

THE STATE SENATE  
Monday, February 25, 2008

Senate Bill No. 1641  
As Amended

SB 1641

SENATE BILL NO. 1641 - By: MAZZEI of the Senate and SULLIVAN of the House.

[ retirement - the Oklahoma Public Employees Retirement System - effective date - emergency ]

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

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

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

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

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

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

(4) "Actuarial equivalent" means a deferred income benefit of equal value to the accumulated deposits or benefits when computed 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,  
23               1988, through June 30, 1994, the maximum compensation

1 level 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~~ nonelective salary reduction under  
23 Section 414(h) of 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~~  
17 Reappointment to the same office shall not permit a  
18 new election. Members appointed to the Oklahoma Tax  
19 Commission after the effective date of this act shall  
20 make such election, pursuant to this subparagraph,  
21 within ninety (90) days of taking office;

22 (10) "Credited service" means the sum of participating service,  
23 prior service and elected service. Unless otherwise provided by

1 law, for purposes of benefit calculations, each specific type of  
2 service shall be multiplied by the percentage applicable to that  
3 type of service;

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

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

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

20 (a) If a class or several classes of employees of any  
21 above-defined employers are covered by Social Security  
22 and are not covered by or eligible for and will not  
23 become eligible for another retirement plan authorized

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

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

1 (d) A participating employer of the Teachers' Retirement  
2 System of Oklahoma, who has one or more employees who  
3 have made an election pursuant to enabling legislation  
4 to retain membership in the System as a result of  
5 change in administration, shall be considered a  
6 participating employer of the Oklahoma Public  
7 Employees Retirement System only for such employees;

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

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

1 (b) Eligibility shall not include any employee who is a  
2 contributing member of the United States Civil Service  
3 Retirement System.

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

19 (d) Eligibility shall also not include any officer or  
20 employee of the Oklahoma Employment Security  
21 Commission, except for those officers and employees of  
22 the Commission electing to transfer to this System  
23 pursuant to the provisions of Section 910.1 of this

1 title or any other class of officers or employees  
2 specifically exempted by the laws of this state,  
3 unless there be a consolidation as provided by Section  
4 912 of this title. Employees of the Oklahoma  
5 Employment Security Commission who are ineligible for  
6 enrollment in the Employment Security Commission  
7 Retirement Plan, that was in effect on January 1,  
8 1964, shall become members of this System.

9 (e) Any employee employed by the Legislative Service  
10 Bureau, State Senate or House of Representatives for  
11 the full duration of a regular legislative session  
12 shall be eligible for membership in the System  
13 regardless of classification as a temporary employee  
14 and may participate in the System during the regular  
15 legislative session at the option of the employee.  
16 For purposes of this subparagraph, the determination  
17 of whether an employee is employed for the full  
18 duration of a regular legislative session shall be  
19 made by the Legislative Service Bureau if such  
20 employee is employed by the Legislative Service  
21 Bureau, the State Senate if such employee is employed  
22 by the State Senate, or by the House of  
23 Representatives if such employee is employed by the

1 House of Representatives. Each regular legislative  
2 session during which the legislative employee or an  
3 employee of the Legislative Service Bureau  
4 participates full time shall be counted as six (6)  
5 months of full-time participating service.

6 (i) Except as otherwise provided by this  
7 subparagraph, once a temporary session employee  
8 makes a choice to participate or not, the choice  
9 shall be binding for all future legislative  
10 sessions during which the employee is employed.

11 (ii) Notwithstanding the provisions of division (i) of  
12 this subparagraph, any employee, who is eligible  
13 for membership in the System because of the  
14 provisions of this subparagraph and who was  
15 employed by the State Senate or House of  
16 Representatives after January 1, 1989, may file  
17 an election, in a manner specified by the Board,  
18 to participate as a member of the System prior to  
19 September 1, 1989.

20 (iii) Notwithstanding the provisions of division (i) of  
21 this subparagraph, a temporary legislative  
22 session employee who elected to become a member  
23 of the System may withdraw from the System

1 effective the day said employee elected to  
2 participate in the System upon written request to  
3 the Board. Any such request must be received by  
4 the Board prior to October 1, 1990. All employee  
5 contributions made by the temporary legislative  
6 session employee shall be returned to the  
7 employee without interest within four (4) months  
8 of receipt of the written request.

