

3 Senate Bill No. 361
4 As Amended

5 SENATE BILL NO. 361 - By: CORN of the Senate and BRANNON of the
6 House.

7 [retirement - Oklahoma Public Employees Retirement System -
8 disability benefits for Department of Corrections
9 employees - effective date]

10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. AMENDATORY 74 O.S. 2001, Section 902, as last
12 amended by Section 2, Chapter 539, O.S.L. 2004 (74 O.S. Supp. 2004,
13 Section 902), is amended to read as follows:

14 Section 902. As used in Section 901 et seq. of this title:

15 (1) "System" means the Oklahoma Public Employees Retirement
16 System as established by this act and as it may hereafter be
17 amended;

18 (2) "Accumulated contributions" means the sum of all
19 contributions by a member to the System which shall be credited to
20 the member's account;

21 (3) "Act" means Sections 901 to 932, inclusive, of this title;

22 (4) "Actuarial equivalent" means a deferred income benefit of
23 equal value to the accumulated deposits or benefits when computed
24 upon the basis of the actuarial tables in use by the System;

1 (5) "Actuarial tables" means the actuarial tables approved and
2 in use by the Board at any given time;

3 (6) "Actuary" means the actuary or firm of actuaries employed
4 by the Board at any given time;

5 (7) "Beneficiary" means any person named by a member to receive
6 any benefits as provided for by Section 901 et seq. of this title.
7 If there is no beneficiary living at time of member employee's
8 death, the member's estate shall be the beneficiary;

9 (8) "Board" means the Oklahoma Public Employees Retirement
10 System Board of Trustees;

11 (9) "Compensation" means all salary and wages, as defined by
12 the Board of Trustees, including amounts deferred under deferred
13 compensation agreements entered into between a member and a
14 participating employer, but exclusive of payment for overtime,
15 payable to a member of the System for personal services performed
16 for a participating employer but shall not include compensation or
17 reimbursement for traveling, or moving expenses, or any compensation
18 in excess of the maximum compensation level, provided:

19 (a) For compensation for service prior to January 1, 1988,
20 the maximum compensation level shall be Twenty-five
21 Thousand Dollars (\$25,000.00) per annum.

22 For compensation for service on or after January 1, 1988,
23 through June 30, 1994, the maximum compensation level

1 shall be Forty Thousand Dollars (\$40,000.00) per
2 annum.

3 For compensation for service on or after July 1, 1994,
4 through June 30, 1995, the maximum compensation level
5 shall be Fifty Thousand Dollars (\$50,000.00) per
6 annum; for compensation for service on or after July
7 1, 1995, through June 30, 1996, the maximum
8 compensation level shall be Sixty Thousand Dollars
9 (\$60,000.00) per annum; for compensation for service
10 on or after July 1, 1996, through June 30, 1997, the
11 maximum compensation level shall be Seventy Thousand
12 Dollars (\$70,000.00) per annum; and for compensation
13 for service on or after July 1, 1997, through June 30,
14 1998, the maximum compensation level shall be Eighty
15 Thousand Dollars (\$80,000.00) per annum. For
16 compensation for services on or after July 1, 1998,
17 there shall be no maximum compensation level for
18 retirement purposes.

19 (b) Compensation for retirement purposes shall include any
20 amount of elective salary reduction under Section 457
21 of the Internal Revenue Code of 1986 and any amount of
22 non-elective salary reduction under Section 414(h) of
23 the Internal Revenue Code of 1986.

1 (c) Notwithstanding any provision to the contrary, the
2 compensation taken into account for any employee in
3 determining the contribution or benefit accruals for
4 any plan year is limited to the annual compensation
5 limit under Section 401(a)(17) of the federal Internal
6 Revenue Code.

7 (d) Current appointed members of the Oklahoma Tax
8 Commission whose salary is constitutionally limited
9 and is less than the highest salary allowed by law for
10 his or her position shall be allowed, within ninety
11 (90) days from the effective date of this act, to make
12 an election to use the highest salary allowed by law
13 for the position to which the member was appointed for
14 the purposes of making contributions and determination
15 of retirement benefits. Such election shall be
16 irrevocable and be in writing. Re-appointment to the
17 same office shall not permit a new election. Members
18 appointed to the Oklahoma Tax Commission after the
19 effective date of this act shall make such election,
20 pursuant to this subparagraph, within ninety (90) days
21 of taking office;

22 (10) "Credited service" means the sum of participating service,
23 prior service and elected service;

1 (11) "Dependent" means a parent, child, or spouse of a member
2 who is dependent upon the member for at least one-half (1/2) of the
3 member's support;

4 (12) "Effective date" means the date upon which the System
5 becomes effective by operation of law;

6 (13) "Eligible employer" means the state and any county, county
7 hospital, city or town, conservation districts, and any public or
8 private trust in which a county, city or town participates and is
9 the primary beneficiary is to be an eligible employer for the
10 purpose of this act only, whose employees are covered by Social
11 Security and are not covered by or eligible for another retirement
12 plan authorized under the laws of this state which is in operation
13 on the initial entry date. Emergency medical service districts may
14 join the System upon proper application to the Board. Provided
15 affiliation by a county hospital shall be in the form of a
16 resolution adopted by the board of control.

17 (a) If a class or several classes of employees of any
18 above-defined employers are covered by Social Security
19 and are not covered by or eligible for and will not
20 become eligible for another retirement plan authorized
21 under the laws of this state, which is in operation on
22 the effective date, such employer shall be deemed an
23 eligible employer, but only with respect to that class

1 or those classes of employees as defined in this
2 section.

3 (b) A class or several classes of employees who are
4 covered by Social Security and are not covered by or
5 eligible for and will not become eligible for another
6 retirement plan authorized under the laws of this
7 state, which is in operation on the effective date,
8 and when the qualifications for employment in such
9 class or classes are set by state law; and when such
10 class or classes of employees are employed by a county
11 or municipal government pursuant to such
12 qualifications; and when the services provided by such
13 employees are of such nature that they qualify for
14 matching by or contributions from state or federal
15 funds administered by an agency of state government
16 which qualifies as a participating employer, then the
17 agency of state government administering the state or
18 federal funds shall be deemed an eligible employer,
19 but only with respect to that class or those classes
20 of employees as defined in this subsection; provided,
21 that the required contributions to the retirement plan
22 may be withheld from the contributions of state or
23 federal funds administered by the state agency and

1 transmitted to the System on the same basis as the
2 employee and employer contributions are transmitted
3 for the direct employees of the state agency. The
4 retirement or eligibility for retirement under the
5 provisions of law providing pensions for service as a
6 volunteer fire fighter shall not render any person
7 ineligible for participation in the benefits provided
8 for in Section 901 et seq. of this title. An employee
9 of any public or private trust in which a county, city
10 or town participates and is the primary beneficiary
11 shall be deemed to be an eligible employee for the
12 purpose of this act only.

