his accumulated contributions over the sum of all payments of the vested benefit made to date of death shall be paid to his beneficiary.

(5) If a former employee, who meets the eligibility requirements for membership, returns to employment after the expiration of four (4) calendar months following the termination of his employment and the employee has withdrawn his accumulated contributions, he may pay to the System the sum of the accumulated contributions he has withdrawn plus interest of not to exceed five percent (5%), as determined by the Board, and shall receive the same benefits as if he had never withdrawn his contributions; provided, however, effective January 1, 1990, the rate of interest provided herein shall not exceed ten percent (10%), as determined by the Board. No member shall be permitted to take advantage of the payback for restoration of creditable service more than one time. If a member, who has elected a vested benefit, or a reemployed member, who has not withdrawn the member's contributions, again becomes an employee of a participating employer, the period of absence shall not be counted as a break in service; however, the period of absence shall not be credited.

(6) Prior to January 1, 1991, members, who at the time of employment were ineligible for membership into the System due to their age, shall receive benefits for the period of ineligibility if the employer and employee contributions are paid the System for that ineligible period. No interest shall be paid on a payback of this type. However, effective January 1, 1991, to receive benefits, the member shall pay the amount determined by the Board pursuant to Section 39 of this act.

(7) When any error in calculation or participation coverage to a prior or current employee exists, it shall be the responsibility of the participating employer which made the error to pay the

contribution and any interest charges or other costs levied against the employee.

(8) Upon application to the Board and payment of the employer and employee contributions as determined by the Board and interest of not to exceed five percent (5%) as required by the Board, a member of the System may receive service credit for those years of service that the member was eligible to receive service credit from the Teachers' Retirement System of Oklahoma; provided, however, effective January 1, 1990, the rate of interest provided herein shall not exceed ten percent (10%), as determined by the Board, and effective January 1, 1991, to receive the service credit, the member shall pay the amount determined by the Board pursuant to Section 39 of this act. Any application for service credit pursuant to the provisions of this subsection shall be filed with the Board prior to October 1, 1987.

SECTION 2. REPEALER Section 3, Chapter 324, O.S.L. 1990 (74 O.S. Supp. 1990, Section 917), is hereby repealed.

SECTION 3. This act shall become effective July 1, 1991.

SECTION 4. 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.

43-1-5367

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