

1 ENGROSSED SENATE
2 BILL NO. 1641

By: Mazzei of the Senate

3 and

4 Sullivan of the House

5
6
7 [retirement - the Oklahoma Public Employees

8 Retirement System - effective date -

9 emergency]

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

12 SECTION 1. AMENDATORY 74 O.S. 2001, Section 902, as last
13 amended by Section 134, Chapter 1, O.S.L. 2005 (74 O.S. Supp. 2007,
14 Section 902), is amended to read as follows:

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

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

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

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

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

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

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

8 (7) "Beneficiary" means any person named by a member to receive
9 any benefits as provided for by Section 901 et seq. of this title.

10 If there is no beneficiary living at time of member employee's
11 death, the member's estate shall be the beneficiary;

12 (8) "Board" means the Oklahoma Public Employees Retirement
13 System Board of Trustees;

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

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

1 For compensation for service on or after January 1,
2 1988, through June 30, 1994, the maximum compensation
3 level shall be Forty Thousand Dollars (\$40,000.00) per
4 annum.

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

- 21 (b) Compensation for retirement purposes shall include any
22 amount of elective salary reduction under Section 457
23 of the Internal Revenue Code of 1986 and any amount of
24

1 ~~non-elective~~ nonelective salary reduction under
2 Section 414(h) of the Internal Revenue Code of 1986.

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

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

1 (10) "Credited service" means the sum of participating service,
2 prior service and elected service. Unless otherwise provided by
3 law, for purposes of benefit calculations, each specific type of
4 service shall be multiplied by the percentage applicable to that
5 type of service;

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

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

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

22 (a) If a class or several classes of employees of any
23 above-defined employers are covered by Social Security
24 and are not covered by or eligible for and will not

1 become eligible for another retirement plan authorized
2 under the laws of this state, which is in operation on
3 the effective date, such employer shall be deemed an
4 eligible employer, but only with respect to that class
5 or those classes of employees as defined in this
6 section.

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

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

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

23 (d) A participating employer of the Teachers' Retirement
24 System of Oklahoma, who has one or more employees who

1 have made an election pursuant to enabling legislation
2 to retain membership in the System as a result of
3 change in administration, shall be considered a
4 participating employer of the Oklahoma Public
5 Employees Retirement System only for such employees;

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

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

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

23 (c) It shall be mandatory for an officer, appointee or
24 employee of the office of district attorney to become

1 a member of this System if he or she is not currently
2 participating in a county retirement system. Provided
3 further, that if an officer, appointee or employee of
4 the office of district attorney is currently
5 participating in such county retirement system, he or
6 she is ineligible for this System as long as he or she
7 is eligible for such county retirement system. Any
8 eligible officer, appointee or employee of the office
9 of district attorney shall be given credit for prior
10 service as defined in this section. The provisions
11 outlined in Section 917 of this title shall apply to
12 those employees who have previously withdrawn their
13 contributions.

14 (d) Eligibility shall also not include any officer or
15 employee of the Oklahoma Employment Security
16 Commission, except for those officers and employees of
17 the Commission electing to transfer to this System
18 pursuant to the provisions of Section 910.1 of this
19 title or any other class of officers or employees
20 specifically exempted by the laws of this state,
21 unless there be a consolidation as provided by Section
22 912 of this title. Employees of the Oklahoma
23 Employment Security Commission who are ineligible for
24 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.

23 (i) Except as otherwise provided by this
24 subparagraph, once a temporary session employee

1 makes a choice to participate or not, the choice
2 shall be binding for all future legislative
3 sessions during which the employee is employed.

4 (ii) Notwithstanding the provisions of division (i) of
5 this subparagraph, any employee, who is eligible
6 for membership in the System because of the
7 provisions of this subparagraph and who was
8 employed by the State Senate or House of
9 Representatives after January 1, 1989, may file
10 an election, in a manner specified by the Board,
11 to participate as a member of the System prior to
12 September 1, 1989.