13 (c) All employees of the George Nigh Rehabilitation
14 Institute who elected to retain membership in the
15 System, pursuant to Section 913.7 of this title, shall
16 continue to be eligible employees for the purposes of
17 this act. The George Nigh Rehabilitation Institute
18 shall be considered a participating employer only for
19 such employees.

20 (d) A participating employer of the Teachers' Retirement
21 System of Oklahoma, who has one or more employees who
22 have made an election pursuant to enabling legislation
23 to retain membership in the System as a result of

1 change in administration, shall be considered a
2 participating employer of the Oklahoma Public
3 Employees Retirement System only for such employees;

4 (14) "Employee" means any officer or employee of a
5 participating employer, whose employment is not seasonal or
6 temporary and whose employment requires at least one thousand
7 (1,000) hours of work per year and whose salary or wage is equal to
8 the hourly rate of the monthly minimum wage for state employees.
9 For those eligible employers outlined in Section 910 of this title,
10 the rate shall be equal to the hourly rate of the monthly minimum
11 wage for that employer. Each employer, whose minimum wage is less
12 than the state's minimum wage, shall inform the System of the
13 minimum wage for that employer. This notification shall be by
14 resolution of the governing body.

15 (a) Any employee of the county extension agents who is not
16 currently participating in the Teachers' Retirement
17 System of Oklahoma shall be a member of this System.

18 (b) Eligibility shall not include any employee who is a
19 contributing member of the United States Civil Service
20 Retirement System.

21 (c) It shall be mandatory for an officer, appointee or
22 employee of the office of district attorney to become
23 a member of this System if he or she is not currently

1 participating in a county retirement system. Provided
2 further, that if an officer, appointee or employee of
3 the office of district attorney is currently
4 participating in such county retirement system, he or
5 she is ineligible for this System as long as he or she
6 is eligible for such county retirement system. Any
7 eligible officer, appointee or employee of the office
8 of district attorney shall be given credit for prior
9 service as defined in this section. The provisions
10 outlined in Section 917 of this title shall apply to
11 those employees who have previously withdrawn their
12 contributions.

13 (d) Eligibility shall also not include any officer or
14 employee of the Oklahoma Employment Security
15 Commission, except for those officers and employees of
16 the Commission electing to transfer to this System
17 pursuant to the provisions of Section 910.1 of this
18 title or any other class of officers or employees
19 specifically exempted by the laws of this state,
20 unless there be a consolidation as provided by Section
21 912 of this title. Employees of the Oklahoma
22 Employment Security Commission who are ineligible for
23 enrollment in the Employment Security Commission

1 Retirement Plan, that was in effect on January 1,
2 1964, shall become members of this System.

3 (e) Any employee employed by the Legislative Service
4 Bureau, State Senate or House of Representatives for
5 the full duration of a regular legislative session
6 shall be eligible for membership in the System
7 regardless of classification as a temporary employee
8 and may participate in the System during the regular
9 legislative session at the option of the employee.
10 For purposes of this subparagraph, the determination
11 of whether an employee is employed for the full
12 duration of a regular legislative session shall be
13 made by the Legislative Service Bureau if such
14 employee is employed by the Legislative Service
15 Bureau, the State Senate if such employee is employed
16 by the State Senate, or by the House of
17 Representatives if such employee is employed by the
18 House of Representatives. Each regular legislative
19 session during which the legislative employee or an
20 employee of the Legislative Service Bureau
21 participates full time shall be counted as six (6)
22 months of full-time participating service.

- 1 (i) Except as otherwise provided by this
2 subparagraph, once a temporary session employee
3 makes a choice to participate or not, the choice
4 shall be binding for all future legislative
5 sessions during which the employee is employed.
- 6 (ii) Notwithstanding the provisions of division (i) of
7 this subparagraph, any employee, who is eligible
8 for membership in the System because of the
9 provisions of this subparagraph and who was
10 employed by the State Senate or House of
11 Representatives after January 1, 1989, may file
12 an election, in a manner specified by the Board,
13 to participate as a member of the System prior to
14 September 1, 1989.
- 15 (iii) Notwithstanding the provisions of division (i) of
16 this subparagraph, a temporary legislative
17 session employee who elected to become a member
18 of the System may withdraw from the System
19 effective the day said employee elected to
20 participate in the System upon written request to
21 the Board. Any such request must be received by
22 the Board prior to October 1, 1990. All employee
23 contributions made by the temporary legislative

1 session employee shall be returned to the
2 employee without interest within four (4) months
3 of receipt of the written request.

4 (iv) A member of the System who did not initially
5 elect to participate as a member of the System
6 pursuant to subparagraph (e) of this paragraph
7 shall be able to acquire service performed as a
8 temporary legislative session employee for
9 periods of service performed prior to the date
10 upon which the person became a member of the
11 System if:

12 a. the member files an election with the System
13 not later than December 31, 2000, to
14 purchase the prior service; and

15 b. the member makes payment to the System of
16 the actuarial cost of the service credit
17 pursuant to subsection A of Section 913.5 of
18 this title. The provisions of Section 913.5
19 of this title shall be applicable to the
20 purchase of the service credit, including
21 the provisions for determining service
22 credit in the event of incomplete payment
23 due to cessation of payments, death,

1 termination of employment or retirement, but
2 the payment may extend for a period not to
3 exceed ninety-six (96) months;

4 (15) "Entry date" means the date on which an eligible employer
5 joins the System. The first entry date pursuant to Section 901 et
6 seq. of this title shall be January 1, 1964;

7 (16) "Executive Director" means the managing officer of the
8 System employed by the Board under Section 901 et seq. of this
9 title;

10 (17) "Federal Internal Revenue Code" means the federal Internal
11 Revenue Code of 1954 or 1986, as amended and as applicable to a
12 governmental plan as in effect on July 1, 1999;

13 (18) "Final average compensation" means the average annual
14 compensation, including amounts deferred under deferred compensation
15 agreements entered into between a member and a participating
16 employer, up to, but not exceeding the maximum compensation levels
17 as provided in paragraph (9) of this section received during the
18 highest three (3) of the last ten (10) years of participating
19 service immediately preceding retirement or termination of
20 employment. Provided, no member shall retire with a final average
21 compensation unless the member has made the required contributions
22 on such compensation, as defined by the Board of Trustees;