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

- 17 a. the member files an election with the System  
18 not later than December 31, 2000, to  
19 purchase the prior service; and  
20 b. the member makes payment to the System of  
21 the actuarial cost of the service credit  
22 pursuant to subsection A of Section 913.5 of  
23 this title. The provisions of Section 913.5

1 of this title shall be applicable to the  
2 purchase of the service credit, including  
3 the provisions for determining service  
4 credit in the event of incomplete payment  
5 due to cessation of payments, death,  
6 termination of employment or retirement, but  
7 the payment may extend for a period not to  
8 exceed ninety-six (96) months;

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

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

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

18 (18) "Final average compensation" means the average annual  
19 compensation, including amounts deferred under deferred compensation  
20 agreements entered into between a member and a participating  
21 employer, up to, but not exceeding the maximum compensation levels  
22 as provided in paragraph (9) of this section received during the  
23 highest three (3) of the last ten (10) years of participating

1 service immediately preceding retirement or termination of  
2 employment. Provided, no member shall retire with a final average  
3 compensation unless the member has made the required contributions  
4 on such compensation, as defined by the Board of Trustees;

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

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

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

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

21 (23) "Military service" means service in the Armed Forces of  
22 the United States by an honorably discharged person during the  
23 following time periods, as reflected on such person's Defense

1 Department Form 214, not to exceed five (5) years for combined  
2 participating and/or prior service, as follows:

3 (a) during the following periods, including the beginning  
4 and ending dates, and only for the periods served,  
5 from:

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

8 (ii) September 16, 1940, to December 7, 1941, as a  
9 member of the 45th Division,

10 (iii) December 7, 1941, to December 31, 1946, commonly  
11 referred to as World War II,

12 (iv) June 27, 1950, to January 31, 1955, commonly  
13 referred to as the Korean Conflict or the Korean  
14 War,

15 (v) February 28, 1961, to May 7, 1975, commonly  
16 referred to as the Vietnam era, except that:

17 a. for the period from February 28, 1961, to  
18 August 4, 1964, military service shall only  
19 include service in the Republic of Vietnam  
20 during that period, and

21 b. for purposes of determining eligibility for  
22 education and training benefits, such period  
23 shall end on December 31, 1976, or

1 (vi) August 1, 1990, to December 31, 1991, commonly  
2 referred to as the Gulf War, the Persian Gulf  
3 War, or Operation Desert Storm, but excluding any  
4 person who served on active duty for training  
5 only, unless discharged from such active duty for  
6 a service-connected disability;

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

1 present appropriate documentation establishing such  
2 service.

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

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

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

1 sending system as defined in Section 901 et seq. of  
2 this title, prior to July 1, 1992, regardless of  
3 whether there were breaks in service after July 1,  
4 1992,

5 (c) for any person who became a member after June 30,  
6 1992, the first day of the month coinciding with or  
7 following the date at which the sum of a member's age  
8 and number of years of credited service total ninety  
9 (90),

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

14 (i) a correctional or probation and parole officer  
15 with the Department of Corrections and at the  
16 time of retirement, the member was a correctional  
17 or probation and parole officer with the  
18 Department of Corrections, or

19 (ii) a correctional officer, probation and parole  
20 officer or fugitive apprehension agent with the  
21 Department of Corrections who is in such position  
22 on June 30, 2004, or who is hired after June 30,  
23 2004, and who receives a promotion or change in

1 job classification after June 30, 2004, to  
2 another position in the Department of  
3 Corrections, so long as such officer or agent has  
4 at least five (5) years of service as a  
5 correctional officer, probation and parole  
6 officer or fugitive apprehension agent with the  
7 Department, has twenty (20) years of full-time-  
8 equivalent employment with the Department and was  
9 employed by the Department at the time of  
10 retirement, or

