

and

Ford of the Senate

An Act relating to the Oklahoma Public Employees Retirement System; providing for election by certain participating employers of the Oklahoma Public Employees Retirement System to cease participation; providing for irrevocable and binding nature of election; prescribing procedures related to election; providing for effect of election upon employer and employee contributions; requiring payment of actuarial cost by withdrawing municipality or rural water district; 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 902.1-1 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Effective July 1, 2006, a city or town or a rural water district that is an eligible employer and a participating employer of the System may elect to cease participation in the System. The election authorized by this section shall be irrevocable and shall be binding upon the municipality or rural water district from the date the election is filed with the System.

B. The election authorized by subsection A of this section shall be filed by the participating city or town or rural water district within ninety (90) days of the effective date of this act or within ninety (90) days after the effective date of any increase in the required employer contribution imposed pursuant to Section 920A of Title 74 of the Oklahoma Statutes. During such period of time the election is in effect, all employees of the city or town or

rural water district shall cease accruing service credit in the System.

C. Upon the effective date of an election to cease participation by a participating employer as authorized by this section, the employer and employee contributions with respect to the compensation of all employees of the municipality or rural water district shall cease and shall not resume.

D. No employee of a municipality or rural water district that files an election to cease participation in the System as authorized by this section shall receive service credit for any period of time during which employer and employee contributions were not made.

E. Withdrawal of employee contributions by an employee of a municipality or rural water district that files an election authorized by this section shall be subject to the provisions of Section 917 of Title 74 of the Oklahoma Statutes.

F. A municipality or rural water district shall be required to make payment to the System of the full actuarial cost of withdrawal as a condition to cease being a participating employer within the System.

SECTION 2. This act shall become effective July 1, 2006.

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 23rd day of February,
2006.

Presiding Officer of the House of
Representatives

Passed the Senate the ____ day of _____, 2006.

Presiding Officer of the Senate