13 (iii) Notwithstanding the provisions of division (i) of
14 this subparagraph, a temporary legislative
15 session employee who elected to become a member
16 of the System may withdraw from the System
17 effective the day said employee elected to
18 participate in the System upon written request to
19 the Board. Any such request must be received by
20 the Board prior to October 1, 1990. All employee
21 contributions made by the temporary legislative
22 session employee shall be returned to the
23 employee without interest within four (4) months
24 of receipt of the written request.

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

- 9 a. the member files an election with the System
10 not later than December 31, 2000, to
11 purchase the prior service; and
- 12 b. the member makes payment to the System of
13 the actuarial cost of the service credit
14 pursuant to subsection A of Section 913.5 of
15 this title. The provisions of Section 913.5
16 of this title shall be applicable to the
17 purchase of the service credit, including
18 the provisions for determining service
19 credit in the event of incomplete payment
20 due to cessation of payments, death,
21 termination of employment or retirement, but
22 the payment may extend for a period not to
23 exceed ninety-six (96) months;
- 24

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

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

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

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

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

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

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

7 (22) "Member" means an eligible employee or elected official
8 who is in the System and is making the required employee or elected
9 official contributions, or any former employee or elected official
10 who shall have made the required contributions to the System and
11 shall have not received a refund or withdrawal;

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

17 (a) during the following periods, including the beginning
18 and ending dates, and only for the periods served,
19 from:

20 (i) April 6, 1917, to November 11, 1918, commonly
21 referred to as World War I,

22 (ii) September 16, 1940, to December 7, 1941, as a
23 member of the 45th Division,
24

- 1 (iii) December 7, 1941, to December 31, 1946, commonly
2 referred to as World War II,
- 3 (iv) June 27, 1950, to January 31, 1955, commonly
4 referred to as the Korean Conflict or the Korean
5 War,
- 6 (v) February 28, 1961, to May 7, 1975, commonly
7 referred to as the Vietnam era, except that:
- 8 a. for the period from February 28, 1961, to
9 August 4, 1964, military service shall only
10 include service in the Republic of Vietnam
11 during that period, and
- 12 b. for purposes of determining eligibility for
13 education and training benefits, such period
14 shall end on December 31, 1976, or
- 15 (vi) August 1, 1990, to December 31, 1991, commonly
16 referred to as the Gulf War, the Persian Gulf
17 War, or Operation Desert Storm, but excluding any
18 person who served on active duty for training
19 only, unless discharged from such active duty for
20 a service-connected disability;
- 21 (b) during a period of war or combat military operation
22 other than a conflict, war or era listed in
23 subparagraph (a) of this paragraph, beginning on the
24 date of Congressional authorization, Congressional

1 resolution, or Executive Order of the President of the
2 United States, for the use of the Armed Forces of the
3 United States in a war or combat military operation,
4 if such war or combat military operation lasted for a
5 period of ninety (90) days or more, for a person who
6 served, and only for the period served, in the area of
7 responsibility of the war or combat military
8 operation, but excluding a person who served on active
9 duty for training only, unless discharged from such
10 active duty for a service-connected disability, and
11 provided that the burden of proof of military service
12 during this period shall be with the member, who must
13 present appropriate documentation establishing such
14 service.

15 An eligible member under this paragraph shall include only those
16 persons who shall have served during the times or in the areas
17 prescribed in this paragraph, and only if such person provides
18 appropriate documentation in such time and manner as required by the
19 System to establish such military service prescribed in this
20 paragraph, or for service pursuant to subdivision a of division (v)
21 of subparagraph (a) of this paragraph those persons who were awarded
22 service medals, as authorized by the United States Department of
23 Defense as reflected in the veteran's Defense Department Form 214,
24 related to the Vietnam Conflict for service prior to August 5, 1964;

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

4 (a) the first day of the month coinciding with or
5 following a member's sixty-second birthday,

