

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)
2ND CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 180

By: Monson of the Senate

and

Roberts and Eddins of the
House

2ND CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 1991, Section 910, as last amended by Section 1, Chapter 96, O.S.L. 1996 (74 O.S. Supp. 1996, Section 910), which relates to eligible employers; modifying provisions related to hospitals joining System between certain dates; mandating satisfaction of obligations, prior to withdrawal; requiring participation of new employees of the Oklahoma Housing Finance Agency in the Oklahoma Public Employees Retirement System; allowing certain employees an election to join the Oklahoma Public Employees Retirement System and to purchase credit; canceling credit not utilized in purchase of credit; providing for transfer of amounts from benefits plan; providing for codification; 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. 1991, Section 910, as last amended by Section 1, Chapter 96, O.S.L. 1996 (74 O.S. Supp. 1996, Section 910), is amended to read as follows:

Section 910. (1) An eligible employer may join the System in January of any year. Application for affiliation shall be in the form of a resolution approved by the governing or legislative body of the eligible employer or by any other body or officer authorized by the law or recognized by the Board to approve such resolution or action; provided, that no county hospital, city or town, or any public or private trust in which a county, city or town participates and is the primary beneficiary shall become a

participating employer except by the adoption of a resolution therefor, unless otherwise provided in this act. Upon the filing of a certified copy of such resolution with the Board, the employer shall become a participating employer on January 1 of the year immediately following the filing of such election with the Board. Such election shall be final and irrevocable and any employer now or hereafter participating in the System shall not be permitted to withdraw from the System under any circumstances, including a change in legal identity of such employer, where the purpose and functions of such employer remain essentially the same as at the time of filing of entry into the System. Provided, however, any hospital joining the System during the period commencing December 1, 1989, and ending January 31, 1990, or during the period commencing December 1, 1971, and ending January 31, 1972, shall be permitted to withdraw from the System by the adoption of resolution therefor by the hospital board of control. However, no member hospital of the System shall be allowed to withdraw from the System until such hospital has satisfied all current obligations to the System. Upon the filing of a certified copy of such resolution with the Board and upon the Board's determining that arrangements have been made for the payment of all financial obligations, if any, due the System by such withdrawing hospital, such hospital shall cease to be a participating employer on the first day of the month immediately following such determination and the filing of such resolution with the Board. The employees of any such hospital withdrawing from the System shall have such rights as are provided by Section 912.1 of this title. Any hospital that withdraws under the provisions of this act shall be responsible for the payment of any actuarial cost required as a result of such withdrawal. Provided, however, any county having a population of less than four hundred thousand (400,000), according to the latest Federal Decennial Census, shall become a participating employer on January 1, 1974, notwithstanding any other provision of statute.

(2) The State of Oklahoma, in its capacity as an eligible employer shall become a participating employer on the first entry

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date and thereafter on the entry date immediately following the creation of any state agency not now in existence.

(3) From and after the passage of this act no county hospital, or county or state governmental agency, shall institute a retirement system other than as provided for in this act, except as to any other supplemental retirement plans otherwise expressly provided for by law.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 910.3 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Effective July 1, 1997, the Oklahoma Housing Finance Authority shall be an eligible participating employer in the Oklahoma Public Employees Retirement System. Employees hired after this date shall participate in the Oklahoma Public Employees Retirement System. Employees participating in the Oklahoma Housing Finance Agency benefits plan hired prior to July 1, 1997, shall make one of the following elections on or before January 1, 1998:

1. Elect to continue the current benefits plan provided by the Oklahoma Housing Finance Agency and not to become a member of the Oklahoma Public Employees Retirement System;

2. Elect to cease accruing benefits under the current benefits plan provided by the Oklahoma Housing Finance Agency and to purchase service credit in the Oklahoma Public Employees Retirement System in an amount equal to the time employed with the Oklahoma Housing Finance Agency prior to the time of election and at an actuarial rate pursuant to Section 913.5 of Title 74 of the Oklahoma Statutes;

3. Elect to cease accruing benefits under the current benefits plan provided by the Oklahoma Housing Finance Agency and to purchase a prorated amount of service credit in the Oklahoma Public Employees Retirement System based on the amount received from the current benefits plan and pursuant to Section 913.5 of Title 74 of the Oklahoma Statutes;

4. Elect to cease accruing benefits under the current benefits plan provided by the Oklahoma Housing Finance Agency, not

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purchase any service credit in the Oklahoma Public Employees Retirement System, and to start a new retirement under the Oklahoma Public Employees Retirement System.

B. Such employees hired prior to July 1, 1997, who elect to participate in the Oklahoma Public Employees Retirement System shall commence accruing benefits in the Oklahoma Public Employees Retirement System after the date of election and as established by the Oklahoma Public Employees Retirement System Board of Trustees. The employees hired prior to July 1, 1997, electing to purchase service credit authorized by this section shall have all such service credit canceled which is not utilized in purchasing credit in the Oklahoma Public Employees Retirement System. The purchase of service credit as provided in this section shall only be available upon the election of the employee. The election shall be made in writing, filed with the Oklahoma Housing Finance Agency and the Oklahoma Public Employees Retirement System prior to receiving the credit purchased, and shall be irrevocable. The Oklahoma Housing Finance Agency shall transfer the amounts from its benefits plan to the Oklahoma Public Employees Retirement System for those employees who elect to purchase service credit in the Oklahoma Public Employees Retirement System.

SECTION 3. This act shall become effective July 1, 1997.

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.