

THE HOUSE OF REPRESENTATIVES
Wednesday, February 25, 2009

Committee Substitute for
House Bill No. 1935

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1935 - By: WATSON of the House.

(Teachers' Retirement System of Oklahoma – amending Sections of Title 70 -
private letter ruling - member contributions - retirement option - references to
executive secretary – confidentiality - effective date –
emergency)

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

1 SECTION 1. AMENDATORY 70 O.S. 2001, Section 17-103, as last amended by
2 Section 10, Chapter 385, O.S.L. 2004 (70 O.S. Supp. 2008, Section 17-103), is amended to
3 read as follows:

4 Section 17-103. Except as provided in the Alternate Retirement Plan for
5 Comprehensive Universities Act, the membership of the retirement system shall consist
6 of the following:

7 (1) All classified personnel shall become members of the retirement system as a
8 condition of their employment;

9 (2) All full-time nonclassified optional personnel regularly employed for more than
10 one (1) year may join the Teachers' Retirement System subject to the rules and
11 regulations adopted pursuant to this act. Subject to the outcome of a the private letter
12 ruling request ~~which shall be~~ (2003) submitted by the Board to the Internal Revenue

1 Service (2001), the System shall permit ~~full-time~~ eligible nonclassified optional personnel
2 who have ceased to make otherwise required employee contributions after having made
3 an election to become a member of the retirement system to resume employee
4 contributions. No service shall be credited to any such member for any period of time
5 during which employee contributions were not made;

6 (3) All persons who shall become classified personnel or who are regularly
7 employed in any school system as new classified personnel after July 1, 1943, hereof,
8 shall become members of the retirement system as a condition of their employment;

9 (4) All other regular school employees may join the Teachers' Retirement System
10 subject to the rules and regulations as may be adopted by the Board of Trustees of the
11 Teachers' Retirement System;

12 (5) The Board of Trustees may, in its discretion, deny the right to become members
13 to any class of members whose compensation is only partly paid by the state, or who is
14 serving on a temporary or other than per annum basis, and it also may, in its discretion,
15 make optional with members in any such class their individual entrance into the
16 retirement system; and

17 (6) Should any member, with less than ten (10) years of teaching service in
18 Oklahoma, in any period of six (6) consecutive years after becoming a member be absent
19 from service more than five (5) years, withdraw his contributions, retire or die, he shall
20 thereupon cease to be a member. The provisions of this paragraph shall not apply to any
21 member of the Teachers' Retirement System who has been a member of such classes of

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1 military services as may be approved by the Board of Trustees, until a period of one and
2 one-half (1 1/2) years from date of termination of such service shall have elapsed.

3 SECTION 2. AMENDATORY 70 O.S. 2001, Section 17-105, as last amended by
4 Section 17, Chapter 536, O.S.L. 2004 (70 O.S. Supp. 2008, Section 17-105), is amended to
5 read as follows:

6 Section 17-105. (1) (a) Any member who has attained age fifty-five (55) or who has
7 completed thirty (30) years of creditable service, as defined in Section 17-101 of this title,
8 or for any person who initially became a member prior to July 1, 1992, regardless of
9 whether there were breaks in service after July 1, 1992, whose age and number of years
10 of creditable service total eighty (80) may be retired upon filing a written application for
11 such retirement. Such a retirement date will also apply to any person who became a
12 member of the sending system as defined in this act, prior to July 1, 1992, regardless of
13 whether there were breaks in service after July 1, 1992. Any person who became a
14 member after June 30, 1992, whose age and number of years of creditable service total
15 ninety (90) may be retired upon filing a written application for such retirement. The
16 application shall be filed on the form provided by the Board of Trustees for this purpose,
17 not less than thirty (30) days nor more than ninety (90) days before the date of
18 retirement.

19 (b) An individual who becomes a member of the Teachers' Retirement System after
20 July 1, 1967, shall be employed by the public schools, state colleges or universities of
21 Oklahoma for a minimum of five (5) years and be a contributing member of the Teachers'

1 Retirement System of Oklahoma for a minimum of five (5) years to qualify for monthly
2 retirement benefits from the Teachers' Retirement System of Oklahoma.

3 (c) Any member with five (5) or more years of Oklahoma teaching service and
4 whose accumulated contributions during such period have not been withdrawn shall be
5 given an indefinite extension of membership beginning with the sixth year following his
6 or her last contributing membership and shall become eligible to apply for retirement
7 and be retired upon attaining age fifty-five (55).

8 ~~(d) Members currently teaching in the public schools of Oklahoma past the fiscal~~
9 ~~year during which age seventy (70) was attained and who have not retired shall be~~
10 ~~granted the privilege of making up the five percent (5%) contributions, plus interest, for~~
11 ~~the years taught after age seventy (70). Such member shall be given an indefinite~~
12 ~~extension of membership and be eligible to retire upon the filing of proper application for~~
13 ~~retirement as hereinbefore provided.~~

14 (2) An unclassified optional member who has retired or who retires at sixty-two
15 (62) years of age or older or whose retirement is because of disability shall have his or
16 her minimum retirement benefits calculated on an average salary of Five Thousand
17 Three Hundred Fifty Dollars (\$5,350.00) or, if a larger monthly allowance would result,
18 an amount arrived at pursuant to application of the formula prescribed herein.

19 (3) No member shall receive a lesser retirement benefit than he or she would have
20 received under the law in effect at the time he or she retired. Any individual under the
21 Teachers' Retirement System, who through error in stating the title of the position which
22 he or she held, may, at the discretion of the Board of Trustees, be changed from the

1 nonclassified optional group to the classified group for the purpose of calculating
2 retirement benefits.

3 Any individual regardless of residence, who has a minimum of ten (10) years of
4 teaching in Oklahoma schools prior to July 1, 1943, or who taught in Oklahoma schools
5 prior to 1934 and thereafter taught a minimum of ten (10) years and who does not
6 qualify under the present retirement System, or who has a minimum of thirty (30) years
7 of teaching in Oklahoma schools and has reached seventy (70) years of age prior to July
8 1, 1984, and is not otherwise eligible to receive any benefits from the retirement system
9 shall receive a minimum of One Hundred Fifty Dollars (\$150.00) per month in retirement
10 benefits from the Teachers' Retirement System of Oklahoma plus any general increase in
11 benefits for annuitants as may be provided hereafter by the Legislature. Each individual
12 must apply to the Teachers' Retirement System for such benefit and provide evidence to
13 the Teachers' Retirement System that the service was actually rendered. The surviving
14 spouse of any person who made application for the benefit provided for by this paragraph
15 during his or her lifetime but did not receive said benefit may submit an application to
16 the System for payment of said benefit for those months during the lifetime of the
17 deceased person that he or she was eligible for but did not receive the benefit. Upon
18 approval of the application by the Board of Trustees, the benefit shall be paid to the
19 surviving spouse in one lump sum.

