

STATE OF OKLAHOMA

2nd Session of the 51st Legislature (2008)

SENATE BILL 2169

By: Corn

AS INTRODUCED

An Act relating to retirement; amending 47 O.S. 2001, Sections 2-305, as last amended by Section 7, Chapter 152, O.S.L. 2007, 2-305.2, as last amended by Section 20, Chapter 46, 2nd Extraordinary Session, O.S.L. 2006, and 2-306, as last amended by Section 4, Chapter 542, O.S.L. 2004 (47 O.S. Supp. 2007, Sections 2-305, 2-305.2 and 2-306), which relate to the Oklahoma Law Enforcement Retirement System; adding position eligible to receive retirement pay in certain amount; updating reference; modifying amount of certain payments made in support of certain surviving children; allowing certain surviving spouses to elect to participate in the Oklahoma Law Enforcement Deferred Option Plan; amending 74 O.S. 2001, Section 1316.2, as last amended by Section 2, Chapter 198, O.S.L. 2005 (74 O.S. Supp. 2007, Section 1316.2), which relates to the State and Education Employees Group Insurance Board; modifying amount paid by the Oklahoma Law Enforcement Retirement System for health insurance premiums; expanding eligibility for those surviving spouses or dependents that may elect to continue certain benefits; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 2-305, as last amended by Section 7, Chapter 152, O.S.L. 2007 (47 O.S. Supp. 2007, Section 2-305), is amended to read as follows:

1 Section 2-305. A. Except as otherwise provided in this title,
2 at any time after attaining normal retirement date, any member of
3 the Oklahoma Law Enforcement Retirement System upon application for
4 unreduced retirement benefits made and approved, may retire, and,
5 during the remainder of the member's lifetime, receive annual
6 retirement pay, payable in equal monthly payments, equal to two and
7 one-half percent (2 1/2%) of the final average salary times years of
8 credited service. If such retired member is reemployed by a state
9 agency in a position which is not covered by the System, such
10 retired member shall continue to receive in-service distributions
11 from the System. Prior to September 19, 2002, if such retired
12 member was reemployed by a state agency in a position which is
13 covered by the System, such member shall continue to receive in-
14 service distributions from the System and shall not accrue any
15 further credited service. If such a member is reemployed by a state
16 agency in a position which is covered by the System on or after
17 September 19, 2002, such member's monthly retirement payments shall
18 be suspended until such member retires and is not reemployed by a
19 state agency in a position which is covered by the System. No
20 member shall be required to retire for length of service unless and
21 until the member shall have reached the age of sixty (60) years, but
22 any member of the System who shall have reached the age of sixty
23 (60) years and who shall also have completed twenty (20) years or
24 more of credited service shall be retired by the Board unless, after

1 application to the Board and such examination and showing as the
2 Board may deem proper, the Board shall determine that such member of
3 the System is physically and mentally able to continue to perform
4 duties or service as required of a member. Unless such application
5 be made by a member of the System within thirty (30) days after
6 reaching the age of sixty (60) years and completing twenty (20)
7 years or more of credited service or if, after such application and
8 examination, the Board shall determine that such member of the
9 System is not physically or mentally able to continue to perform
10 services as required of the employer, the Board shall by resolution
11 order his or her retirement with retirement pay for length of
12 service as provided herein.

13 B. Beginning July 1, 1994, members who retired or were eligible
14 to retire prior to July 1, 1980 or their surviving spouses shall
15 receive annual retirement pay, payable in equal monthly payments,
16 equal to the greater of their current retirement pay, or two and
17 one-half percent (2 1/2%) of the actual paid gross salary being
18 currently paid to a highway patrol officer, at the time each such
19 monthly retirement payment is made, multiplied by the retired
20 member's years of credited service.

21 C. Members of the System whose salary is set by statute who
22 have retired after completion of the mandatory twenty (20) years of
23 service, and those members with statutory salaries who retire after
24 reaching the mandatory twenty-year retirement, shall receive an

1 annual retirement pay, payable in equal monthly installments, based
2 upon the greater of either:

3 1. The top base pay currently paid to an active member, at the
4 time each such monthly retirement payment is made, multiplied by two
5 and one-half percent (2 1/2%) multiplied by the number of years of
6 credited service and fraction thereof for the following positions:

7 a. Oklahoma Highway Patrolman,

8 b. Communications Dispatcher,

9 c. Capitol Patrolman,

10 d. Lake Patrolman,

11 e. Oklahoma State Bureau of Investigation-Special Agent
12 or criminalist; or

13 2. The member's final average salary as set forth in paragraph
14 9 of Section 2-300 of this title, multiplied by two and one-half
15 percent (2 1/2%), and multiplied by the number of years of credited
16 service and fraction thereof.

17 No member of the System retired prior to July 1, 2002, shall
18 receive a benefit less than the amount the member is receiving as of
19 June 30, 2002.

