

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1858

By: Blackwell

COMMITTEE SUBSTITUTE

An Act relating to the Uniform Retirement System for Justices and Judges; amending 20 O.S. 2001, Section 1102, as amended by Section 1, Chapter 438, O.S.L. 2002 (20 O.S. Supp. 2004, Section 1102), which relates to retirement eligibility; authorizing retired judges and Justices to be employed in certain teaching position without suspension of benefits; authorizing Board of Trustees to provide cost-of-living adjustments; specifying limit on amounts; requiring certain funded status of retirement system; providing for disapproval of adjustments by Legislature; prescribing procedures related to benefit adjustments; 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 20 O.S. 2001, Section 1102, as amended by Section 1, Chapter 438, O.S.L. 2002 (20 O.S. Supp. 2004, Section 1102), is amended to read as follows:

Section 1102. Any Justice or Judge of the Supreme Court, Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals or District Court who serves as Justice or judge of any of said courts in the State of Oklahoma for a period of eight (8) years or longer and upon reaching or passing the age of sixty-five (65) years, or who serves for a period of ten (10) years or longer and upon reaching or passing the age of sixty (60) years, or whose sum of years of service and age equal or exceeds eighty (80), after completing eight (8) years of judicial service, shall be eligible to receive the retirement benefits herein provided, and, if such Justice or judge is still serving in such capacity when the above

requirements are complied with, he may elect to retire and may elect whether such retirement shall become effective immediately or at a specified time within his term or at the expiration of his term, by filing a written declaration of his desire to retire with the Governor and the Court Administrator, and the Governor shall endorse his approval thereon if the conditions herein specified exist. For the purpose of Section 1101 et seq. of this title, years to be credited for retirement shall be as follows: Any Justice or judge who, at the time this act was originally passed in 1968, was serving as a Justice or judge of a court that is included in the State Supernumerary Judges Act shall receive credit for retirement under this act for each year said Justice or judge has served in any court of record, and any Justice or judge who, on January 12, 1969, was not serving as a Justice or judge of a court that was included in the State Supernumerary Judges Act shall receive credit for each year he has served as a Justice or judge of a court of record, providing that he has served a period of two (2) years after assuming the office as a Justice or judge of one or more of the above-mentioned courts, and, in determining the periods of time above mentioned, a major fraction of a year shall count as a whole year. Any Justice of the Supreme Court or Judge of the Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals, or District Court, who has not served as a Justice or judge of a court of record of the State of Oklahoma or a court that was a court of record of the State of Oklahoma for a period of eight (8) years, and who on January 13, 1969, was a member of the Oklahoma Public Employees Retirement System, or the retirement system of any instrumentality of the state, or the retirement system of any county, shall not be required or permitted to become a member of, or participant in, The Uniform Retirement System for Judges and Justices provided for by Sections 1101 - 1107, inclusive, of this title, unless within ninety (90) days after May 7, 1969, he elected

to so become and waived or forfeited any right to which he might have been entitled under the Oklahoma Public Employees Retirement System or the retirement system of any instrumentality of the state, or of a county, except the right of a refund of his accumulated contributions without interest thereon. No Justice of the Supreme Court or Judge of the Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals, or District Court, who has served as a Justice or judge of a court of record of the State of Oklahoma or a court that was a court of record of the State of Oklahoma for a period of eight (8) years or more prior to January 13, 1969, and who was a member of the Oklahoma Public Employees Retirement System or a county retirement system on January 12, 1969, and who on January 13, 1969, was a Justice or judge in any of the aforementioned courts, shall be required to make an election as to which retirement system he shall be a member of, and nothing in this act shall be construed so as to require any such Justice or judge to forfeit any right to which he might be entitled under the Oklahoma Public Employees Retirement System or county retirement system to which he may have a vested or contractual interest but he will be required to participate in The Uniform Retirement System for Judges and Justices provided by Sections 1101 - 1107, inclusive, of this title. No Justice or judge of the above-mentioned courts shall be eligible to enter the Oklahoma Public Employees Retirement System after January 13, 1969. Upon approval by the Governor of an election of any Justice or judge to retire as authorized by Section 1101 et seq. of this title, the office held by such Justice or judge shall become vacated immediately or at the specified time within his term, or at the expiration of his term in accordance with the election of the judge desiring retirement status, and any such vacancy so created shall be filled in the manner provided by law and the Constitution. Provided, however, if any retired Justice or judge should be elected or appointed to any political or judicial

office, his retirement compensation shall be suspended during the period of time that he holds such office and be reinstated upon his leaving such office. Notwithstanding any other provision of this section or any other provision of law to the contrary, a retired judge or Justice shall be permitted to be employed by any college or university within The Oklahoma State System of Higher Education as a full-time or part-time member of the faculty or as a teacher in any common school or career and technology education entity without suspension of retirement benefits.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1104I of Title 20, unless there is created a duplication in numbering, reads as follows:

A. Subject to the other requirements of this section, beginning July 1, 2005, and for each fiscal year thereafter, the Board of Trustees of the Uniform Retirement System for Justices and Judges shall be authorized to provide a cost-of-living adjustment in an amount not to exceed two and one-half percent (2.5%) each year.

B. The Board of Trustees shall not be authorized to provide the cost-of-living increase otherwise authorized by subsection A of this section unless the funded ratio of the System, after the cost-of-living benefit increase, is at least eighty percent (80%). As used in this subsection, "funded ratio" shall mean the figure derived by dividing the actuarial value of the System assets by the actuarial accrued liabilities of the System as of the last valuation date for which such computation can be made prior to the action of the Board of Trustees to authorize the benefit increase.

C. The Legislature may disapprove a cost-of-living adjustment otherwise authorized by subsection A of this section pursuant to a joint resolution. Cost-of-living adjustments may be approved by action of the Board of Trustees between July 1 and December 1, but shall be subject to disapproval by the Legislature. No cost-of-living adjustment approved by the Board of Trustees pursuant to

subsection A of this section shall take effect until the July 1 date following the sine die adjournment of any regular session of the Oklahoma Legislature immediately succeeding the approval of the adjustment by the Board of Trustees as provided by this subsection.

SECTION 3. This act shall become effective July 1, 2005.

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.

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