20 (4) The value of each year of prior service is the total monthly retirement benefit
21 divided by the number of years of creditable service.

1 (5) Upon application of a member who is actively engaged in teaching in Oklahoma
2 or his or her employer, any member who has been a contributing member for ten (10)
3 years may be retired by the Board of Trustees not less than thirty (30) days nor more
4 than ninety (90) days subsequent to the execution and filing thereof, on a disability
5 retirement allowance, provided that it is found by the Board of Trustees after medical
6 examination of such member by a duly qualified physician that such member is mentally
7 or physically incapacitated for further performance of duty, that such incapacity is likely
8 to be permanent, and that such member should be retired. The Board of Trustees shall
9 give due consideration to the conclusions and recommendations in the certified written
10 report of the Medical Board of the Teachers' Retirement System regarding the disability
11 application of such member. If a member is determined to be eligible for disability
12 benefits pursuant to the Social Security System, then such determination shall entitle
13 the member to the authorized disability retirement allowance provided by law. For
14 members who are not eligible for disability benefits pursuant to the Social Security
15 System, the Board of Trustees shall apply the same standard for which provision is made
16 in the first two sentences of this subsection for determining the eligibility of a person for
17 such disability benefits in making a determination of eligibility for disability benefits as
18 authorized by this subsection.

19 (6) (a) A member who at the time of retirement has been found to be permanently
20 physically or mentally incapacitated to teach school shall receive a minimum monthly
21 retirement payment for life or until such time as the member may be found to be
22 recovered to the point where he or she may return to teaching. Any member retired

1 before July 1, 1992 shall be eligible to receive the monthly retirement allowance herein
2 provided, but such payment shall not begin until the first payment due him or her after
3 July 1, 1992, and shall not be retroactive. The Board of Trustees is empowered to make
4 such rules and regulations as it considers proper to preserve equity in retirements under
5 this provision, which shall include a provision to protect the rights of the member's
6 spouse.

7 (b) A member who has qualified for retirement benefits under disability retirement
8 shall have the total monthly payment deducted from his or her accumulated
9 contributions plus interest earned and any money remaining in the member's account
10 after the above deductions at the death of the member shall be paid in a lump sum to the
11 beneficiary or to the estate of the member. Provided, if the deceased disabled member
12 had thirty (30) years or more of creditable service and the death occurred after June 30,
13 1981, and death occurred prior to the disabled member receiving twelve monthly
14 retirement payments, a surviving spouse may elect to receive the retirement benefit to
15 which the deceased member would have been entitled at the time of death under the
16 Option 2 Plan of Retirement provided for in subsection (8) of this section in lieu of the
17 death benefit provided for in this subsection and in subsection (12) of this section.

18 (c) Once each year the Board of Trustees may require any disabled annuitant who
19 has not yet attained the age of sixty (60) years to undergo a medical examination, such
20 examination to be made at the place of residence for said disabled annuitant or other
21 place mutually agreed upon by a physician or physicians designated by the Board of
22 Trustees. Should any disabled annuitant who has not yet attained the age of sixty (60)

1 years refuse to submit to at least one medical examination in any such year by a
2 physician or physicians designated by the Board of Trustees his or her allowance may be
3 discontinued until he or she submits to such examination.

4 (d) Should the Medical Board report and certify to the Board of Trustees that such
5 disabled annuitant is engaged in or is able to engage in a gainful occupation paying more
6 than the difference between his or her retirement allowance and the average final
7 compensation, and should the Board of Trustees concur in such report then the amount
8 of his or her pension shall be reduced to an amount which, together with his or her
9 retirement allowance and that amount earnable by him or her, shall equal the amount of
10 his or her average final compensation. Should his or her earning capacity be later
11 increased, the amount of his or her pension may be further modified, provided the new
12 pension shall not exceed that amount of the pension originally granted nor an amount,
13 which when added to the amount earnable by the member, together with his or her
14 annuity, equals the amount of his or her average final compensation.

15 (e) Should a disabled annuitant be restored to active service, his or her disability
16 retirement allowance shall cease and he or she shall again become a member of the
17 Teachers' Retirement System and shall make regular contributions as required under
18 this article. The unused portion of his or her accumulated contributions shall be
19 reestablished to his or her credit in the Teachers' Savings Fund. Any such prior service
20 certificates on the basis of which his or her service was computed at the time of his or her
21 retirement shall be restored to full force and effect.

1 (7) Should a member before retirement under Section 1-101 et seq. of this title
2 make application for withdrawal duly filed with the Board of Trustees and approved by
3 it, not earlier than four (4) months after the date of termination of such service as a
4 teacher, the contribution standing to the credit of his or her individual account in the
5 Teachers' Savings Fund shall be paid to him or her or, in the event of his or her death
6 before retirement, shall be paid to such person or persons as he or she shall have
7 nominated by written designation, duly executed and filed with the Board of Trustees;
8 provided, however, if there be no designated beneficiary surviving upon such death, such
9 contributions shall be paid to his or her administrators, executors, or assigns, together
10 with interest as hereinafter provided. In lieu of a lump-sum settlement at the death of
11 the member, the amount of money the member has on deposit in the Teachers' Savings
12 Fund and the money the member has on deposit in the Teachers' Deposit Fund may be
13 paid in monthly payments to a designated beneficiary, who must be the spouse, under
14 the Maximum or Option 1 Plan of Retirement providing the monthly payment shall be
15 not less than Twenty-five Dollars (\$25.00) per month. The monthly payment shall be the
16 actuarial equivalent of the amount becoming due at the member's death based on the sex
17 of the spouse and the age the spouse has attained at the last birthday prior to the
18 member's death. Provided further, if there be no designated beneficiary surviving upon
19 such death, and the contributions standing to the credit of such member do not exceed
20 Two Hundred Dollars (\$200.00), no part of such contributions shall be subject to the
21 payment of any expense of the last illness or funeral of the deceased member or any
22 expense of administration of the estate of such deceased and the Board of Trustees, upon

1 satisfactory proof of the death of such member and of the name or names of the person or
2 persons who would be entitled to receive such contributions under the laws of descent
3 and distribution of the state, may authorize the payment of accumulated contributions to
4 such person or persons. A member terminating his or her membership by withdrawal
5 after June 30, 2003, shall have the interest computed at a rate of interest determined by
6 the Board of Trustees and paid to him or her subject to the following schedule:

- 7 (a) If termination occurs within sixteen (16) years from the date membership
8 began, fifty percent (50%) of such interest accumulations shall be paid.
- 9 (b) With at least sixteen (16) but less than twenty-one (21) years of membership,
10 sixty percent (60%) of such interest accumulations shall be paid.
- 11 (c) With at least twenty-one (21) but less than twenty-six (26) years of membership,
12 seventy-five percent (75%) of such interest accumulations shall be paid.
- 13 (d) With at least twenty-six (26) years of membership, ninety percent (90%) of such
14 interest accumulations shall be paid.