20 D. Other members of the System whose retirement benefit is not
21 otherwise prescribed by this section who have retired after
22 completion of the mandatory twenty (20) years of service, and those
23 members who retire after reaching the mandatory twenty-year
24

1 retirement, shall receive an annual retirement pay, payable in equal
2 monthly payments, based upon the greater of either:

3 1. The actual average salary currently paid to the highest
4 nonsupervisory position in the participating agency, at the time
5 each such monthly payment is made, multiplied by two and one-half
6 percent (2 1/2%), multiplied by the number of years of credited
7 service and fraction thereof for the following positions:

8 a. Alcoholic Beverage Laws Enforcement Commission-ABLE
9 Commission Agent III,

10 b. Oklahoma State Bureau of Narcotics and Dangerous Drugs
11 Control-Narcotics Agent III,

12 c. Oklahoma Tourism and Recreation Department-Park Ranger
13 II,

14 d. Oklahoma State Board of Pharmacy-Pharmacy Inspector,

15 e. University of Oklahoma-Police Officer,

16 f. Oklahoma State University-Police Officer; or

17 2. The other member's final average salary as set forth in
18 paragraph 9 of Section 2-300 of this title, multiplied by two and
19 one-half percent (2 1/2%), multiplied by the number of years of
20 credited service and fraction thereof.

21 No member of the System retired prior to July 1, 2002, shall
22 receive a benefit less than the amount the member is receiving as of
23 June 30, 2002. The participating employer must certify to the
24 System in writing the actual average gross salary currently paid to

1 the highest nonsupervisory position. The Board of Trustees shall
2 promulgate such rules as are necessary to implement the provisions
3 of this section.

4 E. A member who meets the definition of disability as defined
5 in paragraph 11 of Section 2-300 of this title by direct reason of
6 the performance of the member's duties as an officer shall receive a
7 monthly benefit equal to the greater of fifty percent (50%) of final
8 average salary or two and one-half percent (2 1/2%) of final average
9 salary multiplied by the number of years of the member's credited
10 service. If such member participates in the Oklahoma Law
11 Enforcement Deferred Option Plan pursuant to Section 2-305.2 of this
12 title, then such member's disability pension provided pursuant to
13 this subsection shall be reduced to account for such member's
14 participation in the Oklahoma Law Enforcement Deferred Option Plan.

15 F. A member who meets the definition of disability as defined
16 in paragraph 11 of Section 2-300 of this title and whose disability
17 is by means of personal and traumatic injury of a catastrophic
18 nature and in the line of duty, shall receive a monthly benefit
19 equal to:

20 1. Two and one-half percent (2 1/2%);

21 2. Multiplied by:

22 a. twenty (20) years of service, regardless of the actual
23 number of years of credited service performed by the
24 member prior to the date of disability, if the member

1 had performed less than twenty (20) years of service,
2 or

3 b. the actual number of years of service performed by the
4 member if the member had performed twenty (20) or more
5 years of service;

6 3. Multiplied by a final average salary equal to:

7 a. the salary which the member would have received
8 pursuant to statutory salary schedules in effect upon
9 the date of the disability for twenty (20) years of
10 service prior to disability. The final average salary
11 for a member who performed less than twenty (20) years
12 of service prior to disability shall be computed
13 assuming that the member was paid the highest salary
14 allowable pursuant to the law in effect at the time of
15 the member's disability based upon twenty (20) years
16 of service and with an assumption that the member was
17 eligible for any and all increases in pay based upon
18 rank during the entire period. If the salary of a
19 member is not prescribed by a specific salary schedule
20 upon the date of the member's disability, the final
21 average salary for the member shall be computed by the
22 member's actual final average salary or the highest
23 median salary amount for a member whose salary was
24 prescribed by a specific salary schedule upon the date

1 of the member's disability, whichever final average
2 salary amount would be greater, or

- 3 b. the actual final average salary of the member if the
4 member had performed twenty (20) or more years of
5 service prior to disability.

6 If such member participates in the Oklahoma Law Enforcement
7 Deferred Option Plan pursuant to Section 2-305.2 of this title, such
8 member's disability pension provided pursuant to this subsection
9 shall be adjusted as provided in Section 2-305.2 of this title to
10 account for such member's participation in the Oklahoma Law
11 Enforcement Deferred Option Plan.

12 G. A member who meets the definition of disability as defined
13 in Section 2-300 of this title and whose disability occurred prior
14 to the member's normal retirement date but after completing three
15 (3) years of vesting service and not by reason of the performance of
16 the member's duties as an officer or as a result of the member's
17 willful negligence shall receive a monthly benefit equal to two and
18 one-half percent (2 1/2%) of final average salary multiplied by the
19 number of years of the member's credited service.

20 H. Payment of a disability pension shall commence as of the
21 first day of the month coinciding or next following the date of
22 retirement and shall continue as long as the member meets the
23 definition of total and permanent disability provided in this
24 section.

