

STATE OF OKLAHOMA

1st Session of the 52nd Legislature (2009)

SENATE BILL 1249

By: Johnson (Mike)

AS INTRODUCED

An Act relating to the Teachers' Retirement System of Oklahoma; amending 68 O.S. 2001, Sections 1353, as last amended by Section 8, Chapter 278, O.S.L. 2008, 1403, as last amended by Section 9, Chapter 278, O.S.L. 2008 and 2352, as last amended by Section 10, Chapter 278, O.S.L. 2008 (68 O.S. Supp. 2008, Sections 1353, 1403 and 2352), which relate to apportionment of sales, use and income taxes; modifying apportionment of sales, use and income taxes; amending 70 O.S. 2001, Section 17-108.1, as last amended by Section 1, Chapter 366, O.S.L. 2007 (70 O.S. Supp. 2008, Section 17-108.1), which relates to employer contribution rates for the Teachers' Retirement System of Oklahoma; modifying employer contribution rates; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 1353, as last amended by Section 8, Chapter 278, O.S.L. 2008 (68 O.S. Supp. 2008, Section 1353), is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to provide revenues for the support of the functions of the state

1 government of Oklahoma, and for this purpose it is hereby expressly
 2 provided that, revenues derived pursuant to the provisions of the
 3 Oklahoma Sales Tax Code, subject to the apportionment requirements
 4 for the Oklahoma Tax Commission and Office of State Finance Joint
 5 Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~
 6 title, shall be apportioned as follows:

7 1. a. the following amounts shall be paid to the State
 8 Treasurer to be placed to the credit of the General
 9 Revenue Fund to be paid out pursuant to direct
 10 appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008, <u>FY 2009</u> and each fiscal year thereafter <u>FY</u> <u>2010</u>	83.61%
<u>FY 2011</u>	<u>84.61</u>
<u>FY 2012</u>	<u>85.61</u>
<u>FY 2013</u>	<u>86.61</u>
<u>FY 2014</u>	<u>87.61</u>
<u>FY 2015 and each fiscal</u> <u>year thereafter</u>	<u>88.61</u>

b. in the event that additional monies are necessary pursuant to paragraph 5 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education and for FY 2006 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%

1 FY 2008, FY 2009 and

2 ~~each fiscal year~~

3 ~~thereafter~~ FY 2010

5.0%

4 FY 2011

4.0%

5 FY 2012

3.0%

6 FY 2013

2.0%

7 FY 2014

1.0%

8 Beginning Fiscal Year 2015 and for each fiscal year thereafter,

9 no amount shall be paid to the credit of the Teachers' Retirement

10 System Dedicated Revenue Revolving Fund.

11 4. For the fiscal year beginning July 1, 2007, and for each
 12 fiscal year thereafter, ninety-three one-hundredths percent (0.93%)
 13 shall be paid to the State Treasurer to be further apportioned as
 14 follows:

- 15 a. thirty-six percent (36%) shall be placed to the credit
 16 of the Oklahoma Tourism Promotion Revolving Fund, and
 17 b. sixty-four percent (64%) shall be placed to the credit
 18 of the Oklahoma Tourism Capital Improvement Revolving
 19 Fund; and

20 5. During the first fiscal year after the State Board of
 21 Equalization has made a determination as provided in Section 2355.1B
 22 of this title, regarding a baseline amount of revenue apportioned
 23 pursuant to paragraph 3 of this section, and for each fiscal year
 24 thereafter, in no event shall monies apportioned pursuant to

1 paragraph 3 of this section, paragraph 3 of Section 1403 of this
2 title and subparagraph c of paragraph 1 of Section 2352 of this
3 title be less than such baseline amount.

4 B. Provided, for the fiscal year beginning July 1, 2007, and
5 every fiscal year thereafter, an amount of revenue shall be
6 apportioned to each municipality or county which levies a sales tax
7 subject to the provisions of Section 1357.10 of this title and
8 subsection F of Section 2701 of this title equal to the amount of
9 sales tax revenue of such municipality or county exempted by the
10 provisions of Section 1357.10 of this title and subsection F of
11 Section 2701 of this title. The ~~Oklahoma~~ Tax Commission shall
12 promulgate and adopt rules necessary to implement the provisions of
13 this subsection.

