

An Act relating to the Teachers' Retirement System of Oklahoma; enacting the Alternate Retirement Plan for Comprehensive Universities; defining terms; authorizing certain alternate retirement plans for certain eligible employees and electing employees; providing for in lieu treatment of plans; requiring certain benefits to be provided through alternate retirement plans; authorizing Board of Regents of participating institutions to establish alternate retirement plan; providing for determination of terms and conditions of plan; providing for administration of plan; providing for selection of companies to administer plan; providing for approval of agreements; authorizing delegation of authority; providing for designation of certain entities; prescribing certain period of election; providing for effect of failure to make election; providing for effect of election upon contributions to Teachers' Retirement System of Oklahoma; providing for effect of election to participate in Teachers' Retirement System of Oklahoma; providing for ineligibility to participate in Teachers' Retirement System of Oklahoma based upon certain election; prescribing period of duration for ineligibility; providing for applicability of certain retirement system provisions; prohibiting service credit in Teachers' Retirement System of Oklahoma during participation in alternate retirement plan; providing for irrevocable election to cease participation in Teachers' Retirement System; prescribing period for election; requiring notification to Teachers' Retirement System; providing for cessation of certain contributions; providing for disposition of employee contributions for nonvested employees; providing for disposition of interest; providing for transfers contingent upon receipt of certain notice from Internal Revenue Service; providing for treatment of service credit after transfer of contribution and related amounts; providing for refund of employee contributions and related amounts based upon disapproval by Internal Revenue Service; providing for certain options for vested employees of the Teachers' Retirement System of Oklahoma; providing for transfers contingent upon receipt of certain notice from Internal Revenue Service; providing for treatment of service credit after transfer of contribution and related amounts; providing for refund of employee contributions and related amounts based upon disapproval by Internal Revenue Service; providing for effect of participation in alternate retirement plan upon service credit; requiring promulgation of rules by Board of Regents of participating institutions; requiring payment of initial funding surcharge; providing for effect of surcharge; prescribing amount of surcharge; providing for duration of initial surcharge; providing for additional surcharge amount based upon certain actuarial condition of Teachers' Retirement System; requiring review of additional funding surcharge; providing for determination of additional funding surcharge; authorizing agreements; prescribing procedures with respect to additional funding surcharge; imposing limitation upon additional funding surcharge; providing for effect of payments upon salary, fringe benefits or compensation due to employees; providing for certain allocation of assets and income sources of the Teachers' Retirement System of Oklahoma to participating institutions in alternate retirement plans; imposing restrictions with respect to certain income source; prescribing methodology for determination of allocation of certain income sources for certain periods of time; requiring separate determination of certain liabilities; requiring periodic review of actuarial methods and assumptions; providing for agreements between Teachers' Retirement System of Oklahoma and participating institutions; providing for determination of actuarial methods and assumptions by Board of Trustees of Teachers' Retirement System; requiring written acknowledgment with

respect to obligations; providing for obligations of alternate retirement plans; amending 70 O.S. 2001, Sections 17-101, 17-103, as amended by Section 1, Chapter 326, O.S.L. 2003 and 17-116.2B (70 O.S. Supp. 2003, Section 17-103), which relate to the Teachers' Retirement System of Oklahoma; modifying definitions; modifying provisions related to membership of retirement system; modifying provisions related to participation in retirement system by certain employees of comprehensive universities; modifying provisions related to computation of retirement benefit amounts; authorizing recalculation of benefits by certain members of retirement system; providing for effective date based upon increase in benefits; prohibiting retroactive payment of increased benefits; defining term; providing for computation of average salary amount based upon certain formula; providing for codification; providing an effective date; and declaring an emergency.