

THE HOUSE OF REPRESENTATIVES
Monday, April 16, 2007

Committee Substitute for
ENGROSSED
Senate Bill No. 691

COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL NO. 691 - By:
ADELSON of the Senate and PETERSON (RON) of the House.

An Act relating to counties and county officers; amending 19 O.S. 2001,
Section 956, which relates to county retirement systems; allowing certain
retired employees to return to work under certain circumstances; and
declaring an emergency.

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

1 SECTION 1. AMENDATORY 19 O.S. 2001, Section 956, is amended to read as
2 follows:

3 Section 956. No county employee shall be eligible for retirement benefits under ~~this~~
4 ~~aet~~ Section 951 et seq. of this title until such employee:

5 1. Has attained the age of sixty-two (62) years and shall have served for a period of
6 at least fifteen (15) years with said county, and the last two (2) years of such service shall
7 have been consecutive immediately preceding such retirement; or

8 2. Has attained the age of fifty-five (55) years and shall have served for a period of
9 at least thirty (30) years with said county; or

1 3. Has attained the age at which the sum of the employee's age and number of
2 years of service with the county total eighty (80).
3 To be eligible for retirement benefits the employee's service with the county shall have
4 ceased. Provided, the board of trustees and the board of county commissioners, by
5 resolution, may allow retirees to return to work on a part-time basis after the first month
6 of retirement and continue to be eligible for their retirement benefits. Provided, that any
7 county employee who shall have completed fifteen (15) years of service as such county
8 employee, the last two (2) years of which shall have been consecutive, and who, at the
9 time of completing such fifteen (15) years of service shall not have reached the age of
10 sixty-two (62) years, may then elect to retire, such retirement to become effective and all
11 retirement benefits to begin when such county employee shall have attained the age of
12 sixty-two (62) years, provided that such election shall be in writing upon such form as the
13 board of trustees shall direct, and such election shall be signed by such employee and
14 filed with the board of trustees, and any funds paid into the retirement system by such
15 employee may not thereafter be withdrawn by such employee. Provided, that when
16 approved by the board of trustees of the county retirement system and the board of
17 county commissioners of any county which has provided for a retirement fund and
18 system as authorized under the provisions of Section 951 of this title, the board of
19 trustees may lower the mandatory fifteen-year requirement to not less than five (5) years
20 by a resolution if the following has occurred:

21 1. Prior to such action, an actuarial report on the system shall be made by an
22 independent professional actuary qualified as an "Enrolled actuary" as defined by the

1 Employee Retirement Income Security Act (ERISA) of 1974, which report shall
2 determine and declare whether the reduction of the mandatory service requirement
3 would result in any additional unfunded or accrued liabilities and, if so, the amount
4 required to make the retirement system actuarially sound expressed in dollars and in
5 percent of the gross payroll.

6 2. Such report shall be filed with the board of trustees and with the board of county
7 commissioners and notice of the receipt and filing of such report be given by the board of
8 county commissioners by publishing notice thereof in a newspaper of general circulation
9 in the county. Such report shall be a public document subject to examination by any
10 interested person. Any member of the retirement system or any citizen of the county
11 may, within thirty (30) days from the date of such publication, file a petition in the
12 district court of the county in which the retirement system is located to challenge the
13 validity and accuracy of the actuarial report or any other action taken in connection
14 therewith, and the court is hereby vested with jurisdiction to receive evidence and enter
15 a judgment affirming, modifying or rejecting the actuarial report or any funding
16 provisions, and such report shall be conformed in accordance with any final judgment.
17 The costs, including attorney fees, if any, of such action shall be assessed by the court as
18 it may deem equitable irrespective of the form of the judgment.

19 3. If the final report determines that additional funding shall be required to
20 implement any reduction of the mandatory service requirement, then and in that event
21 affirmative action by the board of county commissioners, approved by the board of
22 trustees, providing for the funding of any such changed benefits in an amount necessary

1 to make said system actuarially sound upon the implementation of such change shall be
2 established at or prior to the effective date of such reduction in the mandatory service
3 requirement.

4 4. If the report reveals no additional funding requirement, then the board of county
5 commissioners with the approval of the board of trustees may lower the mandatory
6 fifteen-year service requirement as provided in this section without a corresponding or
7 concurrent funding resolution.

8 5. It is further provided that if the mandatory service credit is reduced to a period
9 of time less than fifteen (15) years, then and in that event the retirement benefits shall
10 be correspondingly reduced by at least an amount equal to six and two-thirds percent (6
11 2/3%) from that which would have been earned for fifteen (15) years' service multiplied
12 by the number of years of reduction in the mandatory service except for those retirees
13 who have eight (8) years' service and are entitled to disability retirement. The
14 entitlement to disability retirement and the amount thereof shall not be affected by this
15 paragraph.