1 (19) "Fiscal year" means the period commencing July 1 of any
2 year and ending June 30 of the next year. The fiscal year is the
3 plan year for purposes of the federal Internal Revenue Code;
4 however, the calendar year is the limitation year for purposes of
5 Section 415 of the federal Internal Revenue Code;

6 (20) "Fund" means the Oklahoma Public Employees Retirement Fund
7 as created by Section 901 et seq. of this title;

8 (21) "Leave of absence" means a period of absence from
9 employment without pay, authorized and approved by the employer and
10 acknowledged to the Board, and which after the effective date does
11 not exceed two (2) years;

12 (22) "Member" means an eligible employee or elected official
13 who is in the System and is making the required employee or elected
14 official contributions, or any former employee or elected official
15 who shall have made the required contributions to the System and
16 shall have not received a refund or withdrawal;

17 (23) "Military service" means service in the Armed Forces of
18 the United States by an honorably discharged person during the
19 following time periods, as reflected on such person's Defense
20 Department Form 214, not to exceed five (5) years for combined
21 participating and/or prior service, as follows:

- 1 (a) during the following periods, including the beginning
2 and ending dates, and only for the periods served,
3 from:
- 4 (i) April 6, 1917, to November 11, 1918, commonly
5 referred to as World War I,
 - 6 (ii) September 16, 1940, to December 7, 1941, as a
7 member of the 45th Division,
 - 8 (iii) December 7, 1941, to December 31, 1946, commonly
9 referred to as World War II,
 - 10 (iv) June 27, 1950, to January 31, 1955, commonly
11 referred to as the Korean Conflict or the Korean
12 War,
 - 13 (v) February 28, 1961, to May 7, 1975, commonly
14 referred to as the Vietnam era, except that:
 - 15 a. for the period from February 28, 1961, to
16 August 4, 1964, military service shall only
17 include service in the Republic of Vietnam
18 during that period, and
 - 19 b. for purposes of determining eligibility for
20 education and training benefits, such period
21 shall end on December 31, 1976, or
 - 22 (vi) August 1, 1990, to December 31, 1991, commonly
23 referred to as the Gulf War, the Persian Gulf

1 War, or Operation Desert Storm, but excluding any
2 person who served on active duty for training
3 only, unless discharged from such active duty for
4 a service-connected disability;

5 (b) during a period of war or combat military operation
6 other than a conflict, war or era listed in
7 subparagraph (a) of this paragraph, beginning on the
8 date of Congressional authorization, Congressional
9 resolution, or Executive Order of the President of the
10 United States, for the use of the Armed Forces of the
11 United States in a war or combat military operation,
12 if such war or combat military operation lasted for a
13 period of ninety (90) days or more, for a person who
14 served, and only for the period served, in the area of
15 responsibility of the war or combat military
16 operation, but excluding a person who served on active
17 duty for training only, unless discharged from such
18 active duty for a service-connected disability, and
19 provided that the burden of proof of military service
20 during this period shall be with the member, who must
21 present appropriate documentation establishing such
22 service.

1 An eligible member under this paragraph shall include only those
2 persons who shall have served during the times or in the areas
3 prescribed in this paragraph, and only if such person provides
4 appropriate documentation in such time and manner as required by the
5 System to establish such military service prescribed in this
6 paragraph, or for service pursuant to subdivision a of division (v)
7 of subparagraph (a) of this paragraph those persons who were awarded
8 service medals, as authorized by the United States Department of
9 Defense as reflected in the veteran's Defense Department Form 214,
10 related to the Vietnam Conflict for service prior to August 5, 1964;

11 (24) "Normal retirement date" means the date on which a member
12 may retire with full retirement benefits as provided in Section 901
13 et seq. of this title, such date being whichever occurs first:

- 14 (a) the first day of the month coinciding with or
15 following a member's sixty-second birthday,
- 16 (b) for any person who initially became a member prior to
17 July 1, 1992, the first day of the month coinciding
18 with or following the date at which the sum of a
19 member's age and number of years of credited service
20 total eighty (80); such a normal retirement date will
21 also apply to any person who became a member of the
22 sending system as defined in Section 901 et seq. of
23 this title, prior to July 1, 1992, regardless of

1 whether there were breaks in service after July 1,
2 1992,
3 (c) for any person who became a member after June 30,
4 1992, the first day of the month coinciding with or
5 following the date at which the sum of a member's age
6 and number of years of credited service total ninety
7 (90),
8 (d) in addition to subparagraphs (a), (b) and (c) of this
9 paragraph, the first day of the month coinciding with
10 or following a member's completion of at least twenty
11 (20) years of full-time-equivalent employment as:
12 (i) a correctional or probation and parole officer
13 with the Department of Corrections and at the
14 time of retirement, the member was a correctional
15 or probation and parole officer with the
16 Department of Corrections, or
17 (ii) a correctional officer, probation and parole
18 officer or fugitive apprehension agent with the
19 Department of Corrections who is in such position
20 on June 30, 2004, or who is hired after June 30,
21 2004, and who receives a promotion or change in
22 job classification after June 30, 2004, to
23 another position in the Department of

1 Corrections, so long as such officer or agent has
2 at least five (5) years of service as a
3 correctional officer, probation and parole
4 officer or fugitive apprehension agent with the
5 Department, has twenty (20) years of full-time-
6 equivalent employment with the Department and was
7 employed by the Department at the time of
8 retirement, or

9 (iii) a firefighter with the Oklahoma Military
10 Department either employed for the first time on
11 or after July 1, 2002, or who was employed prior
12 to July 1, 2002, in such position and who makes
13 the election authorized by division (1) of
14 subparagraph b of paragraph (5) of subsection A
15 of Section 915 of this title and at the time of
16 retirement, the member was a firefighter with the
17 Oklahoma Military Department, and such member has
18 at least twenty (20) years of credited service
19 upon which the two and one-half percent (2 1/2%)
20 multiplier will be used in calculating the
21 retirement benefit,

22 (e) for those fugitive apprehension agents who retire on
23 or after July 1, 2002, the first day of the month