15 In case of death of an active member, the interest shall be calculated and restored to
16 the member's account and paid to his or her beneficiary.

17 (8) (a) In lieu of his or her retirement allowance payable throughout life for such
18 an amount as determined under this section, the member may select a retirement
19 allowance for a reduced amount payable under any of the following options the present
20 value of which is the actuarial equivalent thereof.

21 (b) A member may select the option under which he or she desires to retire at the
22 end of the school year in which he or she attains age seventy (70) and said option shall be

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1 binding and cannot be changed. Provided further that if a member retires before age
2 seventy (70), no election of an option shall be effective in case an annuitant dies before
3 the first payment due under such option has been received.

4 (c) The first payment of any benefit selected shall be made on the first day of the
5 month following approval of the retirement by the Board of Trustees. If the named
6 designated beneficiary under Option 2 or 3 dies at any time after the member's
7 retirement date, but before the death of the member, the member shall return to the
8 retirement benefit, including any post retirement benefit increases the member would
9 have received had the member not selected Option 2 or 3 of this subsection. The benefit
10 shall be determined at the date of death of the designated beneficiary or July 1, 1994,
11 whichever is later. This increase shall become effective the first day of the month
12 following the date of death of the designated beneficiary or July 1, 1994, whichever is
13 later, and shall be payable for the member's remaining lifetime. The member shall notify
14 the Teachers' Retirement System of Oklahoma of the death of the designated beneficiary
15 in writing. In the absence of said written notice being filed by the member notifying the
16 Teachers' Retirement System of Oklahoma of the death of the designated beneficiary
17 within six (6) months of the date of death, nothing in this subsection shall require the
18 Teachers' Retirement System of Oklahoma to pay more than six (6) months of
19 retrospective benefits increase.

20 Option 1. If he or she dies before he or she has received in annuity payments the
21 present value of his or her annuity as it was at the time of his or her retirement, the
22 balance shall be paid to his or her legal representatives or to such person as he or she

1 shall nominate by written designation duly acknowledged and filed with the Board of
2 Trustees at the time of his or her retirement; or

3 Option 2. A member takes a reduced retirement allowance for life. Upon the death
4 of the member the payments shall continue to the member's designated beneficiary for
5 the life of the beneficiary. The written designation of the beneficiary must be duly
6 acknowledged and filed with the Board of Trustees at the time of the member's
7 retirement and cannot be changed after the effective date of the member's retirement; or

8 Option 3. A member receives a reduced retirement allowance for life. Upon the
9 death of the member one-half (1/2) of the retirement allowance paid the member shall be
10 continued throughout the life of the designated beneficiary. A written designation of a
11 beneficiary must be duly acknowledged and filed with the Board of Trustees at the time
12 of the member's retirement and cannot be changed after the effective date of the
13 member's retirement; or

14 Option 4. Some other benefit or benefits shall be paid either to the member or to
15 such person or persons as he or she shall nominate, provided such other benefit or
16 benefits, together with the reduced retirement allowance, shall be certified by the
17 actuary to be of equivalent actuarial value to his or her retirement allowance and shall
18 be approved by the Board of Trustees; or

19 ~~Option 5. A member receives a reduced retirement allowance for life. If the~~
20 ~~member dies within twenty-five (25) years from the date of commencement of the~~
21 ~~retirement payments, such payments shall be continued to the beneficiary of the member~~
22 ~~during the balance of the twenty-five-year period. The written designation of the~~

1 beneficiary, who must be a spouse, shall be duly acknowledged and filed with the Board
2 of Trustees at the time of the member's retirement.

3 (d) Provided that Option 2 and Option 3 shall not be available if the member's
4 expected benefit is less than fifty percent (50%) of the lump-sum actuarial equivalent and
5 the designated beneficiary is not the spouse of the member.

6 (9) The governing board of any "public school", as that term is defined in Section
7 17-101 of this title, is hereby authorized and empowered to pay additional retirement
8 allowances or compensation to any person who was in the employ of such public school
9 for not less than seven (7) school years preceding the date of his or her retirement.

10 Payments so made shall be a proper charge against the current appropriation or
11 appropriations of any such public school for salaries for the fiscal year in which such
12 payments are made. Such payments shall be made in regular monthly installments in
13 such amounts as the governing board of any such public school, in its judgment, shall
14 determine to be reasonable and appropriate in view of the length and type of service
15 rendered by any such person to such public school by which such person was employed at
16 the time of retirement. All such additional payments shall be uniform, based upon the
17 length of service and the type of services performed, to persons formerly employed by
18 such public school who have retired or been retired in accordance with the provisions of
19 Section 1-101 et seq. of this title.

20 The governing board of any such public school may adopt rules and regulations of
21 general application outlining the terms and conditions under which such additional
22 retirement benefits shall be paid, and all decisions of such board shall be final.

1 (10) In addition to the teachers' retirement herein provided, teachers may
2 voluntarily avail themselves of the Federal Social Security Program upon a district basis.

3 (11) Upon the death of an in-service member, the System shall pay to the
4 designated beneficiary of the member or, if there is no designated beneficiary or if the
5 designated beneficiary predeceases the member, to the estate of the member, the sum of
6 Eighteen Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the deceased
7 member had ten (10) years or more of creditable service and the death occurred after
8 February 1, 1985, the member's designated beneficiary may elect to receive the
9 retirement benefit to which the deceased member would have been entitled at the time of
10 death under the Option 2 plan of retirement in lieu of the death benefit provided for in
11 this subsection. Provided further, the option provided in this subsection is only available
12 when the member has designated one individual as the designated beneficiary.

