

ENGROSSED HOUSE
BILL NO. 2371

By: Erwin, Deutschendorf,
Fields, Hutchison, Kirby,
Mass, Pope (Clay) and
Stites of the House

and

Long of the Senate

An Act relating to the Teachers' Retirement System of Oklahoma; providing for certain questionnaire regarding military service of certain active members; prescribing content of questionnaire; prescribing procedures for distribution of questionnaire; providing for election to purchase military service credit; providing for effect of signature; authorizing eligibility for subsequent purchase of certain military service credit; providing for nonbinding effect with respect to actual purchase of service; requiring disclosure regarding effect of failure to make election; requiring submission of information after certain period; requiring consultation by certain standing committees with the Teachers' Retirement System; providing for methodology with certain result with respect to unfunded liability; prohibiting certain purchase at other than actuarial cost unless certain present value deposited; 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 17-116.2C of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The Teachers' Retirement System of Oklahoma shall conduct a survey of its active members who are participating in the retirement system on July 1, 2000. The retirement system shall prepare, in a form prescribed for such purpose, a questionnaire regarding the military service history of each of the active members described by this subsection. The questionnaire shall provide for the member to submit the total number of years of military service performed by

the member prior to the member's initial date of membership in the retirement system, the member's birth date, age as of the date the questionnaire is signed by the member and such other information as the retirement system may require to implement the provisions of this section.

B. The retirement system shall select a period of ninety (90) consecutive days commencing on any date after July 1, 2000, during which active members of the system may submit information using the questionnaire document authorized by this section regarding pre-entry military service. An active member of the retirement system may elect, by signature on the questionnaire document, to become eligible for the purchase of pre-entry military service credit using a methodology other than the payment of actuarial cost which methodology shall be determined pursuant to law. The questionnaire shall clearly indicate that the member's election relates only to the purchase of military service at some future time and is not a commitment to purchase the service, but only an election to become eligible to purchase the service at some future date. The questionnaire shall also clearly indicate that the Legislature has not prescribed a method for determining the cost of purchase for this service. The questionnaire shall clearly indicate that if a member fails to submit and to sign a complete questionnaire, the member will not have an opportunity to purchase the military service at a cost other than that prescribed by Section 17-116.2 of Title 70 of the Oklahoma Statutes.

C. After the retirement system compiles the information from the questionnaire, the information shall be submitted to the actuary of the retirement system, the Chair of the Retirement Laws Committee of the Oklahoma House of Representatives and the Chair of the Senate Committee or relevant subcommittee on Appropriations not later than ninety (90) days after the end of the ninety-day period authorized by this section.

D. After submission of the information, the standing committees of the Oklahoma House of Representatives and the Oklahoma State Senate to which retirement measures are assigned for consideration shall consult with the Teachers' Retirement System of Oklahoma regarding a methodology pursuant to which the military service of the members identified by this section may be purchased at a cost which may feasibly be paid pursuant to an appropriation of the present value of the cost of the service purchase to the retirement system or such other means by which the retirement system does not incur unfunded liability as a result of the purchase of the military service identified as eligible for purchase by eligible members.

E. No purchase of military service shall be authorized by law at a cost less than that required by Section 17-116.2 of Title 70 of the Oklahoma Statutes unless the Teachers' Retirement System of Oklahoma receives the present value amount of the maximum number of years of such service which could be purchased if each of the members who elected to be eligible to purchase the service eventually made the purchase.

SECTION 2. This act shall become effective July 1, 2000.

SECTION 3. 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.

Passed the House of Representatives the 28th day of February,
2000.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 2000.

President of the Senate