1 coinciding with or following a member's completion of
2 at least twenty (20) years of full-time-equivalent
3 employment as a fugitive apprehension agent with the
4 Department of Corrections and at the time of
5 retirement, the member was a fugitive apprehension
6 agent with the Department of Corrections, or
7 (f) for any member who was continuously employed by an
8 entity or institution within The Oklahoma State System
9 of Higher Education and whose initial employment with
10 such entity or institution was prior to July 1, 1992,
11 and who without a break in service of more than thirty
12 (30) days became employed by an employer participating
13 in the Oklahoma Public Employees Retirement System,
14 the first day of the month coinciding with or
15 following the date at which the sum of the member's
16 age and number of years of credited service total
17 eighty (80);

18 (25) "Participating employer" means an eligible employer who
19 has agreed to make contributions to the System on behalf of its
20 employees;

21 (26) "Participating service" means the period of employment
22 after the entry date for which credit is granted a member;

1 (27) "Prior service" means the period of employment of a member
2 by an eligible employer prior to the member's entry date for which
3 credit is granted a member under Section 901 et seq. of this title;

4 (28) "Retirant" means a member who has retired under the
5 System;

6 (29) "Retirement benefit" means a monthly income with benefits
7 accruing from the first day of the month coinciding with or
8 following retirement and ending on the last day of the month in
9 which death occurs or the actuarial equivalent thereof paid in such
10 manner as specified by the member pursuant to Section 901 et seq. of
11 this title or as otherwise allowed to be paid at the discretion of
12 the Board;

13 (30) "Retirement coordinator" means the individual designated
14 by each participating employer through whom System transactions and
15 communication shall be directed;

16 (31) "Social Security" means the old-age survivors and
17 disability section of the Federal Social Security Act;

18 (32) "Total disability" means a physical or mental disability
19 accepted for disability benefits by the Federal Social Security
20 System;

21 (33) "Public safety disability" means a physical or mental
22 condition, or an occupational disease incurred by a Department of
23 Corrections employee who is a member of the Oklahoma Public

1 Employee's Retirement System by a malicious act of an offender while
2 in and in the consequence of the performance of such member's duties
3 and which in the judgment of the Board, totally and presumably
4 permanently prevents such member from engaging in the usual and
5 customary duties of the occupation of such member and thereafter
6 prevents such member from performing and duties within the
7 Department of Corrections for which the member is qualified by
8 reason of training, education or experience. A Department of
9 Corrections employee is eligible for public safety disability
10 immediately upon employment;

11 (34) "Public safety disability physical examination" means a
12 physical examination required by the Board where the member submits
13 to a physical examination by a minimum of two recognized physicians
14 selected by the Board to determine the extent of the member's injury
15 or illness;

16 (35) "Service-connected disability benefits" means military
17 service benefits which are for a service-connected disability rated
18 at twenty percent (20%) or more by the Veterans Administration or
19 the Armed Forces of the United States;

20 ~~(34)~~ (36) "Elected official" means a person elected to a state
21 office in the legislative or executive branch of state government or
22 a person elected to a county office for a definite number of years

1 and shall include an individual who is appointed to fill the
2 unexpired term of an elected state official;

3 ~~(35)~~ (37) "Elected service" means the period of service as an
4 elected official; and

5 ~~(36)~~ (38) "Limitation year" means the year used in applying the
6 limitations of Section 415 of the Internal Revenue Code of 1986,
7 which year shall be the calendar year.

8 SECTION 2. AMENDATORY 74 O.S. 2001, Section 914, as
9 amended by Section 6, Chapter 486, O.S.L. 2003 (74 O.S. Supp. 2004,
10 Section 914), is amended to read as follows:

11 Section 914. A. The normal retirement date for a member of the
12 System shall be as defined in Section 902 of this title, provided
13 members employed on or after January 1, 1983, shall have six (6) or
14 more years of full-time-equivalent employment with a participating
15 employer before receiving any retirement benefits or if the member
16 is a legislative session employee of the Legislature, shall have
17 three (3) or more years of full-time-equivalent employment with a
18 participating employer before receiving any retirement benefits. In
19 no event shall a normal retirement date for a member be before six
20 (6) months after the entry date of the participating employer by
21 whom he or she is employed.

22 B. A member may be employed beyond the normal retirement date
23 by the appointing authority of the participating employer. However,

1 the member may not receive retirement pay so long as he continues
2 employment under this act. Any member who has terminated employment
3 with a participating employer prior to the month immediately
4 preceding said member's normal retirement date must elect a vested
5 benefit pursuant to Section 917 of this title before receiving any
6 retirement benefits.

7 C. Notice for retirement shall be filed through the retirement
8 coordinator for the participating employer in such form and manner
9 as the Board shall prescribe; provided, that such notice for
10 retirement shall be filed with the office of the retirement system
11 at least sixty (60) days prior to the date selected for the member's
12 retirement; provided further, that the Board may waive the aforesaid
13 sixty-day notice at its discretion.

14 D. No retirement benefits shall be payable to any member until
15 the first day of the month following the termination of the member's
16 employment with any participating employer. The type of retirement
17 benefit selected by a member may not be changed on or after the
18 effective date of the member's retirement. Receipt of workers'
19 compensation benefits shall in no respect disqualify retirant for
20 benefits.

21 E. If a retirant should be elected or appointed to any position
22 or office for which compensation for service is paid from levies or
23 taxes imposed by the state or any political subdivision thereof, the

1 retirant shall not receive any retirement benefit for any month for
2 which the retirant serves in such position or office after the
3 retirant has received compensation in a sum equal to the amount
4 allowable as wages or earnings by the Social Security Administration
5 in any calendar year; ~~provided, this.~~ This subsection shall not
6 apply to service rendered by a retirant as a juror, as a witness in
7 any legal proceeding or action, as an election board judge or clerk,
8 or in any other office or position of a similar nature, or to an
9 employer that is not a participating employer. However, the return-
10 to-work provisions for a member receiving a public safety disability
11 benefit shall be governed by the rules promulgated by the Board of
12 Trustees of the Oklahoma Public Employees Retirement System.
13 Provided, further, that any participating employer who is employing
14 such a retirant shall make proper written notification to the System
15 informing it of the beginning date of such retirant's employment and
16 the date such retirant reaches the maximum compensation allowed by
17 this section in the calendar year; and provided, also, that any
18 retirant returning to work for a participating employer shall make
19 contributions to the System and the employer shall do likewise. All
20 retirants who have returned to employment and participation in the
21 System following retirement shall have post-retirement benefits
22 calculated on one of the following methods:

1 1. All service accumulated from date of reemployment shall be
2 computed based on the benefit formula applicable at that time and
3 the additional benefits shall be added to the previous benefits.
4 Such additional benefits shall be calculated each year based upon
5 additional service accrued from July 1 to June 30 of the previous
6 year and the additional benefit, if any, will be added to the
7 retirant's monthly benefit beginning January 1, 2000, and each
8 January 1 thereafter; however, the post-retirement service credit
9 shall be cumulative, beginning with service credit accrued after the
10 date of retirement, provided that the retirant has not received a
11 distribution of the post-retirement contributions.