13 (12) Upon the death of an annuitant who has contributed to the System, the
14 retirement system shall pay to the designated beneficiary of the annuitant or, if there is
15 no designated beneficiary or if the designated beneficiary predeceases the annuitant, to
16 the estate of the annuitant, the sum of Five Thousand Dollars (\$5,000.00) as a death
17 benefit. The benefit payable pursuant to this subsection shall be deemed, for purposes of
18 federal income taxation, as life insurance proceeds and not as a death benefit if the
19 Internal Revenue Service approves this provision pursuant to a private letter ruling
20 request which shall be submitted by the board of trustees of the System for that purpose.

21 (13) Upon the death of a member who dies leaving no living beneficiary or having
22 designated his or her estate as beneficiary, the System may pay any applicable death

1 benefit, unpaid contributions, or unpaid benefit which may be subject to probate, in an
2 amount of Five Thousand Dollars (\$5,000.00) or less, without the intervention of the
3 probate court or probate procedure pursuant to Section 1 et seq. of Title 58 of the
4 Oklahoma Statutes.

5 (a) Before any applicable probate procedure may be waived, the System must be in
6 receipt of the member's proof of death and the following documents from those persons
7 claiming to be the legal heirs of the deceased member:

- 8 1. The member's valid last will and testament;
- 9 2. An affidavit or affidavits of heirship which must state:
 - 10 a. the names and signatures of all claiming heirs to the deceased
 - 11 member's estate including the claiming heirs' names,
 - 12 relationship to the deceased, current addresses and current
 - 13 telephone numbers,
 - 14 b. a statement or statements by the claiming heirs that no
 - 15 application or petition for the appointment of a personal
 - 16 representative is pending or has been granted in any
 - 17 jurisdiction,
 - 18 c. a statement that the value of the deceased member's entire
 - 19 estate is subject to probate, and that the estate wherever
 - 20 located, less liens and encumbrances, does not exceed Five
 - 21 Thousand Dollars (\$5,000.00), including the payment of benefits

1 or unpaid contributions from the System as authorized by this
2 subsection,

- 3 d. a description of the personal property claimed, (i.e., death
4 benefit or unpaid contributions or both) together with a
5 statement that such personal property is subject to probate,
6 e. a statement by each individual claiming heir identifying the
7 amount of personal property that the heir is claiming from the
8 System, and that the heir has been notified of, is aware of and
9 consents to the identified claims of all the other claiming heirs of
10 the deceased member pending with the System;

11 3. A written agreement or agreements signed by all claiming heirs of the
12 deceased member which provides that the claiming heirs release,
13 discharge and hold harmless the System from any and all liability,
14 obligations and costs which it may incur as a result of making a
15 payment to any of the deceased member's heirs;

16 4. A corroborating affidavit from an individual other than a claiming
17 heir, who was familiar with the affairs of the deceased member;

18 5. Proof that all debts of the deceased member, including payment of last
19 sickness, hospital, medical, death, funeral and burial expenses have
20 been paid or provided for.

21 (b) The Executive Director of the System shall retain complete discretion in
22 determining which requests for probate waiver may be granted or denied, for any reason.

1 Should the System have any question as to the validity of any document presented by the
2 claiming heirs, or as to any statement or assertion contained therein, the probate
3 requirement provided for in Section 1 et seq. of Title 58 of the Oklahoma Statutes, shall
4 not be waived.

5 (c) After paying any death benefits or unpaid contributions to any claiming heirs as
6 provided pursuant to this subsection, the System is discharged and released from any
7 and all liability, obligation and costs to the same extent as if the System had dealt with a
8 personal representative of the deceased member. The System is not required to inquire
9 into the truth of any matter specified in this subsection or into the payment of any estate
10 tax liability.

11 (14) Upon the death of a retired member, the benefit payment for the month in
12 which the retired member died, if not previously paid, shall be made to the beneficiary of
13 the member or to the member's estate if there is no beneficiary. Such benefit payment
14 shall be made in an amount equal to a full monthly benefit payment regardless of the day
15 of the month in which the retired member died.

16 SECTION 3. AMENDATORY 70 O.S. 2001, Section 17-106, is amended to read
17 as follows:

18 Section 17-106. (1) The general administration and responsibility for the proper
19 operation of the retirement system and for making effective the provisions of the act are
20 hereby vested in a Board of Trustees which shall be known as the Board of Trustees and
21 shall be organized immediately after a majority of the trustees provided for in this
22 section shall have qualified and taken the oath of office.

- 1 (2) The Board shall consist of the following members:
- 2 (a) The State Superintendent of Public Instruction, ex officio.
- 3 (b) The Director of State Finance, ex officio.
- 4 (c) The Director of the Oklahoma Department of Career and Technology Education,
5 ex officio, or his or her designee.
- 6 (d) One member appointed by the Governor whose initial term of office shall expire
7 on January 14, 1991. The members thereafter appointed by the Governor shall serve a
8 term of office of four (4) years which is coterminous with the term of office of the office of
9 the appointing authority.
- 10 (e) Two members shall be appointed by the Governor of the State of Oklahoma and
11 approved by the Senate. The two members shall be: 1. a representative of a school of
12 higher education in Oklahoma whose term of office shall initially be one (1) year, and 2.
13 a member of the System of the nonclassified optional personnel status whose initial term
14 of office shall be two (2) years. After the ~~said~~ initial terms of office the terms of ~~said~~ the
15 members shall be four (4) years.
- 16 (f) Upon the expiration of the term of office of the stockbroker member of the Board,
17 the Governor shall appoint a member to the Board whose initial term of office shall
18 expire on January 14, 1991. The members thereafter appointed by the Governor shall
19 serve a term of office of four (4) years which is coterminous with the term of office of the
20 office of the appointing authority.
- 21 (g) Upon the expiration of the term of office of the representative of the insurance
22 industry member of the Board, the Governor shall appoint a member to the Board whose

1 initial term of office shall expire on January 14, 1991. The members thereafter
2 appointed by the Governor shall serve a term of office of four (4) years which is
3 coterminous with the term of office of the office of the appointing authority.

4 (h) Upon the expiration of the term of office of the investment counselor member of
5 the Board, the Governor shall appoint a member to the Board whose initial term of office
6 shall expire on January 14, 1991. The members thereafter appointed by the Governor
7 shall serve a term of office of four (4) years which is coterminous with the term of office of
8 the office of the appointing authority.

9 (i) Upon the expiration of the term of office of the active classroom teacher member
10 of the Board, the President Pro Tempore of the Senate shall appoint a member to the
11 Board, who shall be an active classroom teacher and whose initial term of office shall
12 expire on January 8, 1991. The members thereafter appointed by the President Pro
13 Tempore of the Senate shall serve a term of office of four (4) years.