14 SECTION 2. AMENDATORY 68 O.S. 2001, Section 1403, as
15 last amended by Section 9, Chapter 278, O.S.L. 2008 (68 O.S. Supp.
16 2008, Section 1403), is amended to read as follows:

17 Section 1403. It is hereby declared to be the purpose of
18 Section 1401 et seq. of this title to provide for the support of the
19 functions of the state and local government of Oklahoma; and for
20 this purpose and to this end, it is hereby expressly provided that
21 the revenues derived hereunder, subject to the apportionment
22 requirements for the Oklahoma Tax Commission and Office of State
23 Finance Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of
24 this ~~act~~ title, are hereby apportioned as follows:

1. a. the following amounts shall be paid by the Tax Commission to the State Treasurer and placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008, <u>FY 2009</u> and each fiscal year thereafter <u>FY 2010</u>	83.61%
<u>FY 2011</u>	<u>84.61%</u>
<u>FY 2012</u>	<u>85.61%</u>
<u>FY 2013</u>	<u>86.61%</u>
<u>FY 2014</u>	<u>87.61%</u>
<u>FY 2015 and each fiscal year thereafter</u>	<u>88.61%</u>

b. in the event that additional monies are necessary pursuant to paragraph 5 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

1 2. Ten and forty-six one-hundredths percent (10.46%) shall be
 2 paid to the State Treasurer to be placed to the credit of the
 3 Education Reform Revolving Fund of the State Department of
 4 Education;

5 3. The following amounts shall be paid to the State Treasurer
 6 to be placed to the credit of the Teachers' Retirement System
 7 Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008, <u>FY 2009</u> and	
each fiscal year	
thereafter <u>FY 2010</u>	5.0%
<u>FY 2011</u>	<u>4.0%</u>
<u>FY 2012</u>	<u>3.0%</u>
<u>FY 2013</u>	<u>2.0%</u>
<u>FY 2014</u>	<u>1.0%</u>

20 For Fiscal Year 2015 and for each fiscal year thereafter, no
 21 amount shall be paid to the credit of the Teachers' Retirement
 22 System Dedicated Revenue Revolving Fund.

23 4. For the fiscal year beginning July 1, 2007, and for each
 24 fiscal year thereafter, ninety-three one-hundredths percent (0.93%)

1 shall be paid to the State Treasurer to be further apportioned as
2 follows:

- 3 a. thirty-six percent (36%) shall be placed to the credit
4 of the Oklahoma Tourism Promotion Revolving Fund, and
5 b. sixty-four percent (64%) shall be placed to the credit
6 of the Oklahoma Tourism Capital Improvement Revolving
7 Fund; and

8 5. During the first fiscal year after the State Board of
9 Equalization has made a determination as provided in Section 2355.1B
10 of this title, regarding a baseline amount of revenue apportioned
11 pursuant to paragraph 3 of this section, and for each fiscal year
12 thereafter, in no event shall monies apportioned pursuant to
13 paragraph 3 of this section, paragraph 3 of Section 1353 of this
14 title and subparagraph c of paragraph 1 of Section 2352 of this
15 title be less than such baseline amount.

16 SECTION 3. AMENDATORY 68 O.S. 2001, Section 2352, as
17 last amended by Section 10, Chapter 278, O.S.L. 2008 (68 O.S. Supp.
18 2008, Section 2352), is amended to read as follows:

19 Section 2352. It is hereby declared to be the purpose of
20 Section 2351 et seq. of this title to provide revenue for general
21 governmental functions of state government; and, for that purpose
22 and to that end, it is expressly declared that the revenue derived
23 herefrom and penalties and interest thereon, subject to the
24 apportionment requirements for the Rebuilding Oklahoma Access and

1 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail
 2 Revolving Fund and the Public Transit Revolving Fund to be derived
 3 from income tax revenue that would otherwise be apportioned to the
 4 General Revenue Fund as provided by Section 1521 of Title 69 of the
 5 Oklahoma Statutes, subject to the apportionment requirements for the
 6 Oklahoma Tax Commission and Office of State Finance Joint Computer
 7 Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall
 8 be distributed as follows:

9 1. For the fiscal year beginning July 1, 2002, the first Five
 10 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
 11 derived pursuant to the provisions of subsections A, B and E of
 12 Section 2355 of this title shall be apportioned to the Education
 13 Reform Revolving Fund. The remainder of such revenue for the fiscal
 14 year beginning July 1, 2002, and all such revenue for each fiscal
 15 year thereafter shall be apportioned monthly as follows:

16 a. (1) the following amounts shall be paid to the State
 17 Treasurer to be placed to the credit of the
 18 General Revenue Fund of the state for such fiscal
 19 year for the support of the state government to
 20 be paid out only pursuant to appropriation by the
 21 Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%

