

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 235

By: Johnson (Mike) and Myers of  
the Senate

4 and

5 Miller and Martin (Scott)  
6 of the House

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8  
9 AS INTRODUCED

10 An Act relating to state employees; amending 74 O.S.  
11 2001, Section 1707, as amended by Section 10, Chapter  
12 438, O.S.L. 2002 (74 O.S. Supp. 2008, Section 1707),  
which relates to the Oklahoma State Employees  
13 Deferred Savings Incentive Plan; clarifying language;  
and providing an effective date.

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

16 SECTION 1. AMENDATORY 74 O.S. 2001, Section 1707, as  
17 amended by Section 10, Chapter 438, O.S.L. 2002 (74 O.S. Supp. 2008,  
18 Section 1707), is amended to read as follows:

19 Section 1707. A. Effective January 1, 1998, for each qualified  
20 participant as defined in this section who is a state employee as  
21 defined ~~in~~ under this section, the Oklahoma Public Employees  
22 Retirement System shall pay each month from funds appropriated or  
23 deposited to the Oklahoma State Employees Deferred Savings Incentive  
24 Plan Fund created pursuant to this section the sum of Twenty-five

1 Dollars (\$25.00) to a plan established pursuant to the Internal  
2 Revenue Code, Section 401(a), for the benefit of the employee;  
3 provided, if monies in the fund are insufficient to fully fund the  
4 contributions in any month, payments shall be suspended until such  
5 time as sufficient monies are available. Employees receiving  
6 payroll other than monthly shall have an amount contributed which is  
7 equivalent to Twenty-five Dollars (\$25.00) per month.

8 B. For the purposes of this section, "qualified participant"  
9 means a state employee as defined in this section who is an active  
10 participant in the Oklahoma State Employees Deferred Compensation  
11 Plan making deferrals of at least Twenty-five Dollars (\$25.00) per  
12 month. Effective July 1, 2000, each qualified participant shall be  
13 eligible for a contribution of Twenty-five Dollars (\$25.00) to the  
14 Oklahoma State Employees Deferred Savings Incentive Plan beginning  
15 with the first employee deferral into the Oklahoma State Employees  
16 Deferred Compensation Plan. The Administrator of the Office of  
17 Personnel Management and the Director of State Finance shall be  
18 responsible for the provision of such information and assistance as  
19 may be necessary to determine which employees are qualified  
20 participants and shall provide for appropriate payroll transactions  
21 to accomplish contributions to the Oklahoma State Employees Deferred  
22 Savings Incentive Plan and the Oklahoma State Employees Deferred  
23 Compensation Plan. The Oklahoma Public Employees Retirement System  
24 shall be responsible for establishing rules and plan documents for

1 administration of such contributions. Funds so credited shall be  
2 held and invested in the same manner as the Oklahoma State Employees  
3 Deferred Compensation Plan, as provided in Section 1701 of this  
4 title.

5 C. For the purposes of this section, "state employee" means any  
6 officer or employee of the executive, legislative, or judicial  
7 branches of the government of this state who is an active member of  
8 a public retirement system of this state, but does not include:

9 1. Employees of the public elementary, secondary, or area  
10 vocational school districts;

11 2. Employees of The Oklahoma State System of Higher Education  
12 except employees of the Oklahoma State Regents ~~of~~ for Higher  
13 Education, employees of the governing boards and employees of the  
14 Board of Regents of the University of Oklahoma who are participating  
15 members of the Oklahoma Public Employees Retirement System;

16 3. Persons on temporary, student, internship, or other limited-  
17 term appointments except for Executive Fellows in the Carl Albert  
18 Public Internship Program created in Section 840-3.4 of this title;  
19 or

20 4. Persons employed pursuant to Section 1.6a of Title 53 of the  
21 Oklahoma Statutes or Section 1806.1 of this title.

22 D. No public official shall be able to make contributions to  
23 the Section 401(a) plan described by this section during a term of  
24 office which commenced prior to July 1, 1997. A public official may

1 make contributions to the Section 401(a) plan described by this  
2 section during a term of office which commences after July 1, 1997.  
3 No legislator shall be eligible to make contributions to the Section  
4 401(a) plan described by this section until such contributions have  
5 been approved by the Board on Legislative Compensation. The  
6 provisions of this subsection shall be applicable only in the event  
7 that the Plan permits employee contributions.

8 E. There is hereby created in the State Treasury a revolving  
9 fund to be designated the "Oklahoma State Employees Deferred Savings  
10 Incentive Plan Fund". The fund shall be a continuing fund, not  
11 subject to fiscal year limitations, and shall consist of any monies  
12 the Legislature may appropriate or transfer to the fund and any  
13 monies contributed for the fund from any other sources, public or  
14 private. All monies accruing to the credit of said fund are hereby  
15 appropriated and may be budgeted and expended by the Oklahoma Public  
16 Employees Retirement System for the matching of deferred  
17 compensation contributions pursuant to this section and in  
18 accordance with rules promulgated by the Oklahoma Public Employees  
19 Retirement System and for reimbursement of expenses for  
20 administration of the Oklahoma State Employees Deferred Savings  
21 Incentive Plan and the Oklahoma State Employees Deferred  
22 Compensation Plan. Expenditures from the fund shall be made by  
23 warrants issued by the State Treasurer against claims filed as

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1 prescribed by law with the Director of State Finance for approval  
2 and payment.

3 F. Effective July 1, 2000, every employer which has state  
4 employees participating in the Oklahoma State Employees Deferred  
5 Savings Incentive Plan shall pay to the ~~Fund~~ fund an amount equal to  
6 Twenty-five Dollars (\$25.00) each month for each qualified  
7 participant as defined in this section, along with an amount to  
8 reimburse the cost of administration of the Oklahoma State Employees  
9 Deferred Savings Incentive Plan and the Oklahoma State Employees  
10 Deferred Compensation Plan for each qualified participant, as  
11 determined by the Board.

12 1. The Board shall certify each year to the Office of State  
13 Finance the determined amount for the administrative cost of the  
14 Oklahoma State Employees Deferred Savings Incentive Plan and the  
15 Oklahoma State Employees Deferred Compensation Plan which will be  
16 required to be paid for each qualified participant. The Board of  
17 Trustees shall promulgate such rules as are necessary to implement  
18 the provisions of this subsection and provide the methodology for  
19 the determination.

20 2. Each employer shall pay at least monthly to the ~~Fund~~ fund  
21 the sum sufficient to satisfy the obligation under this section as  
22 certified by the Board.

23 3. Each employer is hereby authorized to pay the employer's  
24 contribution from the same fund that the compensation for which said

1 contribution is paid from or from any other funds available to it  
2 for such purpose.

3 SECTION 2. This act shall become effective September 1, 2009.

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