14 (j) Upon the expiration of the term of office of the retired classroom teacher member
15 of the Board, the Speaker of the House of Representatives shall appoint a member to the
16 Board, who shall be a retired member of the System and whose initial term of office shall
17 expire on January 8, 1991. The members thereafter appointed by the Speaker of the
18 House of Representatives shall serve a term of office of four (4) years.

19 (k) The Speaker of the House of Representatives shall appoint a member to the
20 Board, who shall be an active classroom teacher and whose initial term of office shall
21 expire on January 3, 1989. The members thereafter appointed by the Speaker of the
22 House of Representatives shall serve a term of office of four (4) years.

1 (l) The President Pro Tempore of the Senate shall appoint a member to the Board,
2 who shall be a retired member of the System and whose initial term of office shall expire
3 on January 3, 1989. The members thereafter appointed by the President Pro Tempore of
4 the Senate shall serve a term of office of four (4) years.

5 (3) Persons who are appointed to the Board of Trustees by the Governor pursuant
6 to paragraphs (d), (f), (g) and (h) of subsection (2) of this section shall:

7 (a) have demonstrated professional experience in investment or funds
8 management, public funds management, public or private pension fund management or
9 retirement system management; or

10 (b) have demonstrated experience in the banking profession and have
11 demonstrated professional experience in investment or funds management; or

12 (c) be licensed to practice law in this state and have demonstrated professional
13 experience in commercial matters; or

14 (d) be licensed by the Oklahoma State Board of Public Accountancy to practice in
15 this state as a public accountant or a certified public accountant.

16 The appointing authorities, in making appointments that conform to the
17 requirements of this subsection, shall give due consideration to balancing the
18 appointments among the criteria specified in paragraphs (a) through (d) of this
19 subsection.

20 (4) No member of the Board of Trustees shall be a lobbyist registered in this state
21 as provided by law.

1 (5) Notwithstanding any of the provisions of this section to the contrary, any person
2 serving as an appointed member of the Board of Trustees on the operative date of this act
3 shall be eligible for reappointment when the term of office of the member expires.

4 (6) If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the
5 unexpired term in the same manner as the office was previously filled.

6 (7) Each of the trustees, except those who are state officials serving ex officio, shall
7 receive travel expenses in accordance with the State Travel Reimbursement Act.

8 (8) Each trustee shall, within ten (10) days after his or her appointment or election,
9 take an oath of office that, so far as it devolves upon him or her, ~~he~~ the trustee will
10 diligently and honestly administer the affairs of the Board of Trustees and that he or she
11 will not knowingly violate or willingly permit to be violated any of the provisions of law
12 applicable to the retirement system. Such oath shall be subscribed to by the member
13 making it, certified by the officer before whom it is taken, and immediately filed in the
14 office of the Secretary of State.

15 (9) Each trustee shall be entitled to one vote on the Board of Trustees. Seven votes
16 shall be necessary for a decision by the trustees at any meeting of ~~said~~ the Board.

17 (10) Subject to the limitations of this act, the Board of Trustees shall, from time to
18 time, establish rules and regulations for the administration of the funds created by this
19 act and for the transaction of its business. Provided that such rules and regulations may
20 include rules and regulations providing for the withholding from the retirement
21 allowance due a retired person under the provisions of this act an amount requested in
22 writing by the retiree for the purpose of paying:

1 (a) monthly premiums on group hospital and surgical insurance programs to which
2 such retiree belongs, and for the transmitting of the sums so withheld to the insurance
3 carrier designated by the retiree; and

4 (b) membership dues in any statewide association limited to retired educator
5 membership with a minimum membership of one thousand (1,000) dues-paying members
6 and for the transmitting of the sums so withheld.

7 (11) The Board of Trustees shall elect from its membership a ~~chairman~~ chair, and
8 by a majority vote of all of its members shall appoint a secretary-treasurer, who may be,
9 but need not be, one of its members. The Board shall employ an executive ~~secretary~~
10 director and shall engage such actuarial and other service as shall be required to
11 transact the business of the retirement system. The compensation of all persons engaged
12 by the Board and all other expenses of the Board necessary for the operation of the
13 retirement system shall be paid at such rates and in such amounts as the Board shall
14 approve.

15 (12) The members of the Board of Trustees, the Executive ~~Secretary~~ Director and
16 the employees of the System shall not accept gifts or gratuities from an individual
17 organization with a value in excess of Fifty Dollars (\$50.00) per year. The provisions of
18 this section shall not be construed to prevent the members of the Board of Trustees, the
19 Executive ~~Secretary~~ Director or the employees of the System from attending educational
20 seminars, conferences, meetings or similar functions which are paid for, directly or
21 indirectly, by more than one organization.

1 (13) The Board of Trustees shall keep in convenient form such data as shall be
2 necessary for actuarial valuation of the various funds of the retirement system and for
3 checking the experience of the system.

4 (14) The Board of Trustees shall keep a record of all of its proceedings which shall
5 be open to public inspection. It shall publish annually a report showing the fiscal
6 transactions of the retirement system for the preceding school year, the amount of the
7 accumulated cash and securities of the system, and the last balance sheet showing the
8 financial condition of the system by means of an actuarial valuation of the assets and
9 liabilities of the retirement system and a detailed accounting of its administrative
10 expenses.

11 (15) The Board of Trustees shall retain an attorney who is licensed to practice law
12 in this state. The attorney shall serve at the pleasure of the Board of Trustees for such
13 compensation as may be provided by the Board of Trustees. The attorney shall advise
14 the Board of Trustees and perform legal services for the Board of Trustees with respect to
15 any matters properly before the Board of Trustees. When requested by the Board of
16 Trustees, the Attorney General of the state also shall render legal services to the Board
17 of Trustees. In addition to the above, the Board of Trustees may employ hearing
18 examiners to conduct administrative grievance hearings under the provisions of the
19 Oklahoma Administrative Procedures Act, ~~Sections 301 through 325 of Title 75 of the~~
20 ~~Oklahoma Statutes.~~

21 (16) Suitable offices shall be furnished by the Department of Central Services.
22 Upon the failure or inability of the Department of Central Services to provide adequate

1 facilities, the Board of Trustees may contract for necessary office space in suitable
2 quarters.

3 (17) The Board of Trustees shall designate a Medical Board to be composed of three
4 physicians not eligible to participate in the retirement system. The physicians so
5 appointed by the Board of Trustees shall be legally qualified to practice medicine in
6 Oklahoma and shall be physicians of good standing in the medical profession. If required,
7 other physicians may be employed to report on special cases. The Medical Board shall
8 pass upon all medical examinations required under the provisions of this act and shall
9 investigate all essential statements and certificates by or on behalf of a member in
10 connection with an application for disability retirement and shall report in writing to the
11 Board of Trustees its conclusion and recommendation upon all the matters referred to it.
12 The Board of Trustees shall adopt such rules and regulations as may be necessary to
13 properly administer this benefit.