1	FY 2006	86.66%
2	FY 2007	86.16%
3	FY 2008, <u>FY 2009</u> and each	
4	fiscal year thereafter	
5	<u>FY 2010</u>	85.66%
6	<u>FY 2011</u>	<u>86.66%</u>
7	<u>FY 2012</u>	<u>87.66%</u>
8	<u>FY 2013</u>	<u>88.66%</u>
9	<u>FY 2014</u>	<u>89.66%</u>
10	<u>FY 2015 and each fiscal</u>	
11	<u>year thereafter</u>	<u>90.66%</u>

(2) in the event that additional monies are necessary pursuant to paragraph 3 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund,

b. for FY 2003 and each fiscal year thereafter, eight and thirty-four one-hundredths percent (8.34%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund,

c. the following amounts shall be paid to the State
Treasurer to be placed to the credit of the Teachers'
Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008, 2009 and each fiscal year thereafter	
<u>FY 2010</u>	5.0%
<u>FY 2011</u>	<u>4.0%</u>
<u>FY 2012</u>	<u>3.0%</u>
<u>FY 2013</u>	<u>2.0%</u>
<u>FY 2014</u>	<u>1.0%</u>

For Fiscal Year 2015 and for each fiscal year
thereafter, no amount shall be paid to the credit of
the Teachers' Retirement System Dedicated Revenue
Revolving Fund.

d. for FY 2003 and each fiscal year thereafter, one
percent (1%) shall be placed to the credit of the Ad
Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified
by the Oklahoma Development Finance Authority and the Oklahoma

1 Department of Commerce to be necessary for the repayment of
2 obligations issued by the Oklahoma Development Finance Authority
3 pursuant to Section 3654 of this title if the other sources of
4 revenue paid to or apportioned to the Quality Jobs Program Incentive
5 Leverage Fund are not adequate, including the proceeds from payment
6 pursuant to the guaranty required by subsection M of Section 3654 of
7 this title, an amount certified by the Oklahoma Development Finance
8 Authority to the ~~Oklahoma~~ Tax Commission shall be apportioned to the
9 Quality Jobs Program Incentive Leverage Fund before any other
10 apportionments are made as otherwise authorized by this paragraph.
11 The Oklahoma Development Finance Authority shall certify to the
12 ~~Oklahoma~~ Tax Commission the time as of which the revenue authorized
13 for apportionment pursuant to this paragraph is no longer required.
14 After the certification, the revenue derived from the income tax
15 shall be apportioned in the manner otherwise provided by this
16 section. Except as otherwise provided by this paragraph, for the
17 fiscal year beginning July 1, 2002, the first Forty-One Million One
18 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
19 revenue derived pursuant to the provisions of subsections C and D of
20 Section 2355 of this title shall be apportioned to the Education
21 Reform Revolving Fund. The remainder of such revenue for the fiscal
22 year beginning July 1, 2002, and all such revenue for each fiscal
23 year thereafter, subject to the apportionment requirements for the
24 Oklahoma Tax Commission and Office of State Finance Joint Computer

1 Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall
 2 be apportioned monthly as follows:

3 a. the following amounts shall be paid to the State
 4 Treasurer to be placed to the credit of the General
 5 Revenue Fund of the state for such fiscal year for the
 6 support of the state government to be paid out only
 7 pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%
FY 2008, <u>FY 2009</u> and each fiscal year	
thereafter <u>FY 2010</u>	77.50%
<u>FY 2011</u>	<u>78.50%</u>
<u>FY 2012</u>	<u>79.50%</u>
<u>FY 2013</u>	<u>80.50%</u>
<u>FY 2014</u>	<u>81.50%</u>
<u>FY 2015 and each fiscal</u> <u>year thereafter</u>	<u>82.50%</u>

22 b. for FY 2003 and each fiscal year thereafter, sixteen
 23 and five-tenths percent (16.5%) shall be paid to the
 24 State Treasurer to be placed to the credit of the

1 Education Reform Revolving Fund of the State

2 Department of Education,

- 3 c. the following amounts shall be paid to the State
4 Treasurer to be placed to the credit of the Teachers'
5 Retirement System Dedicated Revenue Revolving Fund:

6 Fiscal Year	Amount
7 FY 2003 and FY 2004	3.54%
8 FY 2005	3.75%
9 FY 2006	4.0%
10 FY 2007	4.5%
11 FY 2008, <u>2009</u> and each	
12 fiscal year thereafter	
13 <u>FY 2010</u>	5.0%
14 <u>FY 2011</u>	<u>4.0%</u>
15 <u>FY 2012</u>	<u>3.0%</u>
16 <u>FY 2013</u>	<u>2.0%</u>
17 <u>FY 2014</u>	<u>1.0%</u>

18 Beginning Fiscal Year 2015 and for each fiscal year
19 thereafter, no amount shall be paid to the credit of
20 the Teachers' Retirement System Dedicated Revenue
21 Revolving Fund.