12 2. Any retirant who returns to employment with a participating
13 employer may elect not to receive any retirement benefits while so
14 reemployed. If such an election is made and reemployment is for a
15 minimum period of thirty-six (36) consecutive months, all service
16 accumulated from date of reemployment shall be participating
17 service. For purposes of determining the retirement benefits of
18 such a member upon the termination of such reemployment all
19 creditable service of the member shall be computed based on the
20 benefit formula applicable at the time of termination of such
21 reemployment. Provided, a retirant who became reemployed prior to
22 July 1, 1982, and who is reemployed for a minimum of thirty-six (36)
23 consecutive months shall have all the creditable service of such

1 retirant computed based on the benefit formula applicable at the
2 time of termination of such reemployment if the retirant elects not
3 to receive retirement benefits prior to such termination of
4 reemployment. A retirant who has waived receipt of the monthly
5 benefit, but is not reemployed for the full thirty-six (36)
6 consecutive months, shall upon termination of such reemployment have
7 only the additional amount added to his or her benefit as if they
8 had not waived the benefit as provided in paragraph 1 of this
9 subsection.

10 3. All post-retirement additional benefits shall be calculated
11 using actual hours worked as well as the actual compensation
12 received and upon which contributions are paid. Post-retirement
13 service is not subject to the partial year round-up provisions of
14 subsection C of Section 913 of this title.

15 4. A retired member who returns to work for a participating
16 employer pursuant to this section shall be bound by the election
17 made pursuant to paragraph (2) of subsection A of Section 915 of
18 this title if the member had made such election prior to retirement.
19 If the member had not made such election prior to retirement, the
20 member may do so during the member's reemployment with a
21 participating employer pursuant to this section.

22 F. Any member may elect to retire before his or her normal
23 retirement date on the first day of any month coinciding with or

1 following the attainment of age fifty-five (55), provided such
2 member has completed ten (10) years of participating service, but in
3 no event before six (6) months after the entry date. Any member who
4 shall retire before the normal retirement date shall receive an
5 annual retirement benefit adjusted in accordance with the following
6 percentage schedule:

7		Percentage of Normal
8	Age	Retirement Benefit
9	62	100.00%
10	61	93.33%
11	60	86.67%
12	59	80.00%
13	58	73.33%
14	57	66.67%
15	56	63.33%
16	55	60.00%

17 SECTION 3. AMENDATORY 74 O.S. 2001, Section 915, as last
18 amended by Section 24, Chapter 536, O.S.L. 2004 (74 O.S. Supp. 2004,
19 Section 915), is amended to read as follows:

20 Section 915. A. (1) Except as otherwise provided in this
21 subsection and as provided for elected officials in Section 913.4 of
22 this title, any member who shall retire on or after the member's
23 normal retirement date shall be entitled to receive an annual

1 retirement benefit equal to two percent (2%) of the member's final
2 average compensation as determined pursuant to paragraph (18) of
3 Section 902 of this title, multiplied by the number of years of
4 credited service that has been credited to the member in accordance
5 with the provisions of Section 913 of this title other than years
6 credited pursuant to paragraph (2) of this subsection.

7 (2) Effective January 1, 2004, except as otherwise provided for
8 elected officials in Section 913.4 of this title and except for
9 those members making contributions pursuant to paragraphs (c), (d)
10 and (e) of subsection (1) of Section 919.1 of this title, any member
11 who shall retire shall be entitled to receive an annual retirement
12 benefit equal to two and one-half percent (2 1/2%) of the member's
13 final average compensation as determined pursuant to paragraph (18)
14 of Section 902 of this title, multiplied by the number of full years
15 of participating service after January 1, 2004, that have been
16 credited to the member in accordance with the provisions of Section
17 913 of this title and only for those full years of participating
18 service for which contributions have been made pursuant to paragraph
19 (f) of subsection (1) of Section 919.1 of this title. The two and
20 one-half percent (2 1/2%) multiplier shall not apply to purchased
21 service, purchased or granted military service or transferred
22 service. In order to receive the two and one-half percent (2 1/2%)
23 multiplier in computing retirement benefits, an active member shall

1 make an irrevocable written election to pay the contributions
2 pursuant to paragraph (f) of subsection (1) of Section 919.1 of this
3 title. The two and one-half percent (2 1/2%) multiplier pursuant to
4 this paragraph shall not apply to additional years of service credit
5 attributed to sick leave pursuant to paragraph 7 of subsection B of
6 Section 913 of this title and fractional years pursuant to
7 subsection C of Section 913 of this title and shall be attributable
8 only to the participating service credited after the election of the
9 member.

10 (3) The minimum final average compensation for any person who
11 becomes a member of the System on or after July 1, 1995:

- 12 a. and who had twenty (20) or more years of credited
13 service within the System as of the member's
14 retirement date shall be no less than Thirteen
15 Thousand Eight Hundred Dollars (\$13,800.00) per annum,
- 16 b. and who had at least fifteen (15) but not more than
17 nineteen (19) years of credited service within the
18 System as of the member's retirement date shall be no
19 less than Six Thousand Nine Hundred Dollars
20 (\$6,900.00) per annum,
- 21 c. and who had less than fifteen (15) years of credited
22 service within the System as of the member's
23 retirement date shall not be eligible for any minimum

1 amount of final average compensation and the member's
2 final average compensation shall be the final average
3 compensation as defined by paragraph (18) of Section
4 902 of this title,

5 (4) Provided, further, any member who has elected a vested
6 benefit pursuant to Section 917 of this title shall be entitled to
7 receive benefits as outlined in this section except the percent
8 factor and the member's maximum compensation level in effect the
9 date the member's employment was terminated with a participating
10 employer shall be applicable.