1 I. For the purpose of determining the member's disability under
2 subsection E, F or G of this section, the member shall be required
3 by the Board to be examined by a minimum of two recognized
4 physicians selected by the Board to determine the extent of the
5 member's injury or illness. The examining physicians shall furnish
6 the Board a detailed written report of the injury or illness of the
7 examined member establishing the extent of disability and the
8 possibilities of the disabled member being returned to his or her
9 regular duties or an alternate occupation or service covered by the
10 System after a normal recuperation period. The Board shall require
11 all retired disabled members who have not attained their normal
12 retirement date to submit to a physical examination once each year
13 for a minimum of three (3) years following retirement. The Board
14 shall select a minimum of two physicians to examine the retired
15 members and pay for their services from the fund. Any retired
16 disabled member found no longer disabled by the examining physicians
17 to perform the occupation of the member or an alternate occupation
18 or service covered by the System shall be required to return to duty
19 and complete twenty (20) years of service as provided in subsection
20 A of this section, or forfeit all his or her rights and claims under
21 ~~this act~~ Section 2-300 et seq. of this title.

22 J. The disability benefit under this section shall be for the
23 lifetime of the member unless such member is found no longer
24 disabled pursuant to subsection I of this section. Such member

1 shall not be entitled to the retirement benefit pursuant to
2 subsection A of this section unless such member returns to active
3 duty and is eligible for a retirement benefit as provided in
4 subsection A of this section.

5 K. At the postoffer, preemployment physical examination
6 required under paragraph 6 of Section 2-300 of this title, the
7 physician selected by the Board shall determine the extent to which
8 a new member is disabled. If a member is determined to be partially
9 disabled, the physician shall assign a percentage of disability to
10 such partial disability. If such member then becomes entitled to a
11 disability benefit under either subsection E or subsection G of this
12 section, the benefit payable shall be reduced by the percentage
13 which such member was determined to be disabled at the postoffer,
14 preemployment physical unless the Board makes a determination that
15 the initially determined percentage of disability at the
16 preemployment physical examination is unrelated to the reason for
17 the disability currently sought pursuant to subsection E or
18 subsection G of this section. Upon employment, the member shall
19 disclose to the Board any disability payments received from any
20 source. The amount of disability to be paid to any member cannot
21 exceed one hundred percent (100%) disability from all sources. The
22 provisions of this subsection shall apply only to members whose
23 effective date of membership is on or after July 1, 2000.

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1 L. In addition to the pension provided for under subsection F
2 of this section, if said member has one or more children under the
3 age of eighteen (18) years or under the age of twenty-two (22) years
4 if the child is enrolled full time in and is regularly attending a
5 public or private school or any institution of higher education,
6 ~~Four Hundred Dollars (\$400.00)~~ Seven Hundred Fifty Dollars (\$750.00)
7 a month shall be paid from said Fund for the support of each
8 surviving child to the member or person having the care and custody
9 of such children until each child reaches the age of eighteen (18)
10 years or reaches the age of twenty-two (22) years if the child is
11 enrolled full time in and is regularly attending a public or private
12 school or any institution of higher education.

13 M. Notwithstanding any other provisions in Section 2-300
14 through 2-315 of this title, in order to be eligible to receive
15 disability benefits, a member who meets the definition of disability
16 as defined in paragraph 11 of Section 2-300 of this title shall file
17 the member's completed application for disability benefits with the
18 System before such member's date of termination from service and
19 provide such additional information that the System's rules require
20 within six (6) months of the System's receipt of such application.
21 If the member's completed application for disability benefits is not
22 filed with the System before the member's date of termination from
23 service or such additional information as is required under the
24 System's rules is not provided within six (6) months of the System's

1 receipt of such application, such member shall be eligible only for
2 such other benefits as are available to members of the System and
3 shall not be eligible to receive any disability benefits.

4 N. If the requirements of Section ~~10~~ 2-305.1C of this ~~act~~ title
5 are satisfied, a member who, by reason of disability or attainment
6 of normal retirement date or age, is separated from service as a
7 public safety officer with the member's participating employer may
8 elect to have payment made directly to the provider for qualified
9 health insurance premiums by deduction from his or her monthly
10 disability benefit or monthly retirement payment, after December 31,
11 2006, in accordance with Section 402(1) of the Internal Revenue Code
12 of 1986, as amended.

13 SECTION 2. AMENDATORY 47 O.S. 2001, Section 2-305.2, as
14 last amended by Section 20, Chapter 46, 2nd Extraordinary Session,
15 O.S.L. 2006 (47 O.S. Supp. 2007, Section 2-305.2), is amended to
16 read as follows:

17 Section 2-305.2 A. In lieu of terminating employment and
18 accepting a service retirement pension pursuant to Section 2-305 of
19 this title, any member of the Oklahoma Law Enforcement Retirement
20 System who has not less than twenty (20) years of participating
21 service and who is eligible to receive a service retirement pension
22 may elect to participate in the Oklahoma Law Enforcement Deferred
23 Option Plan and defer the receipts of benefits in accordance with
24 the provisions of this section.

1 B. For purposes of this section, participating service shall
2 include service credit recognized pursuant to paragraphs (c) and (d)
3 of Section 2-307, subsection B of Section 2-307.2, and Sections 2-
4 309.1, 2-309.2, 2-309.3, 2-309.4, 2-309.5, 2-309.6 and 2-309.7 of
5 this title but for eligibility purposes only.