6 (b) for any person who initially became a member prior to
7 July 1, 1992, the first day of the month coinciding
8 with or following the date at which the sum of a
9 member's age and number of years of credited service
10 total eighty (80); such a normal retirement date will
11 also apply to any person who became a member of the
12 sending system as defined in Section 901 et seq. of
13 this title, prior to July 1, 1992, regardless of
14 whether there were breaks in service after July 1,
15 1992,

16 (c) for any person who became a member after June 30,
17 1992, the first day of the month coinciding with or
18 following the date at which the sum of a member's age
19 and number of years of credited service total ninety
20 (90),

21 (d) in addition to subparagraphs (a), (b) and (c) of this
22 paragraph, the first day of the month coinciding with
23 or following a member's completion of at least twenty
24 (20) years of full-time-equivalent employment as:

1 (i) a correctional or probation and parole officer
2 with the Department of Corrections and at the
3 time of retirement, the member was a correctional
4 or probation and parole officer with the
5 Department of Corrections, or

6 (ii) a correctional officer, probation and parole
7 officer or fugitive apprehension agent with the
8 Department of Corrections who is in such position
9 on June 30, 2004, or who is hired after June 30,
10 2004, and who receives a promotion or change in
11 job classification after June 30, 2004, to
12 another position in the Department of
13 Corrections, so long as such officer or agent has
14 at least five (5) years of service as a
15 correctional officer, probation and parole
16 officer or fugitive apprehension agent with the
17 Department, has twenty (20) years of full-time-
18 equivalent employment with the Department and was
19 employed by the Department at the time of
20 retirement, or

21 (iii) a firefighter with the Oklahoma Military
22 Department either employed for the first time on
23 or after July 1, 2002, or who was employed prior
24 to July 1, 2002, in such position and who makes

1 the election authorized by division (2) of
2 subparagraph b of paragraph (8) of subsection A
3 of Section 915 of this title and at the time of
4 retirement, the member was a firefighter with the
5 Oklahoma Military Department, and such member has
6 at least twenty (20) years of credited service
7 upon which the two and one-half percent (2 1/2%)
8 multiplier will be used in calculating the
9 retirement benefit,

10 (e) for those fugitive apprehension agents who retire on
11 or after July 1, 2002, the first day of the month
12 coinciding with or following a member's completion of
13 at least twenty (20) years of full-time-equivalent
14 employment as a fugitive apprehension agent with the
15 Department of Corrections and at the time of
16 retirement, the member was a fugitive apprehension
17 agent with the Department of Corrections, or

18 (f) for any member who was continuously employed by an
19 entity or institution within The Oklahoma State System
20 of Higher Education and whose initial employment with
21 such entity or institution was prior to July 1, 1992,
22 and who without a break in service of more than thirty
23 (30) days became employed by an employer participating
24 in the Oklahoma Public Employees Retirement System,

1 the first day of the month coinciding with or
2 following the date at which the sum of the member's
3 age and number of years of credited service total
4 eighty (80);

5 (25) "Participating employer" means an eligible employer who
6 has agreed to make contributions to the System on behalf of its
7 employees;

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

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

13 (28) "Retirant" means a member who has retired under the
14 System;

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

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

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

3 (32) "Total disability" means a physical or mental disability
4 accepted for disability benefits by the Federal Social Security
5 System;

6 (33) "Service-connected disability benefits" means military
7 service benefits which are for a service-connected disability rated
8 at twenty percent (20%) or more by the Veterans Administration or
9 the Armed Forces of the United States;

10 (34) "Elected official" means a person elected to a state
11 office in the legislative or executive branch of state government or
12 a person elected to a county office for a definite number of years
13 and shall include an individual who is appointed to fill the
14 unexpired term of an elected state official;

15 (35) "Elected service" means the period of service as an
16 elected official; and

17 (36) "Limitation year" means the year used in applying the
18 limitations of Section 415 of the Internal Revenue Code of 1986,
19 which year shall be the calendar year.