11 (5) Any member who is a correctional officer or a probation and
12 parole officer employed by the Department of Corrections at the time
13 of retirement and who retires on or before June 30, 2000, shall be
14 entitled to receive an annual retirement benefit equal to two and
15 one-half percent (2 1/2%) of the final average compensation of the
16 member not to exceed Twenty-five Thousand Dollars (\$25,000.00) and
17 two percent (2%) of the final average salary in excess of Twenty-
18 five Thousand Dollars (\$25,000.00) but not exceeding the maximum
19 compensation level as provided in paragraph (9) of Section 902 of
20 this title, multiplied by the number of years of service as a
21 correctional officer or a probation and parole officer, provided,
22 any years accrued prior to July 1, 1990, as a correctional officer
23 or a probation and parole officer by a member who is employed as a

1 correctional officer or a probation and parole officer on July 1,
2 1990, shall be calculated for retirement purposes at two and one-
3 quarter percent (2 1/4%) of the final average compensation of the
4 member not to exceed Twenty-five Thousand Dollars (\$25,000.00) and
5 two percent (2%) of the final average salary in excess of Twenty-
6 five Thousand Dollars (\$25,000.00) but not exceeding the maximum
7 compensation level as provided in paragraph (9) of Section 902 of
8 this title, multiplied by the number of years of such service and
9 any years in excess of twenty (20) years as such an officer or years
10 credited to the member in accordance with the provisions of Section
11 913 of this title shall be calculated for retirement purposes at two
12 percent (2%) of the final average compensation of the member
13 multiplied by the number of years of such service. Any person who
14 contributes to the System as a correctional officer or a probation
15 and parole officer as provided in paragraph (c) of subsection (1) of
16 Section 919.1 of this title, on or before June 30, 2000, but who
17 does not make such contributions after June 30, 2000, and who does
18 not qualify for normal retirement under subparagraph (c) of
19 paragraph (24) of Section 902 of this title shall have retirement
20 benefits for each year of full-time-equivalent participating service
21 as a correctional or a probation and parole officer after July 1,
22 1990, computed on two and one-half percent (2 1/2%) of the final
23 average compensation based upon those years as a correctional

1 officer or a probation and parole officer. Provided, further, any
2 fugitive apprehension agent shall be entitled to receive benefits as
3 outlined in this act for service as a fugitive apprehension agent
4 prior to July 1, 2002, only upon payment to the System of the
5 employee contributions which would have been paid if such fugitive
6 apprehension agent had been covered by this section prior to the
7 effective date of this act, plus interest of not to exceed ten
8 percent (10%) as determined by the Board. The Department of
9 Corrections may make the employee contribution and interest payment
10 on behalf of such member.

11 (6) Any member who is a correctional officer, a probation and
12 parole officer or a fugitive apprehension agent employed by the
13 Department of Corrections at the time of retirement and who retires
14 on or after July 1, 2002, shall be entitled to receive an annual
15 retirement benefit equal to two and one-half percent (2 1/2%) of the
16 final average compensation of the member, but not exceeding the
17 maximum compensation level as provided in paragraph (18) of Section
18 902 of this title, multiplied by the number of years of service as a
19 correctional officer, a probation and parole officer or a fugitive
20 apprehension agent, and any years in excess of twenty (20) years as
21 such an officer or agent, or years credited to the member in
22 accordance with the provisions of Section 913 of this title, shall
23 be calculated for retirement purposes at two percent (2%) of the

1 final average compensation of the member multiplied by the number of
2 years of such service. For purposes of this paragraph, "final
3 average compensation" shall be determined by computing the average
4 annual salary, in the manner prescribed by paragraph (18) of Section
5 902 of this title, for the highest three (3) years of the last ten
6 (10) years of participating service immediately preceding retirement
7 or termination of employment for all years of service performed by
8 such member, both for years of service performed as a correctional
9 officer, probation and parole officer or fugitive apprehension
10 agent, not in excess of twenty (20) years, and for years of service
11 performed in excess of twenty (20) years, whether as a correctional
12 officer, probation and parole officer, fugitive apprehension agent
13 or other position unless the computation of benefits would result in
14 a lower retirement benefit amount than if final average compensation
15 were to be computed as otherwise provided by this paragraph.

16 (7) Any person who contributed to the System as a correctional
17 officer, a probation and parole officer or a fugitive apprehension
18 agent as provided in paragraphs (c) or (d) of subsection (1) of
19 Section 919.1 of this title, and who retires under normal retirement
20 or early retirement on or after January 1, 2004, under paragraph
21 (24) of Section 902 of this title shall have retirement benefits for
22 each year of full-time-equivalent participating service as a
23 correctional officer, a probation and parole officer or a fugitive

1 apprehension agent, computed on two and one-half percent (2 1/2%) of
2 the final average compensation based upon those years as a
3 correctional officer, a probation and parole officer or a fugitive
4 apprehension agent. For purposes of this paragraph, "final average
5 compensation" shall be determined by computing the average annual
6 salary, in the manner prescribed by paragraph (18) of Section 902 of
7 this title, for the highest three (3) years of the last ten (10)
8 years of participating service immediately preceding retirement or
9 termination of employment for all years of service performed by such
10 member, both for years of service performed as a correctional
11 officer, probation and parole officer or fugitive apprehension
12 agent, not in excess of twenty (20) years, and for years of service
13 performed in excess of twenty (20) years, whether as a correctional
14 officer, probation and parole officer, fugitive apprehension agent
15 or other position unless the computation of benefits would result in
16 a lower retirement benefit amount than if final average compensation
17 were to be computed as otherwise provided by this paragraph.

18 (8) Any member who is:

19 a. initially on or after July 1, 2002, employed as a
20 firefighter for the Oklahoma Military Department and
21 who retires on or after the member's normal retirement
22 date shall be entitled to receive an annual retirement
23 benefit equal to two and one-half percent (2 1/2%) of

1 the final average compensation of the member
2 multiplied by the number of years of service in such
3 service,

4 b. (1) a firefighter who performs firefighting services
5 for the Oklahoma Military Department prior to
6 July 1, 2002, and who makes an election in
7 writing on a form prescribed for this purpose by
8 the System not later than December 31, 2002,
9 shall be entitled to receive a retirement benefit
10 based upon two and one-half percent (2 1/2%) of
11 the final average compensation of the member
12 multiplied by the number of years of service as a
13 firefighter with the Oklahoma Military Department
14 on or after July 1, 2002. The election
15 authorized by this subdivision shall be
16 irrevocable once the election is filed with the
17 System,

18 (2) a firefighter who performs firefighting services
19 for the Oklahoma Military Department prior to
20 July 1, 2002, and who makes the election in
21 division (1) of this subparagraph may also make
22 an election in writing on a form prescribed for
23 this purpose by the System not later than

1 December 31, 2002, to receive a retirement
2 benefit based upon two and one-half percent (2
3 1/2%) of the final average compensation of the
4 member multiplied by the number of years of
5 service as a firefighter with the Oklahoma
6 Military Department prior to July 1, 2002. The
7 election authorized by this subdivision shall be
8 irrevocable once the election is filed with the
9 System. Retirement benefits shall be calculated
10 based upon the two and one-half percent (2 1/2%)
11 multiplier upon payment being made pursuant to
12 Section 913.5 of this title.