6 C. The duration of participation in the Oklahoma Law
7 Enforcement Deferred Option Plan for a member shall not exceed five
8 (5) years. Participation in the Oklahoma Law Enforcement Deferred
9 Option Plan must begin the first day of a month and end on the last
10 day of the month. At the conclusion of a member's participation in
11 the Oklahoma Law Enforcement Deferred Option Plan, the member shall
12 terminate employment as a member of the Oklahoma Law Enforcement
13 Retirement System, and shall start receiving the member's accrued
14 monthly retirement benefit from the System. Such a member may
15 continue to receive in-service distributions of such member's
16 accrued monthly retirement benefit from the System if the member is
17 reemployed by a state agency only if such reemployment is in a
18 position not covered under the System.

19 D. When a member begins participation in the Oklahoma Law
20 Enforcement Deferred Option Plan, the contribution of the member
21 shall cease. The employer contributions shall continue to be paid
22 in accordance with Section 2-304 of this title. Employer
23 contributions for members who elect the Oklahoma Law Enforcement
24 Deferred Option Plan shall be credited equally to the Oklahoma Law

1 Enforcement Retirement System and to the member's Oklahoma Law
2 Enforcement Deferred Option Plan account. The monthly retirement
3 benefits that would have been payable had the member elected to
4 cease employment and receive a service retirement shall be paid into
5 the member's Oklahoma Law Enforcement Deferred Option Plan account.

6 E. 1. A member who participates in this plan shall be eligible
7 to receive cost of living increases.

8 2. A member who participates in this plan shall earn interest
9 at a rate of two percentage points below the rate of return of the
10 investment portfolio of the System, but no less than the actuarial
11 assumed interest rate as certified by the actuary in the yearly
12 evaluation report of the actuary. The interest shall be credited to
13 the individual account balance of the member on an annual basis.

14 F. A member in the Oklahoma Law Enforcement Deferred Option
15 Plan shall receive, at the option of the member:

16 1. A lump-sum payment from the account equal to the option
17 account balance of the member, payable to the member;

18 2. A lump-sum payment from the account equal to the option
19 account balance of the member, payable to the annuity provider which
20 shall be selected by the member as a result of the research and
21 investigation of the member; or

22 3. Any other method of payment if approved by the Board.

23 If a member meets the definition of disability as defined in
24 paragraph 11 of Section 2-300 of this title by direct reason of the

1 performance of the member's duties, the payment from the account
2 shall be an in-line-of-duty disability payment.

3 G. If the member dies during the period of participation in the
4 Oklahoma Law Enforcement Deferred Option Plan, a lump-sum payment
5 equal to the account balance of the member shall be paid to the
6 designated beneficiary as defined in paragraph 17 of Section 2-300
7 of this title, or if there is no designated beneficiary or the
8 designated beneficiary predeceases the member, to the estate of the
9 member. If such member was receiving, or eligible to receive, an
10 in-line-of-duty disability pension pursuant to subsection E or F of
11 Section 2-305 of this title at the time of death, payment of the
12 account balance shall be an in-line-of-duty disability payment.

13 H. In lieu of participating in the Oklahoma Law Enforcement
14 Deferred Option Plan pursuant to subsections A, B, C, D, E and F of
15 this section, a member may elect to participate in the Oklahoma Law
16 Enforcement Deferred Option Plan pursuant to this subsection as
17 follows:

18 1. For purposes of this subsection, the following definitions
19 shall apply:

20 a. "back drop date" means the date selected by the member
21 which is up to five (5) years before the member elects
22 to participate in the Oklahoma Law Enforcement
23 Deferred Option Plan, but not before the date at which
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1 the member completes twenty (20) years of
2 participating service,

3 b. "termination date" means the date the member elects to
4 participate in the Oklahoma Law Enforcement Deferred
5 Option Plan pursuant to this subsection and the date
6 the member terminates employment and starts receiving
7 the member's accrued monthly retirement benefit from
8 the System. Such termination has at all times
9 included reemployment of a member by a state agency,
10 but only in a position not covered under the System,

11 c. "earlier attained participating service" means the
12 participating service earned by a member as of the
13 back drop date. Earlier attained participating
14 service cannot be reduced to less than twenty (20)
15 years of participating service, and

16 d. "deferred benefit balance" means all retirement
17 benefits that would have been paid from the back drop
18 date to the termination date, and one half (1/2) of
19 the employer contributions from the back drop date to
20 the termination date, with interest based on how the
21 benefit would have accumulated on a compound annual
22 basis as if the member had participated in the
23 Oklahoma Law Enforcement Deferred Option Plan pursuant
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1 to subsections A, B, C, D and E of this section from
2 the back drop date to the termination date;

3 2. At the termination date, a member's monthly pension benefit
4 shall be determined based on the earlier attained participating
5 service and on the final average salary as of the back drop date.
6 The member's individual deferred option account shall be credited
7 with an amount equal to the deferred benefit balance; the member
8 shall terminate employment and shall start receiving the member's
9 accrued monthly retirement benefit from the System. The member
10 shall, upon application filed with the Board, be refunded from the
11 fund an amount equal to the accumulated contributions the member
12 made to the fund from the back drop date to the termination date,
13 but excluding any interest. Such termination has at all times
14 included reemployment of a member by a state agency, but only in a
15 position not covered under the System. The provisions of
16 subsections B, C, E, F and G of this section shall apply to this
17 subsection; and