- 22 d. for FY 2003 and each fiscal year thereafter, one
23 percent (1%) shall be placed to the credit of the Ad
24 Valorem Reimbursement Fund; and

1 3. During the first fiscal year after the State Board of
2 Equalization has made a determination as provided in Section 2355.1B
3 of this title, regarding a baseline amount of revenue apportioned
4 pursuant to subparagraph c of paragraph 1 of this section, and for
5 each fiscal year thereafter, in no event shall monies apportioned
6 pursuant to subparagraph c of paragraph 1 of this section, paragraph
7 3 of Section 1353 of this title and paragraph 3 of Section 1403 of
8 this title be less than such baseline amount.

9 SECTION 4. AMENDATORY 70 O.S. 2001, Section 17-108.1, as
10 last amended by Section 1, Chapter 366, O.S.L. 2007 (70 O.S. Supp.
11 2008, Section 17-108.1), is amended to read as follows:

12 Section 17-108.1 A. 1. Except as provided in paragraph 2 of
13 this subsection, the employer of any member of the Teachers'
14 Retirement System of Oklahoma shall make the following contributions
15 to the System:

- 16 a. beginning July 1, 1998, through June 30, 1999, eleven
17 and one-half percent (11 1/2%) of the regular annual
18 compensation of the member not in excess of any
19 applicable maximum compensation level of the member,
20 b. beginning July 1, 1999, through June 30, 2000, four
21 and eight-tenths percent (4.8%) of the regular annual
22 compensation of the member not in excess of any
23 applicable maximum compensation level of the member,
24

- 1 c. beginning July 1, 2000, through June 30, 2001, five
2 and eight-tenths percent (5.8%) of the regular annual
3 compensation of the member not in excess of any
4 applicable maximum compensation level of the member,
- 5 d. beginning July 1, 2001, through June 30, 2002, six and
6 eight-tenths percent (6.8%) of the regular annual
7 compensation of the member not in excess of any
8 applicable maximum compensation level of the member,
- 9 e. beginning July 1, 2002, through December 31, 2006,
10 seven and five-hundredths percent (7.05%) of the
11 regular annual compensation of the member not in
12 excess of any applicable maximum compensation level of
13 the member,
- 14 f. beginning January 1, 2007, through June 30, 2007,
15 seven and six-tenths percent (7.6%) of the regular
16 annual compensation of the member not in excess of any
17 applicable maximum compensation level of the member,
- 18 g. beginning July 1, 2007, through December 31, 2007,
19 seven and eighty-five hundredths percent (7.85%) of
20 the regular annual compensation of the member not in
21 excess of any applicable maximum compensation level of
22 the member,
- 23 h. beginning January 1, 2008, through June 30, 2008,
24 eight and thirty-five hundredths percent (8.35%) of

1 the regular annual compensation of the member not in
2 excess of any applicable maximum compensation level of
3 the member,

4 i. beginning July 1, 2008, through December 31, 2008,
5 eight and five-tenths percent (8.5%) of the regular
6 annual compensation of the member not in excess of any
7 applicable maximum compensation level of the member,

8 j. beginning January 1, 2009, through December 31, 2009,
9 nine percent (9%) of the regular annual compensation
10 of the member not in excess of any applicable maximum
11 compensation level of the member,

12 k. beginning January 1, 2010, through June 30, 2010, nine
13 and five-tenths percent (9.5%) of the regular annual
14 compensation of the member not in excess of any
15 applicable maximum compensation level of the member,

16 and

17 l. beginning July 1, 2010, through June 30, 2011, ~~and for~~
18 ~~each fiscal year thereafter, nine and five tenths~~
19 ~~percent (9.5%)~~ _____ percent (%) of the regular
20 annual compensation of the member not in excess of any
21 applicable maximum compensation level of the member,

22 m. beginning July 1, 2011, through June 30, 2012,
23 percent (%) of the regular annual compensation of the
24

- 1 member not in excess of any applicable maximum
2 compensation level of the member,
3 n. beginning July 1, 2012, through June 30, 2013,
4 percent (%) of the regular annual compensation of the
5 member not in excess of any applicable maximum
6 compensation level of the member,
7 o. beginning July 1, 2013, through June 30, 2014,
8 percent (%) of the regular annual compensation of the
9 member not in excess of any applicable maximum
10 compensation level of the member, and
11 p. beginning July 1, 2014, through June 30, 2015, and for
12 each fiscal year thereafter, _____ percent (%) of
13 the regular annual compensation of the member not in
14 excess of any applicable maximum compensation level of
15 the member.