13 (9) Upon death of a retirant, there shall be paid to his
14 beneficiary an amount equal to the excess, if any, of his
15 accumulated contributions over the sum of all retirement benefit
16 payments made.

17 (10) Such annual retirement benefits shall be paid in equal
18 monthly installments, except that the Board may provide for the
19 payment of retirement benefits which total less than Two Hundred
20 Forty Dollars (\$240.00) a year on other than a monthly basis.

21 (11) Pursuant to the rules established by the Board, a retiree
22 receiving monthly benefits from the System may authorize warrant
23 deductions for any products currently offered to active state

1 employees through the Employees Benefits Council, provided that
2 product is offered to state retirees as a group and has a minimum
3 participation of five hundred state retirees. The System has no
4 responsibility for the marketing, enrolling or administration of
5 such products, but shall retain a processing fee of two percent (2%)
6 of the gross deductions for the products. Retirement benefit
7 deductions shall be made for membership dues for any statewide
8 association for which payroll deductions are authorized pursuant to
9 subsection B of Section 7.10 of Title 62 of the Oklahoma Statutes
10 for retired members of any state-supported retirement system, upon
11 proper authorization given by the member to the board from which the
12 member or beneficiary is currently receiving retirement benefits.

13 B. A member shall be considered disabled if such member
14 qualifies for the payment of Social Security disability benefits, or
15 the payment of benefits pursuant to the Railroad Retirement Act of
16 1974, Section 231 et seq. of Title 45 of the United States Code, and
17 shall be eligible for benefits hereunder upon proof of such
18 disability, provided such member is an active regularly scheduled
19 employee with a participating employer at the time of injury or
20 inception of illness or disease resulting in subsequent
21 certification of eligibility for Social Security disability benefits
22 by reason of such injury, illness or disease, providing such
23 disability is certified by the Social Security Administration within

1 one (1) year after the last date physically on the job and after
2 completion of at least eight (8) years of participating service or
3 combined prior and participating service or resulting in subsequent
4 certification of eligibility of disability by the Railroad
5 Retirement Board providing such certification is made by the
6 Railroad Retirement Board within one (1) year after the last date
7 physically on the job and after completion of at least eight (8)
8 years of participating service or combined prior and participating
9 service. The member shall submit to the Retirement System the
10 Social Security Award Notice or the Railroad Retirement Award Notice
11 certifying the date of entitlement for disability benefits, as
12 issued by the Social Security Administration, Department of Health
13 and Human Services or the Railroad Retirement Board. Disability
14 benefits shall become effective on the date of entitlement as
15 established by the Social Security Administration or the Railroad
16 Retirement Board, but not before the first day of the month
17 following removal from the payroll, whichever is later, and final
18 approval by the Retirement System. Benefits shall be based upon
19 length of service and compensation as of the date of disability,
20 without actuarial reduction because of commencement prior to the
21 normal retirement date. The only optional form of benefit payment
22 available for disability benefits is Option A as provided for in
23 Section 918 of this title. Option A must be elected in accordance

1 with the provisions of Section 918 of this title. Benefit payments
2 shall cease upon the member's recovery from disability prior to the
3 normal retirement date. Future benefits, if any, shall be paid
4 based upon length of service and compensation as of the date of
5 disability. In the event that disability ceases and the member
6 returns to employment within the System credited service to the date
7 of disability shall be restored, and future benefits shall be
8 determined accordingly.

9 C. A member who incurred a disability, other than a public
10 safety disability incurred pursuant to subsection D of this section,
11 pursuant to subsection B of this section on or after July 1, 1999,
12 and who has retired from the System with an early retirement benefit
13 pending certification from the Social Security Administration or the
14 Railroad Retirement Board shall receive a retirement benefit not
15 less than the disability retirement benefit provided by subsection B
16 of this section once the System receives a Social Security Award
17 Notice or a Railroad Retirement Award Notice pursuant to subsection
18 B of this section and a completed Application for Disability
19 Benefits. In addition, such member shall receive the difference, if
20 any, between the early retirement benefit and the disability benefit
21 from the date the Social Security Administration or the Railroad
22 Retirement Board establishes disability entitlement.

1 D. Notwithstanding subsections B and C of this section and the
2 provisions of Sections 901 through 932 of this title, a Department
3 of Corrections employee who is a member of the Oklahoma Public
4 Employees Retirement System shall be considered to have a public
5 safety disability if such member was disabled as a result of a
6 malicious act of an offender and which, in the judgment of the
7 Board, totally and presumably permanently prevents such member from
8 engaging in the usual and customary duties of the occupation of such
9 member and thereafter prevents such member from performing any
10 duties within the Department of Corrections for which the member is
11 qualified by reason of training, education or experience and shall
12 receive a disability benefit pursuant to this subsection. In the
13 event a public safety disability benefit ceases, credited service to
14 the date of the public safety disability shall be restored, and
15 future benefits shall be determined accordingly. The monthly public
16 safety disability benefit shall be equal to the greater of:

17 1. Fifty percent (50%) of such member's monthly salary at the
18 time of the disability; or

19 2. The monthly retirement benefit such member would have been
20 eligible to receive had he or she retired on the date of the
21 occurrence of the public safety disability.

22 In addition to the public safety disability benefit provided for
23 in this subsection, if such member has one or more children under

1 eighteen (18) years of age or under twenty-two (22) years of age if
2 the child is enrolled full-time in and is regularly attending a
3 public or private school or any institution of higher education.
4 Four Hundred Dollars (\$400.00) a month shall be paid to such member
5 until such child has reached eighteen (18) years of age or twenty-
6 two (22) years of age if the child is enrolled full-time and is
7 regularly attending a public or private school or any institution of
8 higher education. Such payment shall cease in the event that the
9 public safety disability ceases.