18 3. A member may participate in the Oklahoma Law Enforcement
19 Deferred Option Plan pursuant to this subsection even if the member
20 has elected to participate in the Oklahoma Law Enforcement Deferred
21 Option Plan pursuant to subsections A, B, C, D, E and F of this
22 section. Such a member may select a back drop date which is up to
23 five (5) years prior to the termination date, but not before the
24 date at which the member completes twenty (20) years of

1 participating service. Such a member's participation in the
2 Oklahoma Law Enforcement Deferred Option Plan may not exceed five
3 (5) years when combined with such a member's prior period of
4 participation in the Oklahoma Law Enforcement Deferred Option Plan.
5 The provisions of subsections B, C, E, F and G of this section shall
6 apply to this subsection; and

7 4. Effective July 1, 2008, if a member who has not less than
8 twenty (20) years of participating service dies prior to terminating
9 employment, the surviving spouse shall be eligible to elect to
10 receive a benefit determined as if the member had elected to
11 participate in the Oklahoma Law Enforcement Deferred Option Plan in
12 accordance with this subsection on the day immediately preceding the
13 member's death if such election is made prior to the payment of any
14 monthly survivor retirement benefit. The surviving spouse may elect
15 a back-drop date which is up to five (5) years prior to the last day
16 of the month coinciding with or following the month of the member's
17 death, but not before the date at which the member completes twenty
18 (20) years of participating service. Participation in the Oklahoma
19 Law Enforcement Deferred Option Plan shall begin the first day of a
20 month and end the last day of the month. The surviving spouse shall
21 have been married to the member immediately preceding the member's
22 death, and continuously for the thirty (30) months immediately
23 preceding the member's death. A surviving spouse of a member who
24 died while in, or as a consequence of, the performance of the

1 member's duty for the employer, shall not be subject to the thirty
2 (30) month marriage requirement for the survivor benefits
3 requirement for this election.

4 SECTION 3. AMENDATORY 47 O.S. 2001, Section 2-306, as
5 last amended by Section 4, Chapter 542, O.S.L. 2004 (47 O.S. Supp.
6 2007, Section 2-306), is amended to read as follows:

7 Section 2-306. A. Upon the death of a retired member or upon
8 the death of any member prior to retirement or other termination of
9 covered employment, a monthly pension shall be paid which shall be
10 in an amount as provided below:

11 1. If the member was not retired and death occurred as the
12 direct result of the performance of the member's duties as an
13 officer, an amount:

14 a. equal to two and one-half percent (2 1/2%),

15 b. multiplied by:

16 (1) twenty (20) years of service, regardless of the
17 actual number of years of credited service
18 performed by the member prior to the date of
19 death if the member had performed less than
20 twenty (20) years of service, or

21 (2) the actual number of years of service performed
22 by the member if the member had performed twenty
23 (20) or more years of service,

24 c. multiplied by a final average salary equal to:

1 (1) the salary which the member would have received
2 pursuant to statutory salary schedules in effect
3 upon the date of death for twenty (20) years of
4 service if the member did not actually perform
5 twenty (20) years of service prior to death. The
6 final average salary for a member who performed
7 less than twenty (20) years of service prior to
8 death shall be computed assuming that the member
9 was paid the highest salary allowable pursuant to
10 the law in effect at the time of the member's
11 death based upon twenty (20) years of service and
12 with an assumption that the member was eligible
13 for any and all increases in pay based upon rank
14 during the entire period. If the salary of a
15 member is not prescribed by a specific salary
16 schedule upon the date of the member's death, the
17 final average salary for the member shall be
18 computed by the member's actual final average
19 salary or the highest median salary amount for a
20 member whose salary was prescribed by a specific
21 salary schedule upon the date of the member's
22 death, whichever final average salary amount
23 would be greater, or
24

1 (2) the actual final average salary of the member if
2 the member had performed twenty (20) or more
3 years of service prior to death; or

4 2. If the member was not retired and death occurred other than
5 as the direct result of the performance of the member's duties as an
6 officer, an amount equal to the monthly payments which would have
7 been received by the member under subsection E of Section 2-305 of
8 this title had the member been totally disabled; or

9 3. If said member was retired for length of service, an amount
10 equal to the member's monthly payments; or

11 4. If said member was receiving, or eligible to receive, a
12 disability benefit pursuant to subsection E or F of Section 2-305 of
13 this title, an amount equal to the member's monthly payments
14 pursuant to subsection E or F of Section 2-305 of this title; or

15 5. If said member was receiving, or eligible to receive, a
16 disability benefit pursuant to subsection G of Section 2-305 of this
17 title, an amount equal to the member's monthly payments pursuant to
18 subsection G of Section 2-305 of this title; or

19 6. If said member was retired for partial disability, an amount
20 equal to the monthly payments which would have been received by said
21 member had the member been totally disabled.