14 (18) The Board of Trustees shall designate an actuary who shall be the technical
15 advisor of the Board of Trustees on matters regarding the operation of funds created by
16 the provisions of this act and shall perform such other duties as are required in
17 connection therewith.

18 (19) At least once each five (5) years the actuary shall make an actuarial
19 investigation of the experience of the retirement system, including the mortality, service
20 and compensation experience of members and beneficiaries. Based on the results of such
21 investigation the actuary shall recommend for adoption by the Board of Trustees such

1 tables and rates as are required for the operation of the retirement system and for the
2 preparation of annual actuarial valuations.

3 (20) On the basis of such tables and rates as the Board of Trustees shall adopt, the
4 actuary shall prepare an annual actuarial valuation of the assets and liabilities of the
5 retirement system and certify the rates of contribution payable by the state under the
6 provisions of law concerning the Teachers' Retirement System.

7 ~~(21) Subject to the funds available under the provisions of Section 1004 of Title 68~~
8 ~~of the Oklahoma Statutes, the employer contributions to the retirement system for the~~
9 ~~fiscal year beginning July 1, 1987, and for each fiscal year thereafter, shall be~~
10 ~~determined by the Board of Trustees on the basis of the most recent actuarial valuation,~~
11 ~~which amount shall be calculated as the sum of the normal cost for the fiscal year plus~~
12 ~~the payment required to amortize the unfunded accrued liability at a rate of level dollar~~
13 ~~payments not to exceed forty (40) years.~~

14 SECTION 4. AMENDATORY 70 O.S. 2001, Section 17-108, as amended by
15 Section 1, Chapter 354, O.S.L. 2002 (70 O.S. Supp. 2008, Section 17-108), is amended to
16 read as follows:

17 Section 17-108. A. Each local school district, or state college or university, or State
18 Board of Education or State Board of Career and Technology Education, or other state
19 agencies whose employees are members of the Teachers' Retirement System shall match
20 on a pro rata basis, in accordance with subsection B of this section the contributions of
21 members whose salaries are paid by federal funds or externally sponsored agreements
22 such as grants, contracts and cooperative agreements. These funds shall be remitted at

1 the same time as the regular contributions of members are remitted to the Teachers'
2 Retirement System of Oklahoma and deposited in the Retirement Benefit Fund.

3 B. On an annual basis, the Board of Trustees shall set the contribution rate to be
4 paid by contributing employers as provided in subsection A of this section. The
5 contribution rate shall be determined using cost principles established by federal
6 regulations and shall be consistent with policies, regulations and procedures that apply
7 uniformly to both federally assisted and other activities, and be accorded consistent
8 treatment through application of generally accepted accounting principles. The Board
9 shall approve the contribution rate for each fiscal year ending June 30, no later than
10 April 1 of the previous fiscal year.

11 C. All the assets of the retirement system shall be credited according to the purpose
12 for which they are held to one of ten funds, namely: The Teachers' Savings Fund, the
13 Retirement Benefit Fund, the Interest Fund, the Permanent Retirement Fund, the
14 Expense Fund, the Suspense Fund, the Reserve for Investment Fluctuations Fund, the
15 Teachers' Deposit Fund, the Membership Annuity Reserve Fund and the Retiree Medical
16 Benefit Fund.

17 1. The Teachers' Savings Fund shall be a fund in which shall be accumulated the
18 regular contributions from the compensation of members, including interest earnings
19 prior to July 1, 1968. Contributions to and payments from the Teachers' Savings Fund
20 shall be made as specifically provided in each plan available within the retirement
21 system.

1 2. The deductions provided for in the plans within the retirement system shall be
2 made notwithstanding that the minimum compensation provided for any member shall
3 be reduced thereby. Every member shall be deemed to consent and agree to the
4 deductions made and provided for herein and payment of salary or compensation, less
5 ~~said~~ the deduction, shall be a full and complete discharge and acquittance of all claims
6 and demands whatsoever for the services rendered by such person during the period
7 covered by such payment, except as to the benefits provided under this act. The
8 employer shall certify to the Board of Trustees on each and every payroll, or in such
9 other manner as ~~said~~ the Board may prescribe, the amounts to be deducted, and each of
10 ~~said~~ the amounts shall be deducted, and when deducted shall be paid into ~~said~~ the
11 Teachers' Savings Fund, and shall be credited to the individual account of the member
12 from whose compensation ~~said~~ the deduction was made.

13 3. Following the termination of membership in the retirement system for any
14 member who has been absent from service for five (5) years in any period of six (6)
15 consecutive years, the Teachers' Savings Fund Account of such member shall be closed
16 and the amount due the member as provided in Section 17-105 of this title shall be paid
17 upon the filing of formal application. At the time such membership is terminated the
18 amount due the member as provided in ~~said~~ Section 17-105 of this title shall be
19 transferred to the Suspense Fund.

20 4. Upon the retirement of a member an amount sufficient to pay his or her annuity
21 benefit for a two-year period shall be transferred from the Teachers' Savings Fund to the
22 Retirement Benefit Fund; an amount sufficient to pay his or her annuity benefit for one

1 (1) year shall be transferred each succeeding year thereafter. Should a member who has
2 retired under Option 1 die, the balance of money he or she had in the Teachers' Savings
3 Fund shall be transferred to the Retirement Benefit Fund for payment to his or her
4 beneficiary or estate.

5 5. Retirement Benefit Fund.

- 6 a. After August 2, 1969, there shall be transferred from the Teachers'
7 Savings Fund and the Membership Annuity Reserve Fund for those
8 members drawing retirement benefits from the Teachers' Retirement
9 System of Oklahoma an amount necessary to provide the monthly
10 annuity payments and pension payments. In addition the fund shall
11 consist of monies received from any state dedicated revenue, monies
12 received from state appropriations, monies received from federal
13 matching funds, and the residue of the interest on investments after
14 the requirements of Section 17-107 of this title have been fully met.
15 The Retirement Benefit Fund shall consist of an amount of money
16 necessary for the making of retirement payments to retirees.
- 17 b. Should a member have deposits in the Teachers' Deposit Fund or the
18 Tax-Sheltered Annuity Fund and wish to receive monthly retirement
19 benefits on such deposits, the actuarial equivalent of a two-year period
20 and each succeeding fiscal year thereafter shall be transferred to the
21 Retirement Benefit Fund. The member may choose any of the plans
22 available in the Teachers' Retirement Act as a method of receiving

1 monthly retirement benefits on the money he has on deposit in the
2 Teachers' Deposit Fund or the Tax-Sheltered Annuity Fund. The
3 monthly retirement benefits paid from the Teachers' Deposit Fund or
4 the Tax-Sheltered Annuity Fund shall be in addition to the regular
5 retirement benefits and the money transferred from the Teachers'
6 Deposit Fund or Tax-Sheltered Annuity Fund shall not be matched by
7 the State of Oklahoma.