10 The Department of Corrections shall place disabled employees in
11 appropriate vacant positions on a first-come, first-served basis
12 that, in accordance with the Oklahoma Personnel Act and Department
13 of Corrections policy and procedures, the employee is qualified for
14 based upon training, education or experience. Eligible employees
15 are not required to interview for such placement and such placement
16 is not subject to review by the local appointing authority. A
17 disabled Department of Corrections employee's right to placement in
18 an alternate position will expire at the later of one (1) year from
19 the date of disability occurrence or termination of leave without
20 pay. The Department of Corrections shall notify the Oklahoma Public
21 Employees Retirement System whether any position was offered to the
22 employee within this period of alternate placement eligibility that,
23 in accordance with the Oklahoma Personnel Act and Department of

1 Corrections policy and procedures, the employee is qualified for
2 based upon training, education or experience.

3 A public safety disability determination by the Board will
4 decide whether such member is eligible for a public safety
5 disability retirement benefit. Examining physicians shall furnish
6 the Board a detailed written report on the injury or illness of the
7 member establishing the extent of disability, cause of disability,
8 and the possibilities of the disabled member being returned to his
9 or her regular duties or an alternate occupation of service after a
10 normal recuperation period.

11 At the date of the disability determination the Board shall
12 establish a schedule of public safety disability review. It may
13 require of retired public safety disabled members who have not
14 attained their normal retirement date to resubmit to a physical
15 examination once each year for up to three (3) years following
16 disability retirement. The Board shall select a minimum of two
17 physicians to examine the retired members and pay for their services
18 from the fund. Any retired disabled member found no longer disabled
19 by the examining physicians to perform the occupation of the
20 disabled member shall be required to return to duty or forfeit all
21 his or her rights and claims under this act. The Board of Trustees
22 is authorized to promulgate administrative rules necessary to
23 implement the provisions of this subsection including the ability to

1 reduce the disability retirement benefit for any member granted a
2 public safety disability benefit who is subsequently reemployed by a
3 participating employer in the Oklahoma Public Employees Retirement
4 System.

5 E. Any actively participating member of the System on or after
6 July 1, 1998, except for those employees provided in subparagraph
7 (e) of paragraph (14) of Section 902 of this title, whose employment
8 is less than full-time, shall have his or her final average
9 compensation calculated on an annualized basis using his or her
10 hourly wage subject to the maximum compensation limits; provided,
11 however, any such member who has at least three (3) years of full-
12 time employment during the last ten (10) years immediately preceding
13 termination or retirement shall not be eligible for the
14 annualization provisions contained herein. The Board of Trustees
15 shall promulgate such administrative rules as are necessary to
16 implement the provisions of this subsection.

17 SECTION 4. AMENDATORY 74 O.S. 2001, Section 920, as last
18 amended by Section 26, Chapter 536, O.S.L. 2004 (74 O.S. Supp. 2004,
19 Section 920), is amended to read as follows:

20 Section 920. (1) Effective July 1, 1994, every state agency
21 which is a participating employer shall contribute to the System an
22 amount equal to eleven and one-half percent (11 1/2%) of the monthly

1 compensation of each member, but not in excess of Forty Thousand
2 Dollars (\$40,000.00).

3 (2) Effective July 1, 1995, every state agency which is a
4 participating employer shall contribute to the System an amount
5 equal to eleven and one-half percent (11 1/2%) of the monthly
6 compensation of each member, not to exceed the allowable annual
7 compensation as defined in paragraph (9) of Section 902 of this
8 title.

9 (3) Effective July 1, 1996, every state agency which is a
10 participating employer shall contribute to the System an amount
11 equal to twelve percent (12%) of the monthly compensation of each
12 member, not to exceed the allowable annual compensation defined in
13 paragraph (9) of Section 902 of this title.

14 (4) Effective July 1, 1999, and through the fiscal year ending
15 June 30, 2005, every state agency which is a participating employer
16 shall contribute to the System an amount equal to ten percent (10%)
17 of the monthly compensation of each member, not to exceed the
18 allowable annual compensation defined in paragraph (9) of Section
19 902 of this title.

20 (5) Effective July 1, 2005, every state agency which is a
21 participating employer shall contribute an amount to the System
22 equal to a percentage of monthly compensation of each member, not to

1 exceed the allowable annual compensation defined in paragraph (9) of
2 Section 902 of this title as follows:

3	July 1, 2005 - June 30, 2006	11 1/2%
4	July 1, 2006 - June 30, 2007	12 1/2%
5	July 1, 2007 - June 30, 2008	13 1/2%
6	July 1, 2008 - June 30, 2009	14 1/2%
7	July 1, 2009 - June 30, 2010	15 1/2%
8	July 1, 2010 - June 30, 2011	
9	and each year thereafter	16 1/2%

10 (6) Effective July 1, 2005, the Department of Corrections shall
11 contribute in addition to the percentages described in this
12 subsection an additional one-half percent (0.5%) to the System for
13 each member, not to exceed the allowable annual compensation defined
14 in paragraph (9) of Section 902 of this title to fund costs
15 associated with the public safety disability benefit defined in
16 Section 915 of this title and the death benefit defined in Section
17 916.3 of the title.

18 (7) The Board shall certify, on or before July 15 of each year,
19 to the Office of State Finance in the case of the state and to the
20 retirement coordinator for each participating employer an
21 actuarially determined estimate of the rate of contribution which
22 will be required, together with all accumulated contributions and
23 other assets of the System, to be paid by each such participating

1 employer to pay all liabilities which shall exist or accrue under
2 the System, including amortization of the past service cost over a
3 period of not to exceed forty (40) years from June 30, 1987, and the
4 cost of administration of the System, as determined by the Board,
5 upon recommendation of the actuary.

6 ~~(7)~~ (8) The Office of State Finance and the Governor shall
7 include in the budget and in the budget request for appropriations
8 the sum required to satisfy the state's obligation under this
9 section as certified by the Board and shall present the same to the
10 Legislature for allowance and appropriation.

11 ~~(8)~~ (9) Each other participating employer shall appropriate and
12 pay to the System a sum sufficient to satisfy the obligation under
13 this section as certified by the Board.

14 ~~(9)~~ (10) Each participating employer is hereby authorized to
15 pay the employer's contribution from the same fund that the
16 compensation for which said contribution is paid from or from any
17 other funds available to it for such purpose.

18 ~~(10)~~ (11) Forfeitures arising from severance of employment,
19 death or for any other reason may not be applied to increase the
20 benefits any member would otherwise receive under the System's law.
21 However, forfeitures may be used to reduce an employer's
22 contribution.

1 SECTION 5. This act shall become effective November 1, 2005.
2 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND GROUP HEALTH, dated
3 2-22-05 - DO PASS, As Amended and Coauthored.