22 B. The pension provided for in subsection A of this section
23 shall be paid:
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1 1. Except as provided in paragraph 4 of this subsection, to the
2 surviving spouse, provided the surviving spouse was married to the
3 member at the time of the member's death, and continuously for the
4 thirty (30) months immediately preceding the member's death,
5 provided a surviving spouse of a member who died while in, or as a
6 consequence of, the performance of the member's duty for the
7 employer, shall not be subject to the thirty-month marriage
8 requirement for survivor benefits; or

9 2. If there is no surviving spouse or upon the death of a
10 spouse:

11 a. to the person having the care and custody of any
12 surviving child or children of said member for such
13 time as such child or children are under the age of
14 eighteen (18) years, or

15 b. to the surviving child or children between the age of
16 eighteen (18) and twenty-two (22) years if the child
17 is enrolled full time in and is regularly attending a
18 public or private school or any institution of higher
19 education;

20 3. If there is no surviving spouse or children under the age of
21 eighteen (18) years or under the age of twenty-two (22) years if the
22 child is enrolled full time in and is regularly attending a public
23 or private school or any institution of higher education, to the
24 dependent parent or parents of said member, for life; or

1 4. In the event a surviving spouse remarried prior to June 7,
2 1993, and was a surviving spouse of a member who died while in, or
3 as a consequence of, the performance of the member's duty for the
4 employer, the surviving spouse shall be eligible to receive the
5 pension benefits provided for in subsection A of this section.

6 To receive the pension benefits provided for in subsection A of
7 this section the surviving spouse falling within this paragraph
8 shall submit a written request for such benefits to the Oklahoma Law
9 Enforcement Retirement System. The Oklahoma Law Enforcement
10 Retirement System shall approve requests by surviving spouses
11 meeting the requirements of this paragraph. Upon approval by the
12 Oklahoma Law Enforcement Retirement System, the surviving spouse
13 shall be entitled to the pension benefits provided for in subsection
14 A of this section beginning from the date of approval forward.
15 Pension benefits provided to surviving spouses falling within this
16 paragraph shall not apply to alter any amount of pension benefits
17 paid or due prior to the Oklahoma Law Enforcement Retirement
18 System's approval of the remarried surviving spouse's written
19 request for benefits.

20 No surviving spouse shall receive benefits from this section,
21 Section 49-113 of Title 11 of the Oklahoma Statutes, or Section 50-
22 117 of Title 11 of the Oklahoma Statutes as the surviving spouse of
23 more than one member of the Oklahoma Firefighters Pension and
24 Retirement System, the Oklahoma Police Pension and Retirement

1 System, or the Oklahoma Law Enforcement Retirement System. The
2 surviving spouse of more than one member shall elect which member's
3 benefits he or she will receive.

4 C. In addition to the pension above provided for, if said
5 member leaves a surviving spouse and one or more children under the
6 age of eighteen (18) years or under the age of twenty-two (22) years
7 if the child is enrolled full time in and is regularly attending a
8 public or private school or any institution of higher education,
9 ~~Four Hundred Dollars (\$400.00)~~ Seven Hundred Fifty Dollars (\$750.00)
10 a month shall be paid from said Fund for the support of each
11 surviving child to the person having the care and custody of such
12 children during such time as said spouse remains alive and until
13 each child reaches the age of eighteen (18) years or reaches the age
14 of twenty-two (22) years if the child is enrolled full time in and
15 is regularly attending a public or private school or any institution
16 of higher education.

17 D. Upon the death of a retired member, the benefit payment for
18 the month in which the retired member died, if not previously paid,
19 shall be made to the beneficiary of the member or to the member's
20 estate if there is no beneficiary. Such benefit payment shall be
21 made in an amount equal to a full monthly benefit payment regardless
22 of the day of the month in which the retired member died.

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1 SECTION 4. AMENDATORY 74 O.S. 2001, Section 1316.2, as
2 last amended by Section 2, Chapter 198, O.S.L. 2005 (74 O.S. Supp.
3 2007, Section 1316.2), is amended to read as follows:

4 Section 1316.2 A. Any employee other than an education
5 employee who retires pursuant to the provisions of the Oklahoma
6 Public Employees Retirement System or who has a vested benefit
7 pursuant to the provisions of the Oklahoma Public Employees
8 Retirement System may continue in force the health and dental
9 insurance benefits authorized by the provisions of the State and
10 Education Employees Group Insurance Act, or other employer insurance
11 benefits if the employer does not participate in the plans offered
12 by the State and Education Employees Group Insurance Board, if such
13 election to continue in force is made within thirty (30) days from
14 the date of termination of service. Except as otherwise provided
15 for in Section 840-2.27I of this title and subsection H of this
16 section, health and dental insurance coverage may not be reinstated
17 at a later time if the election to continue in force is declined.
18 Vested employees other than education employees who have terminated
19 service and are not receiving benefits and effective July 1, 1996,
20 nonvested persons who have terminated service with more than eight
21 (8) years of participating service with a participating employer,
22 who within thirty (30) days from the date of termination of service
23 elect to continue such coverage, shall pay the full cost of said
24 insurance premium at the rate and pursuant to the terms and