8 c. From the Retirement Benefit Fund shall be paid all monthly
9 retirement benefits.

10 d. At the death of a retired member who has retired under the Maximum
11 Plan of Retirement, Option 1 or Option 4, the balance of money the
12 member has in the Teachers' Savings Fund shall be transferred to the
13 Retirement Benefit Fund and the amount due the beneficiary or his or
14 her estate under Option 1 or Option 4 shall be paid from the
15 Retirement Benefit Fund.

16 e. At the death of both a retired member and the retired member's
17 spouse, who had retired under Option 2 or 3, any balance in the
18 Teachers' Savings Fund shall be transferred from the Teachers'
19 Savings Fund to the Retirement Benefit Fund.

20 f. At the death of a retired member who had retired under Option 5, the
21 balance of any monies the member had in the Teachers' Savings Fund
22 shall be transferred to the Retirement Benefit Fund for the purpose of

1 making a lump-sum settlement to the beneficiary or his estate.
2 Providing that if the surviving spouse elects to receive the balance
3 under the Maximum Plan of Retirement or Option 1 the member's
4 money, if any, on a monthly basis, constituting actuarial equivalent of
5 two (2) years' payments, and each year thereafter the annual actuarial
6 equivalent, shall be transferred from the Teachers' Savings Fund for
7 the purpose of paying monthly retirement benefits to the spouse under
8 this option.

9 6. The Interest Fund is hereby created to facilitate the crediting of interest to the
10 various other funds to which interest is to be credited. All income, interest and dividends
11 derived from the deposits and investments authorized by this act shall be paid into the
12 Interest Fund. On June 30, each year, interest shall be transferred to the other funds as
13 herein provided.

14 7. The Permanent Retirement Fund shall consist of the accumulated gifts, awards,
15 and bequests made to the retirement system, and transfers from the Suspense Fund, the
16 principal of which is hereby held and dedicated as a perpetual endowment of the
17 retirement system and shall not be diverted or appropriated to any other cause or
18 purpose unless specifically provided for in such gifts, awards or bequests.

19 8. The Expense Fund shall be the fund from which the expense of administration
20 and maintenance of the retirement system shall be paid. The Board of Trustees shall
21 cause to be prepared and adopt annually an itemized budget showing the amount
22 required to defray the expenses for the ensuing fiscal year.

1 Transfers to and payments from this fund shall be made as follows: first, from the
2 Interest Fund; second, from any dedicated revenue; and, third, from appropriation by the
3 Oklahoma Legislature.

4 All monies for the operation of the Teachers' Retirement System of Oklahoma shall
5 be paid from the Expense Fund upon the approval by the Board of Trustees and the
6 checks signed by two people designated to sign such checks by the Board of Trustees of
7 the Teachers' Retirement System of Oklahoma.

8 9. The Suspense Fund shall be comprised of amounts transferred to the fund as
9 provided in this section and Section 17-105 of this title and obligations of the retirement
10 system to any member or person which cannot be legally discharged.

11 10. The Reserve for Investment Fluctuations Fund shall be the fund in which eight
12 percent (8%) of the investment earnings and the realized profits from the sale or
13 exchange of securities shall be deposited each year until an amount equal to two percent
14 (2%) of the total investments shall be accumulated, and such fund shall thereafter be
15 maintained at such level. Upon proper resolution by the Board of Trustees transfers may
16 be made from this fund to reimburse the investment account of other funds wherein a
17 deficit shall have accrued.

18 11. Teachers' Deposit Fund.

19 Any member may request, prior to a pay period, that his or her employer make
20 additional deposits for him or her, for tax-sheltered annuity purposes. However, the
21 amount deposited shall not exceed the limits as defined in Section 402(g) and Section 415
22 of the Internal Revenue Code of 1986, as amended, and applicable federal regulations.

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

1 All such deposits shall be credited to the member's account in the Teachers' Deposit Fund
2 for the purchase of a tax-sheltered annuity. The amount thus accumulated, with
3 earnings, shall be used upon the member's retirement, separation from service, death or
4 disability to purchase an annuity in addition to his or her regular service retirement
5 allowance. The amount a member accumulates in the Teachers' Deposit Fund, not
6 including interest, may be used to pay distributions in the case of hardship as provided
7 in Section 403(b)(11) of the Internal Revenue Code of 1986, as amended, and applicable
8 federal regulations.

9 12. The Membership Annuity Reserve Fund is composed of teachers' contributions
10 and state matching funds for those members who retired before August 2, 1968. From
11 this fund there shall be transferred the actuarial equivalent necessary to pay retirement
12 benefits for a period of two (2) years and thereafter the actuarial equivalent necessary to
13 pay retirement benefits for one (1) succeeding year.

14 13. Collection of Contributions.

- 15 a. The collection of members' contributions shall be as follows:
- 16 (1) Each employer shall cause to be deducted on each and every
17 payroll or claim of a member for each and every payroll claim
18 period subsequent to the date of establishment of the retirement
19 system the contribution payable by such member as provided in
20 this act. With each and every payroll or claim the employer
21 shall deliver to the treasurer of ~~said~~ the employer warrants
22 issued to the employees as shown to be due by ~~said~~ the payroll

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1 or claim, together with a warrant or warrants in favor of the
2 Teachers' Retirement System as shown by ~~said~~ the payroll or
3 claim.

- 4 (2) The treasurer or disbursing officer upon delivery of the warrants
5 and a true copy of the payroll or claims as provided above shall
6 register ~~said~~ the warrants as provided for the registration of
7 other school warrants, and shall deliver to the employer
8 warrants issued in favor of the employees, and shall deliver
9 warrants issued in favor of the Teachers' Retirement System
10 and the copy of the payroll or claims to the school district
11 superintendent as designated by the Board of Trustees. For the
12 purpose of collecting contributions of teachers in the public
13 schools, the superintendent of a school district is hereby
14 designated to receive the Teachers' Retirement warrants from
15 the treasurer or proper disbursing officer of the several school
16 districts for the purpose of transmitting such warrants and
17 payroll or claims to the Executive ~~Secretary~~ Director of the
18 Teachers' Retirement System of the State of Oklahoma. Any
19 college or university or other educational institution or agency
20 operated in whole or in part by the state shall have the amount
21 retained or deducted from the funds regularly appropriated by

1 the state for the current maintenance for such educational
2 departments and institutions.