16 6. No person shall be entitled to receive the benefits of a reduction in the
17 mandatory service requirement who at the time of such reduction is not then an
18 employee of the county, has been continuously employed by the county and a member of
19 the county retirement system for the twenty-four (24) months immediately preceding the
20 reduction in the mandatory service requirement or shall have been an employee with
21 twenty-four (24) months immediately preceding the election by such employee to receive
22 the benefit of the reduced mandatory service requirement.

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

1 Provided further, that, for the purposes of ~~this act~~ Section 951 et seq. of this title and the
2 eligibility of employees to participate therein, employees of levee districts shall be
3 considered county employees. Retirement benefits, disability benefits and benefits paid
4 to the surviving spouse shall be calculated on the average of the income of any three (3)
5 years which shall be the years of highest income for said employee during participation
6 in said retirement system.

7 Any employee of the county covered by ~~this act~~ Section 951 et seq. of this title who
8 shall have completed eight (8) years of employment with said county and who, by reason
9 of disability resulting from the performance of his or her duties as such employee of said
10 county, shall become disabled to such an extent as to be unable to perform his or her
11 duties as an employee shall be entitled to disability retirement and to such benefits as
12 the board of trustees shall determine; provided, however, that the board of trustees shall
13 find that said disability is total and permanent, and resulted from the performance of his
14 or her duty as such employee of the county.

15 Any person who has been a regular county employee for at least one (1) year
16 immediately preceding the time he is required, by Act of Congress of the United States
17 and/or by order of the President of the United States, or volunteers to leave the
18 employment of the county to enter the military service of the United States government
19 shall receive credit, for the purposes of ~~this act~~ Section 951 et seq. of this title, for all
20 actual time so served in full-time military service, but not to exceed a total of four (4)
21 years in all; provided, however, that to be eligible to receive such credit, the employee
22 shall not withdraw funds previously contributed, as otherwise permitted by the

1 provisions of ~~this act~~ Section 951 et seq. of this title; provided, further, that neither the
2 employee nor the county shall be required to make further contribution to the retirement
3 fund during the period of military service; and, provided, further, that the credit time
4 allowed, hereby, shall not be considered in lieu of the two (2) years' consecutive
5 employment required by this section, as a prerequisite to receiving retirement benefits
6 hereunder. Provided further, that if any county employee who shall have completed at
7 least fifteen (15) years of service to any county covered by ~~this act~~ Section 951 et seq. of
8 this title and who has not yet reached the age of retirement shall die, then, and in such
9 event, the surviving spouse of said county employee shall receive retirement benefits in
10 the amount of sixty-six and two-thirds percent (66 2/3%) of whatever benefits would
11 otherwise be received by said county employee under ~~this act~~ Section 951 et seq. of this
12 title at the age of sixty-two (62) years, such retirement benefits to the surviving spouse to
13 begin on the date said deceased county employee would have reached the age of sixty-two
14 (62) years.

15 Provided further, that if any county employee receiving or eligible to receive
16 retirement benefits pursuant to the provisions of ~~this act~~ Section 951 et seq. of this title
17 shall die, then, and in such event, the surviving spouse of said person shall receive
18 retirement benefits in the amount of sixty-six and two-thirds percent (66 2/3%) of
19 whatever benefits the deceased was receiving or was entitled to receive for the remainder
20 of the natural life of said surviving spouse. This provision shall apply to anyone who has
21 qualified for retirement, even though they may not have retired or are deceased. Said
22 provision also shall include any employees who have retired after January 1, 1970, and

1 later shall become deceased, then in such event the surviving spouse shall receive
2 sixty-six and two-thirds percent (66 2/3%). This shall not apply to persons who have
3 retired prior to January 1, 1970, or their spouses.

4 Provided further, that the board of trustees and the board of county commissioners
5 may elect to amend the surviving spouse benefit provision to increase the surviving
6 spouse retirement benefit to as much as one hundred percent (100%).

7 Provided further, that the board of trustees and the board of county commissioners
8 may elect to amend the benefit provisions to allow any vested employee who is otherwise
9 not eligible to retire because such employee has not satisfied any of the age requirements
10 the option of retiring as early as age fifty-five (55). However, such employee shall have
11 met the minimum service requirements approved by the board of trustees of the county
12 retirement system and the board of county commissioners. If any employee elects such
13 an option, the employee shall receive an actuarially reduced benefit.

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

18 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT AND
19 TRANSPORTATION, dated 04-12-07 - DO PASS, As Amended.