1 conditions established by the Board. Provided also, any employee
2 other than an education employee who commences employment with a
3 participating employer on or after September 1, 1991, who terminates
4 service with such employer on or after July 1, 1996, but who
5 otherwise has insufficient years of service to retire or terminate
6 service with a vested benefit pursuant to the provisions of the
7 Oklahoma Public Employees Retirement System or to elect to continue
8 coverage as a nonvested employee as provided in this section, but
9 who, immediately prior to employment with the participating employer
10 was covered as a dependent on the health and dental insurance policy
11 of a spouse who was an active employee other than an education
12 employee, may count as part of his or her credited service for the
13 purpose of determining eligibility to elect to continue coverage
14 under this section, the time during which said terminating employee
15 was covered as such a dependent.

16 B. 1. Health insurance benefit plans offered pursuant to this
17 section shall include:

- 18 a. indemnity plans offered through the State and
19 Education Employees Group Insurance Board,
20 b. managed care plans offered as alternatives to the
21 indemnity plans offered through the State and
22 Education Employees Group Insurance Board,
23 c. Medicare supplements offered pursuant to the State and
24 Education Employees Group Insurance Act,

- 1 d. Medicare risk-sharing contracts offered as
2 alternatives to the Medicare supplements offered
3 through the State and Education Employees Group
4 Insurance Board. All Medicare risk-sharing contracts
5 shall be subject to a risk adjustment factor, based on
6 generally accepted actuarial principles for adverse
7 selection which may occur, and
- 8 e. for the Oklahoma Public Employee Retirement System,
9 other employer-provided health insurance benefit plans
10 if the employer does not participate in the plans
11 offered pursuant to the State and Education Employees
12 Group Insurance Act.

13 2. Health insurance benefit plans offered pursuant to this
14 section shall provide prescription drug benefits, except for plans
15 designed pursuant to the Medicare Prescription Drug Improvement and
16 Modernization Act of 2003, for which provision of prescription drug
17 benefits is optional, and except for plans offered pursuant to
18 subparagraph e of paragraph 1 of this subsection.

19 C. 1. Designated public retirement systems shall contribute a
20 monthly amount towards the health insurance premium of certain
21 individuals receiving benefits from the public retirement system as
22 follows:

- 23 a. a retired employee other than an education employee
24 who is receiving benefits from the Oklahoma Public

1 Employees Retirement System after September 30, 1988,
2 shall have One Hundred Five Dollars (\$105.00), or the
3 premium rate of the health insurance benefit plan,
4 whichever is less, paid by the Oklahoma Public
5 Employees Retirement System to the Board or other
6 insurance carrier of the employer if the employer does
7 not participate in the plans offered by the State and
8 Education Employees Group Insurance Board in the
9 manner specified in subsection G of this section,

- 10 b. a retired employee or surviving spouse other than an
11 education employee who is receiving benefits from the
12 Oklahoma Law Enforcement Retirement System on or after
13 September 30, 1988 July 1, 2008, is under sixty-five
14 (65) years of age and is not otherwise eligible for
15 Medicare shall have the premium rate for the health
16 insurance benefit plan or ~~One Hundred Five Dollars~~
17 ~~(\$105.00)~~ a total of One Hundred Twenty-two Dollars
18 and ninety cents (\$122.90) with such amount to be
19 increased by Twelve Dollars and twenty-nine cents
20 (\$12.29) for each year of credited service of the
21 member in the Oklahoma Law Enforcement Retirement
22 System in excess of ten (10) years of credited
23 service, but not to exceed ten (10) years of
24 additional credited service, whichever is less, paid

1 by the Oklahoma Law Enforcement Retirement System to
2 the Board in the manner specified in subsection G of
3 this section,

- 4 c. a retired employee other than an education employee
5 who is receiving benefits from the Oklahoma Law
6 Enforcement Retirement System on or after September
7 ~~30, 1988~~ July 1, 2008, is sixty-five (65) years of age
8 or older or who is under sixty-five (65) years of age
9 and is eligible for Medicare shall have ~~One Hundred~~
10 ~~Five Dollars (\$105.00)~~, ~~or~~ the premium rate of the
11 health insurance benefit plan or a total of One
12 Hundred Twenty-two Dollars and ninety cents (\$122.90)
13 with such amount to be increased by Twelve Dollars and
14 twenty-nine cents (\$12.29) for each year of credited
15 service of the member in the Oklahoma Law Enforcement
16 Retirement System in excess of ten (10) years of
17 credited service, but not to exceed ten (10)
18 additional years of credited service, whichever is
19 less, paid by the Oklahoma Law Enforcement Retirement
20 System to the Board in the manner specified in
21 subsection G of this section, and
- 22 d. a retired employee other than an education employee
23 who is receiving benefits from the Uniform Retirement
24 System for Justices and Judges after September 30,

1 1988, shall have One Hundred Five Dollars (\$105.00),
2 or the premium rate of the health insurance plan,
3 whichever is less, paid by the Uniform Retirement
4 System for Justices and Judges to the Board in the
5 manner specified in subsection G of this section.

