

STATE OF OKLAHOMA

2nd Session of the 52nd Legislature (2010)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED

SENATE BILL 1580

By: Johnson (Mike) and Myers of
the Senate

and

Miller and Martin (Scott)
of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 2001, Section 920, as last amended by Section 10, Chapter 415, O.S.L. 2008 (74 O.S. Supp. 2009, Section 920), which relates to employer contribution rates; modifying rate; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 920, as last amended by Section 10, Chapter 415, O.S.L. 2008 (74 O.S. Supp. 2009, Section 920), is amended to read as follows:

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

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

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

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

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

20 (5) Effective July 1, 2005, every state agency which is a
21 participating employer shall contribute an amount to the System
22 equal to a percentage of monthly compensation of each member, not to
23 exceed the allowable annual compensation defined in paragraph (9) of
24 Section 902 of this title as follows:

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

9 (6) The Board shall certify, on or before November 1 of each
10 year, to the Office of State Finance an actuarially determined
11 estimate of the rate of contribution which will be required,
12 together with all accumulated contributions and other assets of the
13 System, to be paid by each participating employer to pay all
14 liabilities which shall exist or accrue under the System, including
15 amortization of the past service cost over a period of not to exceed
16 forty (40) years from June 30, 1987, and the cost of administration
17 of the System, as determined by the Board, upon recommendation of
18 the actuary.

19 (7) The Office of State Finance and the Governor shall include
20 in the budget and in the budget request for appropriations the sum
21 required to satisfy the state's obligation under this section as
22 certified by the Board and shall present the same to the Legislature
23 for allowance and appropriation.

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1 (8) Each other participating employer shall appropriate and pay
2 to the System a sum sufficient to satisfy the obligation under this
3 section as certified by the Board.

4 (9) Each participating employer is hereby authorized to pay the
5 employer's contribution from the same fund that the compensation for
6 which said contribution is paid from or from any other funds
7 available to it for such purpose.

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

12 SECTION 2. This act shall become effective July 1, 2010.

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

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