11 (iii) a firefighter with the Oklahoma Military  
12 Department either employed for the first time on  
13 or after July 1, 2002, or who was employed prior  
14 to July 1, 2002, in such position and who makes  
15 the election authorized by division (2) of  
16 subparagraph b of paragraph (8) of subsection A  
17 of Section 915 of this title and at the time of  
18 retirement, the member was a firefighter with the  
19 Oklahoma Military Department, and such member has  
20 at least twenty (20) years of credited service  
21 upon which the two and one-half percent (2 1/2%)  
22 multiplier will be used in calculating the  
23 retirement benefit,

1 (e) for those fugitive apprehension agents who retire on  
2 or after July 1, 2002, the first day of the month  
3 coinciding with or following a member's completion of  
4 at least twenty (20) years of full-time-equivalent  
5 employment as a fugitive apprehension agent with the  
6 Department of Corrections and at the time of  
7 retirement, the member was a fugitive apprehension  
8 agent with the Department of Corrections, or

9 (f) for any member who was continuously employed by an  
10 entity or institution within The Oklahoma State System  
11 of Higher Education and whose initial employment with  
12 such entity or institution was prior to July 1, 1992,  
13 and who without a break in service of more than thirty  
14 (30) days became employed by an employer participating  
15 in the Oklahoma Public Employees Retirement System,  
16 the first day of the month coinciding with or  
17 following the date at which the sum of the member's  
18 age and number of years of credited service total  
19 eighty (80);

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

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

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

6           (28) "Retirant" means a member who has retired under the  
7 System;

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

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

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

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

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

5           (34) "Elected official" means a person elected to a state  
6 office in the legislative or executive branch of state government or  
7 a person elected to a county office for a definite number of years  
8 and shall include an individual who is appointed to fill the  
9 unexpired term of an elected state official;

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

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

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

18          Section 913.4 A. An elected official may elect to participate  
19 in the System and if he or she elects to do so shall have the option  
20 of contributing at any one of the below listed ~~percentage factors~~  
21 contribution rates and will receive retirement benefits in  
22 accordance with the ~~percentage factor~~ contribution rate chosen. The  
23 election on participation in the System must be in writing, must

1 specify the percent of contributions chosen, and must be filed with  
2 the System within ninety (90) days after the elected official takes  
3 office. The election ~~is~~ to participate and the election of a  
4 contribution rate shall be irrevocable. Reelection to the same  
5 office will not permit a new ~~election~~ elections. Failure of an  
6 elected official to file such election form within the ninety-day  
7 period shall be deemed an irrevocable election to participate in the  
8 System at the maximum contribution ~~percentage~~ rate. Any currently  
9 serving elected official who has not previously elected to  
10 participate in the System on the effective date of this act, must  
11 make an election on participation in writing, specifying the  
12 ~~contributions percent~~ contribution rate no later than December 1,  
13 1999. Failure of a currently serving elected official to file such  
14 election form shall be deemed an irrevocable election to participate  
15 in the System at the maximum contribution ~~percentage~~ rate.  
16 Contributions and benefits will be based upon his or her annual  
17 compensation as defined in Section 902 of this title. Employer and  
18 employee contributions shall be remitted monthly, or as the Board  
19 may otherwise provide, to the Executive Director for deposit in the  
20 Oklahoma Public Employees Retirement Fund. Effective July 1, 1994,  
21 and thereafter, the participating employer shall contribute as  
22 provided in Section 920 of this title.

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

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

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

	Age	Percentage of Normal Retirement Benefits
1		
2		
3	60	100%
4	59	94%
5	58	88%
6	57	82%
7	56	76%
8	55	70%

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

19 2. The retirement benefit may be computed pursuant to the  
20 provisions of paragraph (1) of subsection A of Section 915 of this  
21 title if the benefit would be higher. Elected officials who have a  
22 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

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

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

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

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

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

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

21 I. Elected officials who terminate participation in the System  
22 and who have a minimum of six (6) years of participating service  
23 shall be entitled to elect a vested benefit and shall be entitled to

1 the retirement options as provided in Section 918 of this title in  
2 lieu of the survivors benefit provided above.

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

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

8 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT & INSURANCE, dated  
9 2-21-08 - DO PASS, As Amended and Coauthored.