

STATE OF OKLAHOMA

2nd Session of the 47th Legislature (2000)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 2507

By: Mass, Adair, Erwin,
Matlock, Easley, Hutchison,
Turner, Covey, Glover,
Hefner, Seikel and Mitchell
of the House

and

Leftwich, Shurden and
Crutchfield of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to public retirement systems; requiring amendment to retirement plan of Oklahoma Wildlife Conservation Department; requiring written election; requiring recomputation of benefits; specifying certain benefits prior to election not increased; prescribing procedures for notice; amending 47 O.S. 1991, Section 2-305, as last amended by Section 1, Chapter 315, O.S.L. 1996 (47 O.S. Supp. 1999, Section 2-305), which relates to the Oklahoma Law Enforcement Retirement System; modifying computation of benefits; prescribing procedure for computation of benefits; providing for distribution of certain contributions made by members of the Oklahoma Public Employees Retirement System; prescribing procedure for distribution; providing for contingent effect based upon ruling by Internal Revenue Service; providing for codification; providing an effective date; 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 3-306.2 of Title 29, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Wildlife Conservation Department shall cause the retirement plan for the Department to include a provision that all persons having retired from the Department on or after July 1,

1992, may elect to revoke an election made prior to retirement for payment of a survivor benefit to a person who was the spouse of the retired member at the time the election was made, but subsequent to the date of the member's retirement has been divorced from the member pursuant to a valid decree or judgment of divorce entered by a court of competent jurisdiction.

B. A retired member of the Department making the election to revoke a prior election pursuant to subsection A of this section shall make the election in writing on a form prescribed for such purpose by the Department or by the administrator of the retirement plan created for the benefit of the Department.

C. Once the retired member makes the election for revocation pursuant to subsection A of this section, the retirement benefit for the member shall be computed as if the original election for payment of a survivor annuity to a spouse had not been made. The increased benefit shall be payable beginning with the first month after the month during which the Department receives the election authorized by subsection A of this section.

D. No retired member shall be entitled to an increase in retirement benefits paid prior to the date of the election authorized by subsection A of this section.

E. Any person making the election authorized by subsection A of this section shall notify the Department regarding the election and the Department shall have no duty or responsibility to notify persons of the right to revoke an election pursuant to subsection A of this section.

SECTION 2. AMENDATORY 47 O.S. 1991, Section 2-305, as last amended by Section 1, Chapter 315, O.S.L. 1996 (47 O.S. Supp. 1999, Section 2-305), is amended to read as follows:

Section 2-305. A. ~~Except as otherwise provided in this title, at any time after attaining normal retirement date, any member of the System upon application therefor made and approved may retire~~

~~and, during the remainder of the member's lifetime, receive annual retirement pay, payable in equal monthly payments, equal to two and one-half percent (2 1/2%) of the final average salary times years of credited service.~~ No member shall be required to retire for length of service unless and until the member shall have reached the age of sixty (60) years, but any member of the System who shall have reached the age of sixty (60) years and who shall also have completed twenty (20) years or more of credited service shall be retired by the Board unless, after application to the Board and such examination and showing as the Board may deem proper, the Board shall determine that such member of the System is physically and mentally able to continue to perform duties or service as required of a member. Unless such application be made by a member of the System within thirty (30) days after reaching the age of sixty (60) years and completing twenty (20) years or more of credited service or if, after such application and examination, the Board shall determine that such member of the System is not physically or mentally able to continue to perform services as required of the employer, the Board shall by resolution order his retirement with retirement pay for length of service as provided herein.

B. Beginning July 1, 1994, members who retired or were eligible to retire prior to July 1, 1980 or their surviving spouses shall receive annual retirement pay, payable in equal monthly payments, equal to the greater of their current retirement pay, or two and one-half percent (2 1/2%) of the actual paid gross salary being currently paid to a highway patrol officer, at the time each such monthly retirement payment is made, multiplied by the retired member's years of credited service.

C. Members of the Highway Patrol who have retired after completion of the mandatory twenty (20) years of service, and those highway patrol officers who retire after reaching the mandatory

twenty-year retirement, shall receive an annual retirement pay, payable in equal monthly payments, based upon the greater of either:

1. One-half (1/2) of the base pay currently paid to an active patrolman, at the time each such monthly retirement payment is made, multiplied by two and one-half percent (2 1/2%) multiplied by the number of years of credited service and fraction thereof; or

2. The patrolman's final average salary as set forth in paragraph 9 of Section 2-300 of this title, multiplied by two and one-half percent (2 1/2%), multiplied by the number of years of credited service and fraction thereof.