20 SECTION 2. AMENDATORY 74 O.S. 2001, Section 913.4, as
21 amended by Section 5, Chapter 486, O.S.L. 2003 (74 O.S. Supp. 2007,
22 Section 913.4), is amended to read as follows:

23 Section 913.4 A. An elected official may elect to participate
24 in the System and if he or she elects to do so shall have the option

1 of contributing at any one of the below listed ~~percentage factors~~
2 contribution rates and will receive retirement benefits in
3 accordance with the ~~percentage factor~~ contribution rate chosen. The
4 election on participation in the System must be in writing, must
5 specify the percent of contributions chosen, and must be filed with
6 the System within ninety (90) days after the elected official takes
7 office. The election ~~is~~ to participate and the election of a
8 contribution rate shall be irrevocable. Reelection to the same
9 office will not permit a new ~~election~~ elections. Failure of an
10 elected official to file such election form within the ninety-day
11 period shall be deemed an irrevocable election to participate in the
12 System at the maximum contribution ~~percentage~~ rate. Any currently
13 serving elected official who has not previously elected to
14 participate in the System on the effective date of this act, must
15 make an election on participation in writing, specifying the
16 ~~contributions percent~~ contribution rate no later than December 1,
17 1999. Failure of a currently serving elected official to file such
18 election form shall be deemed an irrevocable election to participate
19 in the System at the maximum contribution ~~percentage~~ rate.
20 Contributions and benefits will be based upon his or her annual
21 compensation as defined in Section 902 of this title. Employer and
22 employee contributions shall be remitted monthly, or as the Board
23 may otherwise provide, to the Executive Director for deposit in the
24 Oklahoma Public Employees Retirement Fund. Effective July 1, 1994,

1 and thereafter, the participating employer shall contribute as
 2 provided in Section 920 of this title.

3 Effective July 1, 1994, and thereafter, the member contributions
 4 and the computation factor selected shall be based on the entire
 5 compensation as an elected official subject to the definition and
 6 maximum compensation levels as set forth in paragraph (9) of Section
 7 902 of this title and shall be as follows:

8	Percent of	Computation	Alternate
9	Contribution <u>Rate</u>	Factor	Formula
10	4 1/2%	019	\$12.50
11	6%	025	\$20.00
12	7 1/2%	030	\$25.00
13	8 1/2%	034	\$27.50
14	9%	036	\$30.00
15	10%	040	\$40.00

16 B. The normal retirement date for an elected official shall be
 17 the first day of the month coinciding with or following the
 18 official's sixtieth birthday or the first day of the month
 19 coinciding with or following the date at which the sum of the
 20 elected official's age and number of years of credited service total
 21 eighty (80). Provided further, that any elective official who has a
 22 minimum of ten (10) years' participating service may retire under
 23 the early retirement provisions of this act, including those

24

1 electing a vested benefit and shall receive an adjustment of annual
2 benefits in accordance with the following percentage schedule:

3		Percentage of Normal
4	Age	Retirement Benefits
5	60	100%
6	59	94%
7	58	88%
8	57	82%
9	56	76%
10	55	70%

11 C. 1. Any elected official shall receive annual benefits
12 computed based upon the ~~computation~~ contribution rate and
13 corresponding computation factor selected multiplied by the member's
14 highest annual compensation received as an elected official prior to
15 retirement or termination of employment; provided, no elected
16 official shall retire using such highest annual compensation unless
17 the elected official has made the required election and has paid the
18 required contributions on such salary, multiplied by the number of
19 years of credited service, that has been credited to the member in
20 accordance with the provisions of this section.

21 2. The retirement benefit may be computed pursuant to the
22 provisions of paragraph (1) of subsection A of Section 915 of this
23 title if the benefit would be higher. Elected officials who have a
24 vested benefit prior to July 1, 1980, may elect to receive annual

1 benefits based on the alternate formula provided above. Such annual
2 benefits shall be paid in equal monthly installments.