3 (3) For the purpose of enabling the collection of the contributions of
4 the members of the retirement system to be made as simple as
5 possible, the Board of Trustees shall require the secretary or
6 other officer of each employer-board or agency, within thirty (30)
7 days after the beginning of each school year, to make a list of all
8 teachers in its employ who are members of the retirement
9 system, certify to the correctness of this list, and file the same
10 with the Executive ~~Secretary~~ Director of the Board of Trustees
11 of the Teachers' Retirement System. If additions to or
12 deductions from this list should be made during the year such
13 additions or deductions shall likewise be certified to the Board of
14 Trustees of the Teachers' Retirement System.

15 (4) The State Treasurer shall furnish annually to the Board of
16 Trustees a sworn statement of the amount of the funds in his or
17 her custody belonging to the retirement system. The records of
18 the Board of Trustees shall be open to public inspection and any
19 member of the retirement system shall be furnished with a
20 statement of the amount of the credit to his or her individual
21 account upon written request by such member, provided the

1 Board of Trustees shall not be required to answer more than one
2 such request of a member in any one (1) year.

3 (5) Failure of any superintendent, officer, or other person to
4 discharge the duties imposed upon him or her by this act shall
5 render him or her or his or her bondsman liable for any loss
6 occasioned thereby to the Teachers' Retirement System or the
7 employees of the school district, or both.

8 (6) On a showing by the Teachers' Retirement System that a
9 warrant, voucher or check issued to it has, for any reason, been
10 lost or never received, after ninety (90) days from the date of
11 issue or from transmittal for payment, it shall be the duty of the
12 issuing authority forthwith, without any indemnifying bond or
13 other requirements, to issue a duplicate thereof in lieu of that
14 which was lost, to the Teachers' Retirement System; and the
15 Teachers' Retirement System shall save harmless any school
16 district or agency of state government making payment under
17 the provisions hereof to the State Teachers' Retirement System
18 if the original warrant, voucher or check is later presented for
19 payment and same is paid after a duplicate warrant, voucher or
20 check has been issued and paid to the Teachers' Retirement
21 System, and any loss sustained therefrom shall be charged to
22 the Interest Fund.

1 14. Rollover Contributions and Direct Trustee-to-Trustee Transfers from Other
2 Plans.

3 Any member may purchase credit for service, to the extent specified in this title,
4 with rollovers from an eligible retirement plan as defined by the Internal Revenue Code
5 of 1986, as amended from time to time. A member may also purchase permissive service
6 credit, as defined by Code Section 415(n)(3)(A), with a direct trustee-to-trustee transfer
7 from a governmental Code Section 403(b) plan or governmental Code Section 457(b) plan.
8 All rollovers and direct trustee-to-trustee transfers shall be allowed to the extent
9 permitted by federal law. Rollovers or direct transfers in excess of the amount necessary
10 to purchase such service credit shall not be allowed.

11 15. Retiree Medical Benefit Fund.

12 The Retiree Medical Benefit Fund shall be maintained as a subaccount under the
13 Retirement Benefit Fund. The Retiree Medical Benefit Fund is composed of all assets
14 contributed to this subaccount to pay the retirement system's portion of the monthly
15 retiree health insurance benefits described in Section 1316.3 of Title 74 of the Oklahoma
16 Statutes. All allocated assets and the earnings thereon in the Retiree Medical Benefit
17 Fund shall be held for the exclusive purpose of providing retiree medical benefits
18 pursuant to Section 1316.3 of Title 74 of the Oklahoma Statutes. The Retiree Medical
19 Benefit Fund shall be administered in accordance with the requirements under Section
20 401(h) of the Internal Revenue Code of 1986, as amended from time to time. An amount
21 necessary to pay the health insurance premiums for retired members as provided by

1 Section 1316.3 of Title 74 of the Oklahoma Statutes shall be deposited each month into
2 the Retiree Medical Benefit Fund.

3 SECTION 5. AMENDATORY 70 O.S. 2001, Section 17-109.1, is amended to
4 read as follows:

5 Section 17-109.1 ~~Except for the member's name, age, amount of contributions paid~~
6 ~~in, benefits being paid, amount of credited service and any documents verifying credited~~
7 ~~service or benefits, all~~ All information, documents and copies thereof contained in a
8 member's retirement file shall be given confidential treatment and shall not be made
9 public by the System without the prior written consent of the member to which it
10 pertains, but shall be subject to subpoena or court order with the exception of the
11 member's name, age, amount of contributions paid in, benefits being paid, amount of
12 credited service and any documents verifying credits, service, or benefits is subject to
13 public knowledge.

14 SECTION 6. AMENDATORY 70 O.S. 2001, Section 17-111, is amended to read
15 as follows:

16 Section 17-111. The Treasurer of the State of Oklahoma shall upon becoming
17 custodian of the Teachers' Retirement Fund, give a bond in the sum of Fifty Thousand
18 Dollars (\$50,000.00); the Executive ~~Secretary~~ Director shall give bond in the sum of
19 Twenty-five Thousand Dollars (\$25,000.00); and the Board of Trustees shall require any
20 other employees and members of the Board of Trustees to give bond in such amounts as
21 the Board may deem necessary, conditioned that said bonded persons will faithfully
22 execute the duties of the respective offices. All bonds shall be made with a good and

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1 solvent surety company, authorized to do business in the State of Oklahoma; said bonds
2 shall be made payable to the Board of Trustees and shall be approved by it and the
3 Attorney General of Oklahoma. All expense necessary and incident to the execution of
4 such bonds, including premiums thereon, shall be paid by the Board of Trustees from the
5 Expense Fund.

6 SECTION 7. AMENDATORY 70 O.S. 2001, Section 17-114.2, is amended to
7 read as follows:

8 Section 17-114.2 The executive ~~secretary~~ director, assistant executive ~~secretary~~
9 director and secretary-treasurer of the system shall be unclassified positions. Twenty-
10 two (22) full-time-equivalent employees of the system shall be unclassified
11 administrative assistants.

12 SECTION 8. This act shall become effective July 1, 2009.

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

16 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
17 dated 02-24-09 - DO PASS, As Amended.