16 The employer contribution rate increase that would otherwise be
17 effective, as provided by subparagraphs f, g, h, i, j, k ~~and~~ l, m,
18 n, o and p of this paragraph, shall not become effective as law
19 unless funding levels to each of the affected participating
20 employers within the System are increased so that the additional
21 employer contribution obligation is funded through an appropriation
22 or transfer of monies instead of requiring the additional employer
23 contribution to be paid for from existing budgetary resources of
24 such participating employers. The participating employers shall use

1 any monies specifically made available for purposes of making
2 employer contributions for such purpose and to the extent of the
3 funds made available for that purpose.

4 2. a. Beginning January 1, 2007, through December 31, 2007,
5 a participating employer that employs an employee of a
6 comprehensive university or a regional institution
7 offering a four-year degree program as designated or
8 authorized by the Oklahoma State Regents for Higher
9 Education shall make contributions to the System with
10 respect to such employees at the rate of seven and
11 five-hundredths percent (7.05%) of the regular annual
12 compensation of the member not in excess of any
13 applicable maximum compensation level.

14 b. Beginning January 1, 2008, through December 31, 2008,
15 a participating employer that employs an employee of a
16 comprehensive university or a regional institution
17 offering a four-year degree program as designated or
18 authorized by the Oklahoma State Regents for Higher
19 Education shall make contributions to the System with
20 respect to such employees at the rate of seven and
21 fifty-five hundredths percent (7.55%) of the regular
22 annual compensation of the member not in excess of any
23 applicable maximum compensation level of the member.

- 1 c. Beginning January 1, 2009, through December 31, 2009,
2 a participating employer that employs an employee of a
3 comprehensive university or a regional institution
4 offering a four-year degree program as designated or
5 authorized by the Oklahoma State Regents for Higher
6 Education shall make contributions to the System with
7 respect to such employees at the rate of eight and
8 five hundredths percent (8.05%) of the regular annual
9 compensation of the member not in excess of any
10 applicable maximum compensation level of the member.
- 11 d. Beginning January 1, 2010, through June 30, 2010, a
12 participating employer that employs an employee of a
13 comprehensive university or a regional institution
14 offering a four-year degree program as designated or
15 authorized by the Oklahoma State Regents for Higher
16 Education shall make contributions to the System with
17 respect to such employees at the rate of eight and
18 fifty-five hundredths percent (8.55%) of the regular
19 annual compensation of the member not in excess of any
20 applicable maximum compensation level of the member.
- 21 e. Beginning July 1, 2010, through June 30, 2011, ~~and for~~
22 ~~each fiscal year thereafter,~~ a participating employer
23 that employs an employee of a comprehensive university
24 or a regional institution offering a four-year degree

1 program as designated or authorized by the Oklahoma
2 State Regents for Higher Education shall make
3 contributions to the System with respect to such
4 employees at the rate of ~~eight and fifty five~~
5 ~~hundredths percent (8.55%)~~ _____ percent (%) of the
6 regular annual compensation of the member not in
7 excess of any applicable maximum compensation level of
8 the member.

9 f. Beginning July 1, 2011, through June 30, 2012, a
10 participating employer that employs an employee of a
11 comprehensive university or a regional institution
12 offering a four-year degree program as designated or
13 authorized by the Oklahoma State Regents for Higher
14 Education shall make contributions to the System with
15 respect to such employees at the rate of _____ percent
16 (%) of the regular annual compensation of the member
17 not in excess of any applicable maximum compensation
18 level of the member.

19 g. Beginning July 1, 2012, through June 30, 2013, a
20 participating employer that employs an employee of a
21 comprehensive university or a regional institution
22 offering a four-year degree program as designated or
23 authorized by the Oklahoma State Regents for Higher
24 Education shall make contributions to the System with

1 respect to such employees at the rate of _____ percent
2 (%) of the regular annual compensation of the member
3 not in excess of any applicable maximum compensation
4 level of the member.