No member of the System retired prior to July 1, 2000, shall receive a benefit less than the amount the member is receiving as of June 30, 2000.

D. Members of the Communications Division who have retired after completion of the mandatory twenty (20) years of service, and those communications dispatchers who retire after reaching the mandatory twenty-year retirement shall receive an annual retirement pay, payable in equal monthly payments, based upon the greater of:

1. One-half (1/2) of the base pay currently paid to an active communications dispatcher, at the time each such monthly retirement payment is made, multiplied by two and one-half percent (2 1/2%), multiplied by the number of years of credited service and fraction thereof; or

2. The communications dispatcher's final average salary, as set forth in paragraph 9 of Section 2-300 of this title, multiplied by two and one-half percent (2 1/2%), multiplied by the number of years of credited service and fraction thereof.

No member of the System retired prior to July 1, 2000, shall receive a benefit less than the amount the member is receiving as of June 30, 2000.

E. Other members of the System whose retirement benefit is not otherwise prescribed by this section shall receive an annual

retirement pay, payable in equal monthly payments, equal to the member's final average salary, as set forth in paragraph 9 of Section 2-300 of this title, multiplied by two and one-half percent (2 1/2%), multiplied by the number of years of credited service and fraction thereof.

F. A member who meets the definition of disability as defined in Section 2-300 of this title and whose disability occurred prior to the member's normal retirement date and by direct reason of the performance of the member's duties as an officer shall receive a monthly benefit equal to the greater of fifty percent (50%) of final average salary or two and one-half percent (2 1/2%) of final average salary multiplied by the number of years of the member's credited service.

~~D.~~ G. A member who meets the definition of disability as defined in Section 2-300 of this title and whose disability occurred prior to the member's normal retirement date but after completing three (3) years of vesting service and not by reason of the performance of the member's duties as an officer or as a result of the member's willful negligence shall receive a monthly benefit equal to two and one-half percent (2 1/2%) of final average salary multiplied by the number of years of the member's credited service. For the purpose of determining the member's disability under the System, the member shall be required by the Board to be examined by a minimum of two recognized physicians selected by the Board to determine the extent of his injury or illness. The examining physicians shall furnish the Board a detailed written report of the injury or illness of the examined member establishing the extent of disability and the possibilities of the disabled member being returned to his regular duties or an alternate occupation or service covered by the System after a normal recuperating period.

~~E.~~ H. Payment of a disability pension shall commence as of the first day of the month coinciding or next following the date of

retirement and shall continue as long as the member meets the definition of total and permanent disability provided in this section.

~~F.~~ I. The Board shall require all retired disabled members who have not attained their normal retirement date to submit to a physical examination once each year for a minimum of three (3) years following retirement. The Board shall select a minimum of two physicians to examine the retired members and pay for their services from the fund. Any retired disabled member found no longer disabled by the examining physicians to perform the occupation of the member or an alternate occupation or service covered by the System shall be required to return to duty and complete twenty (20) years of service as provided in subsection A of this section, or forfeit all his rights and claims under this act.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 910.6 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Any member who retired from the System, on or after July 20, 1987, but prior to July 1, 1998, whose compensation for service exceeded Twenty-five Thousand Dollars (\$25,000.00) per annum prior to July 1, 1994, and who, prior to July 1, 1998, had voluntarily elected to increase the maximum compensation level pursuant to statutes in effect at that time, shall be granted, pursuant to this subsection and the procedures established by the Board, a limited retirement benefit in addition to their normal retirement benefit in an amount equivalent to the additional employee contributions paid by the employee and made on compensation for service which is in excess of Twenty-five Thousand Dollars (\$25,000.00) per annum prior to July 1, 1994. The limited benefit shall be payable in an amount equal to Two Hundred Dollars (\$200.00) per month or the amount of additional contributions actually paid, whichever is less, beginning

with the July 2000 retirement benefit payment until the amount of additional contributions has been paid.

B. Upon the death of the member, the remaining unpaid amount of additional contributions, if any, shall be paid to the member's beneficiary in a lump sum or to the joint annuitant in the same manner as paid to the member if an election of a survivor option has been made pursuant to Section 918 of this title. Any provisions for cost of living or other retirement benefit adjustments shall not be applicable to this limited benefit. The provisions for the limited retirement benefit contained in subsection A of this section shall not take effect until the Board receives official written notice that this distribution satisfies the tax qualification requirements for governmental plans applicable to such refunds or transfers as specified in the Internal Revenue Code of 1986, as amended from time to time and as applicable to governmental plans and the relevant regulatory provisions and guidance related thereto.

SECTION 4. This act shall become effective July 1, 2000.

SECTION 5. 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.

47-2-9636 MAH 6/11/15