3 3. Elected officials who are first elected or appointed to an
4 elected office on or after July 1, 2008, will receive retirement
5 benefits in accordance with the contribution rate and corresponding
6 computation factor selected pursuant to subsection A of this section
7 multiplied by the member's highest annual compensation received as
8 an elected official and only for those years of credited service the
9 member served as an elected official. If such elected official has
10 participating service as a nonelected member, then such nonelected
11 service shall be computed separately pursuant to the provisions of
12 paragraph (1) of subsection A of Section 915 of this title with the
13 final benefit result added to the final benefit result for elected
14 service. In no event shall the elected official be entitled to
15 apply the contribution rate and corresponding computation factor
16 selected pursuant to subsection A of this section or the
17 compensation received as an elected official to the computation of
18 nonelected service.

19 D. Any elected official making an election to participate at a
20 contribution ~~percent~~ rate less than the maximum and later selecting
21 a higher rate shall contribute to the System a sum equal to the
22 amount which he would have contributed if he had made such election
23 at the time he first became eligible, plus interest as determined by
24 the Board, in order to receive the additional benefits for all

1 service as an elected official; otherwise, the additional benefits
2 shall be applicable only to service for which the elected official
3 pays the appropriate percent of contributions to the System. Any
4 elected official who did not elect to participate and later elects
5 to participate prior to December 1, 1999, may receive credit for
6 those years of service accumulated by the member as an elected
7 official if the member is not receiving or eligible to receive
8 retirement credit or benefits from said service in any public
9 retirement system. To receive this service credit, the member shall
10 pay the amount determined by the Board pursuant to Section 913.5 of
11 this title.

12 E. An elected official who has a vested benefit on July 1,
13 1982, may elect to receive benefits based upon a higher contribution
14 rate than the official previously contributed by paying to the
15 System the contributions, plus interest as determined by the Board,
16 due at the higher rate as if that rate had been in effect at the
17 time the official accepted a vested benefit.

18 F. The surviving spouse of a deceased elected official having
19 at least six (6) years of participating service shall be entitled to
20 receive survivor benefits in the amount herein prescribed, if
21 married to the decedent continuously for a period of at least three
22 (3) years immediately preceding the elected official's death.
23 Provided the elected official had met the service requirements,
24 survivor benefits shall be payable when the deceased member would

1 have met the requirements for normal or early retirement. The
2 amount of the benefits the surviving spouse may receive shall be
3 fifty percent (50%) of the amount of benefits the deceased elected
4 official was receiving or will be eligible to receive. Remarriage
5 of a surviving spouse shall disqualify the spouse for the receipt of
6 survivor benefits. Elected officials may elect a retirement option
7 as provided in Section 918 of this title in lieu of the survivors
8 benefit provided above.

9 G. Any elected official who served in the Armed Forces of the
10 United States, as defined in paragraph (23) of Section 902 of this
11 title, prior to membership in the Oklahoma Public Employees
12 Retirement System shall be granted credited service of not to exceed
13 five (5) years for those periods of active military service during
14 which the elected official was a war veteran.

15 H. Any one appointed or elected to an elected position after
16 July 1, 1990, shall not be eligible to receive benefits as provided
17 in this section until such person has participated as an elected
18 official for six (6) years.

19 I. Elected officials who terminate participation in the System
20 and who have a minimum of six (6) years of participating service
21 shall be entitled to elect a vested benefit and shall be entitled to
22 the retirement options as provided in Section 918 of this title in
23 lieu of the survivors benefit provided above.

24 SECTION 3. This act shall become effective July 1, 2008.

1 SECTION 4. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

5 Passed the Senate the 11th day of March, 2008.

6
7 _____
8 Presiding Officer of the Senate

9 Passed the House of Representatives the ____ day of _____,
10 2008.

11
12 _____
13 Presiding Officer of the House
14 of Representatives