

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

HOUSE BILL NO. 1548

BY: WIDENER

AS INTRODUCED

AN ACT RELATING TO CITIES AND TOWNS; AMENDING 11 O.S. 1981, SECTION 49-122, AS LAST AMENDED BY SECTION 4, CHAPTER 340, O.S.L. 1990 (11 O.S. SUPP. 1990, SECTION 49-122), WHICH RELATES TO THE OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM; MODIFYING CONTRIBUTION OF EMPLOYERS; AMENDING 11 O.S. 1981, SECTION 50-109, AS AMENDED BY SECTION 7, CHAPTER 340, O.S.L. 1990 (11 O.S. SUPP. 1990, SECTION 50-109), WHICH RELATES TO THE OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM; MODIFYING CONTRIBUTION OF EMPLOYERS; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 11 O.S. 1981, Section 49-122, as last amended by Section 4, Chapter 340, O.S.L. 1990 (11 O.S. Supp. 1990, Section 49-122), is amended to read as follows:

Section 49-122. A. Each municipality having a paid member of a fire department shall deduct monthly from the salary of each member of the fire department of such municipality an amount equal to eight percent (8%) of the actual paid gross salary of each member of the fire department. The deduction shall be considered the minimum

deduction. At the option of the municipality, the municipality may pay all or any part of the member's required contribution. The members of a fire department, by a majority vote of its paid members, may vote to increase the amount of the deduction. The treasurer of each municipality shall deduct the authorized deductions from the salary of each paid member of the fire department. The treasurer of the municipality shall deposit monthly in the System the amount deducted from the salary of each member of the fire department.

Each municipality shall pick up under the provisions of Section 414(h)(2) of the Internal Revenue Code of 1986 and pay the contribution which the member is required by law to make to the System for all compensation earned after December 31, 1988. Although the contributions so picked up are designated as member contributions, such contributions shall be treated as contributions being paid by the municipality in lieu of contributions by the member in determining tax treatment under the Internal Revenue Code of 1986 and such picked up contributions shall not be includable in the gross income of the member until such amounts are distributed or made available to the member or the beneficiary of the member. The member, by the terms of this system, shall not have any option to choose to receive the contributions so picked up directly and the picked up contributions must be paid by the municipality to the System.

Member contributions which are picked up shall be treated in the same manner and to the same extent as member contributions made prior to the date on which member contributions were picked up by the municipality. Member contributions so picked up shall be included in salary for purposes of the System.

The municipality shall pay the member contributions from the same source of funds used in paying salary to the member, by effecting an equal cash reduction in gross salary of the member, or

by an offset against future salary increases, or by a combination of reduction in gross salary and offset against future salary increases.

The treasurer of each municipality shall deduct the picked up contributions from the salary of each paid member of the fire department. The treasurer of the municipality shall deposit monthly in the System the amount picked up from the salary of each member of the fire department.

B. Each municipality having a paid member of a fire department shall deposit monthly with the State Board an amount equal to ~~the following:~~

~~1. Prior to July 1, 1991, ten percent (10%) of the total actual paid gross salaries of the members of the fire department;~~

~~2. Beginning July 1, 1991 through June 30, 1992, ten and one-half percent (10 1/2%) of the total actual paid gross salaries of the members of the fire department;~~

~~3. Beginning July 1, 1992 through June 30, 1993, eleven percent (11%) of the total actual paid gross salaries of the members of the fire department;~~

~~4. Beginning July 1, 1993 through June 30, 1994, eleven and one-half percent (11 1/2%) of the total actual paid gross salaries of the members of the fire department;~~

~~5. Beginning July 1, 1994 through June 30, 1995, twelve percent (12%) of the total actual paid gross salaries of the members of the fire department;~~

~~6. Beginning July 1, 1995 through June 30, 1996, twelve and one-half percent (12 1/2%) of the total actual paid gross salaries of the members of the fire department; and~~

~~7. Beginning July 1, 1996, thirteen percent (13%) of the total actual paid gross salaries of the members of the fire department.~~

C. Each municipality having a volunteer member of a fire department shall deposit yearly with the State Board Sixty Dollars

(\$60.00) for each volunteer member of the department. Provided, the above-mentioned volunteer municipal contributions shall be reevaluated by the next scheduled actuarial study and the amounts adjusted so that in a nine-year period of time, the amounts would reflect the actuarial recommendations at that time. Any municipality with an income of less than Twenty-five Thousand Dollars (\$25,000.00) to its general fund during a fiscal year shall be exempt from the provisions of this subsection.

Any municipality that fails to comply with the provisions of this section shall not be entitled to its proportionate share of the Motor Fuel Excise Tax which is received through the Oklahoma Tax Commission. Any municipality may exceed the amount of contribution required by this section.

The provisions of this section shall supercede any city charter provision in direct conflict with this section.

SECTION 2. AMENDATORY 11 O.S. 1981, Section 50-109, as amended by Section 7, Chapter 340, O.S.L. 1990 (11 O.S. Supp. 1990, Section 50-109), is amended to read as follows:

Section 50-109. Any municipality participating in the System shall appropriate funds, for the use and benefit of the System, ~~as provided in the following schedule:~~

~~1. Prior to July 1, 1991, in an amount equal to a minimum of ten percent (10%) of the actual paid base salary of each member of the System employed by the municipality;~~

~~2. Beginning July 1, 1991, a minimum of ten and one-half percent (10 1/2%) of the actual paid base salary of each member of the System employed by the municipality;~~

~~3. Beginning July 1, 1992, a minimum of eleven percent (11%) of the actual paid base salary of each member of the System employed by the municipality;~~

~~4. Beginning July 1, 1993, a minimum of eleven and one-half percent (11 1/2%) of the actual paid base salary of each member of the System employed by the municipality;~~

~~5. Beginning July 1, 1994, a minimum of twelve percent (12%) of the actual paid base salary of each member of the System employed by the municipality;~~

~~6. Beginning July 1, 1995, a minimum of twelve and one-half percent (12 1/2%) of the actual paid base salary of each member of the System employed by the municipality; and~~

~~7. Beginning July 1, 1996, a minimum of thirteen percent (13%) of the actual paid base salary of each member of the System employed by the municipality.~~

The sum appropriated shall be paid to the System within ten (10) days following the payroll period on which the contribution is based.

The state shall make such appropriation as is necessary to assure the retirement benefits provided by the article.

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.

43-1-5203

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