6 2. Premium payments made pursuant to this section shall be made
7 subject to the following conditions:

- 8 a. the health plan shall be authorized by the provisions
9 of the State and Education Employees Group Insurance
10 Act, except that if an employer from which an employee
11 retired or with a vested benefit pursuant to the
12 provisions of the Oklahoma Public Employees Retirement
13 System does not participate in the plans authorized by
14 the provisions of the State and Education Employees
15 Group Insurance Act, the health plan will be the
16 health insurance benefits of the employer from which
17 the individual retired or vested,
- 18 b. for plans offered by the State and Education Employees
19 Group Insurance Act, the amount to be paid shall be
20 determined pursuant to the provisions of this
21 subsection and shall first be applied in whole or in
22 part to the prescription drug coverage premium. Any
23 remaining amount shall be applied toward the medical
24 coverage premium,

1 c. for all plans, if the amount paid by the public
2 retirement system does not cover the full cost of the
3 elected coverage, the individual shall pay the
4 remaining premium amount, and

5 d. payment shall be made by the retirement systems in the
6 manner specified under subsection G of this section.

7 D. ~~For~~ Effective July 1, 2008, if any member of the Oklahoma
8 Law Enforcement Retirement System ~~killed in the line of duty,~~
9 ~~whether the member was killed in the line of duty prior to the~~
10 ~~effective date of this act or on or after the effective date of this~~
11 ~~act~~ dies while an active employee, or if the member was on a
12 disability leave status at the time of death, the surviving spouse
13 or dependents of such deceased member of the Oklahoma Law
14 Enforcement Retirement System may elect to continue or commence
15 health and dental insurance benefits provided said dependents pay
16 the full cost of such insurance and ~~for deaths occurring on or after~~
17 ~~July 1, 2002,~~ such election is made within thirty (30) days of the
18 date of death. The eligibility for said benefits shall terminate
19 for the surviving children when said children cease to qualify as
20 dependents.

21 E. Effective July 1, 2004, a retired member of the Oklahoma Law
22 Enforcement Retirement System who retired from the System by means
23 of a personal and traumatic injury of a catastrophic nature and in
24 the line of duty and any surviving spouse of such retired member and

1 any surviving spouse of a member who was killed in the line of duty
2 shall have one hundred percent (100%) of the retired member's or
3 surviving spouse's health care premium cost, whether the member or
4 surviving spouse elects coverage under the Medicare supplement or
5 Medicare risk-sharing contract, paid by the Oklahoma Law Enforcement
6 Retirement System to the Board in the manner specified in subsection
7 H of this section. For plans offered by the State and Education
8 Employees Group Insurance Board, such contributions will first be
9 applied in whole or in part to the prescription drug coverage
10 premium, if any.

11 F. Dependents of a deceased employee who was on active work
12 status or on a disability leave at the time of death or of a
13 participating retardant or of any person who has elected to receive
14 a vested benefit under the Oklahoma Public Employees Retirement
15 System, the Uniform Retirement System for Justices and Judges or the
16 Oklahoma Law Enforcement Retirement System may continue the health
17 and dental insurance benefits in force provided said dependents pay
18 the full cost of such insurance and they were covered as eligible
19 dependents at the time of such death and such election is made
20 within thirty (30) days of date of death. The eligibility for said
21 benefits shall terminate for the surviving children when said
22 children cease to qualify as dependents.

23 G. The amounts required to be paid by the Oklahoma Public
24 Employees Retirement System, the Uniform Retirement System for

1 Justices and Judges and the Oklahoma Law Enforcement Retirement
2 System pursuant to this section shall be forwarded no later than the
3 tenth day of each month following the month for which payment is due
4 by the Oklahoma Public Employees Retirement System Board of Trustees
5 or the Oklahoma Law Enforcement Retirement Board to the State and
6 Education Employees Group Insurance Board for deposit in the Health,
7 Dental and Life Insurance Reserve Fund or to another insurance
8 carrier as provided for in subsection H of Section 1315 of this
9 title.

10 H. Upon retirement from employment of the Board of Regents of
11 the University of Oklahoma, any person who was or is employed at the
12 George Nigh Rehabilitation Institute and who transferred employment
13 pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any
14 person who was employed at the Medical Technology and Research
15 Authority and who transferred employment pursuant to Section 7068 of
16 this title, and any person who is a member of the Oklahoma Law
17 Enforcement Retirement System pursuant to the authority of Section
18 2-314 of Title 47 of the Oklahoma Statutes may participate in the
19 benefits authorized by the provisions of the State and Education
20 Employees Group Insurance Act for retired participants, including
21 health, dental and life insurance benefits, if such election to
22 participate is made within thirty (30) days from the date of
23 termination of service. Life insurance benefits for any such person
24 who transferred employment shall not exceed the coverage the person

1 had at the time of such transfer. Retirees who transferred
2 employment and who participate pursuant to this paragraph shall pay
3 the premium for elected benefits less any amounts paid by a state
4 retirement system pursuant to this section.

5 SECTION 5. This act shall become effective July 1, 2008.

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

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