

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

SENATE BILL NO. 545

BY: EASLEY

AS INTRODUCED

AN ACT RELATING TO SCHOOLS; PROVIDING ALTERNATIVE
CALCULATION OF RETIREMENT BENEFITS FOR CERTAIN
TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA MEMBERS;
PROVIDING PROCEDURES; DEFINING TERM; PROVIDING FOR
CODIFICATION; AND DECLARING AN EMERGENCY.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 17-116.2a of Title 70, unless
there is created a duplication in numbering, reads as follows:

A. A retired member of the Teachers' Retirement System of
Oklahoma may receive an annual allowance for life, payable monthly,
in an amount equal to two percent (2%) of the average salary of the
member up to Thirty-five Thousand Dollars (\$35,000.00), multiplied
by the number of years of creditable service of the member if:

1. The member retired prior to July 1, 1987;
2. The member, prior to July 1, 1991, makes proper application
to the Board of Trustees of the retirement system, after it has
notified the member of the option available to the member, for the
purpose of recalculating the annual allowance of the retired member;

3. The member pays to the retirement system an additional contribution equal to ten percent (10%) of the difference between the annual average salary of the member at the time of retirement but not to exceed Thirty-five Thousand Dollars (\$35,000.00) and the cap salary their original retirement benefits were based on; and

4. Payment of the additional contribution must be made prior to August 1, 1991. Payment of benefits pursuant to this subsection will begin October 1, 1991.

B. A retired member of the Teachers' Retirement System of Oklahoma may receive an annual allowance for life, payable monthly, in an amount equal to two percent (2%) of the average salary of the member up to Forty Thousand Dollars (\$40,000.00), multiplied by the number of years of creditable service of the member if:

1. The member retired prior to July 1, 1987;

2. The member, prior to July 1, 1992, makes proper application to the Board of Trustees of the retirement system, after it has notified the member of the options available to the member, for the purpose of recalculating the annual allowance of the retired member;

3. The member pays the retirement system an additional contribution equal to ten percent (10%) of the difference between the annual average salary of the member at the time of retirement but not to exceed Forty Thousand Dollars (\$40,000.00) and the cap salary the recalculated retirement benefits were based on in subsection B of this section; and

4. Payment of the additional contribution must be made prior to August 1, 1992. Payment of benefits pursuant to this subsection will begin October 1, 1992.

C. No increase in the annual allowance of a retired member is to be retroactive.

D. As used in this section, "average salary" means the average salary received during any three (3) years of participating service

on which contributions have been paid, but does not include accrued sick leave and the value of the fringe benefits.

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.

43-1-476

REJ