5 h. Beginning July 1, 2013, through June 30, 2014, a
6 participating employer that employs an employee of a
7 comprehensive university or a regional institution
8 offering a four-year degree program as designated or
9 authorized by the Oklahoma State Regents for Higher
10 Education shall make contributions to the System with
11 respect to such employees at the rate of _____ percent
12 (%) of the regular annual compensation of the member
13 not in excess of any applicable maximum compensation
14 level of the member.

15 i. Beginning July 1, 2014, through June 30, 2015, and for
16 each fiscal year thereafter, a participating employer
17 that employs an employee of a comprehensive university
18 or a regional institution offering a four-year degree
19 program as designated or authorized by the Oklahoma
20 State Regents for Higher Education shall make
21 contributions to the System with respect to such
22 employees at the rate of _____ percent (%) of the
23 regular annual compensation of the member not in
24

1 excess of any applicable maximum compensation level of
2 the member.

3 The employer contribution rate increase that would otherwise be
4 effective as provided by subparagraphs b, c, d ~~and~~, e, f, g, h and i
5 of this paragraph shall not become effective as law unless funding
6 levels are increased so that the additional employer contribution
7 obligation is funded through such an appropriation or transfer of
8 monies instead of requiring the additional employer contribution to
9 be paid for from existing budgetary resources of such participating
10 employers. The participating employers shall use any monies
11 specifically made available for purposes of making employer
12 contributions for such purpose and to the extent of the funds made
13 available for that purpose.

14 3. Any employer contribution paid to the System pursuant to
15 this subsection shall not be considered as salary, fringe benefit,
16 or total compensation due to members for the purpose of meeting any
17 legislative or contractual obligation of the employer.

18 B. For entities or institutions within The Oklahoma State
19 System of Higher Education, the contributions to the System shall be
20 made on regular annual compensation of a member who is an employee
21 of such entity or institution not to exceed the maximum compensation
22 level in effect for the member as prescribed by law.

23 C. Employers paying contributions to the System pursuant to
24 subsection A or B of this section shall receive credit for that

1 portion of the gross production tax on natural gas and/or casinghead
2 gas apportioned to the System pursuant to subsection 2 of Section
3 1004 of Title 68 of the Oklahoma Statutes in meeting the total
4 required employer contribution. On an annual basis, the Board of
5 Trustees of the Teachers' Retirement System of Oklahoma shall
6 estimate the net additional cost required to be paid by the
7 contributing employers in order to meet the total employer
8 contribution as provided in subsection A or B of this section. The
9 Board of Trustees shall approve the amount of the additional
10 contribution required to be paid by contributing employers as a
11 percentage of total member salaries and fringe benefits for each
12 fiscal year ending June 30, no later than April 1 of the previous
13 fiscal year. In no event shall the additional contribution required
14 to be paid by the contributing employer under this subsection be
15 less than the contribution required under this subsection in the
16 prior year. In the event actual contributions do not equal the
17 required total contribution as provided in subsection A or B of this
18 section, the net difference between the actual contributions and the
19 required total contributions shall be determined and shall be
20 included in the amount of the additional contribution required to be
21 paid by contributing employers for the next fiscal year. All
22 contributing employers shall pay the same percentage of total member
23 salaries and fringe benefits during each fiscal year. The
24 provisions of this subsection shall terminate June 30, 1999.

1 D. Any school district, state college or university, State
2 Board of Education, State Board of Career and Technology Education,
3 or other state agency may, for and on behalf of any member of the
4 System, pay all or any portion of the contribution required by
5 Section 17-108 of this title. Provided, the contribution so paid by
6 any school district, state college or university, State Board of
7 Education, State Board of Career and Technology Education, or other
8 state agency shall be and remain subject to the withdrawal
9 provisions set forth under the System. Wherever the term
10 "contribution" is used, it shall be deemed to include contributions
11 paid for and on behalf of a member by a school district, state
12 college or university, State Board of Education, State Board of
13 Career and Technology Education, or other state agency.

14 E. All participating employers shall provide a complete record
15 of the total compensation paid to each employee, including any
16 person who is a retired member of the System, whether or not
17 employer and employee contributions are made with respect to such
18 compensation. The employer shall provide the report required by
19 this subsection on a monthly basis on a form or using such method as
20 the Teachers' Retirement System of Oklahoma may require.

21 SECTION 5. This act shall become effective November 1, 2009.

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