

STATE OF OKLAHOMA

1st Session of the 53rd Legislature (2011)

COMMITTEE SUBSTITUTE
FOR ENGROSSED

SENATE BILL NO. 794

By: Mazzei and Brecheen of the
Senate

and

McDaniel (Randy) of the
House

COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 2001, Sections 902, as last amended by Section 1, Chapter 435, O.S.L. 2010 and 913.4, as last amended by Section 2, Chapter 435, O.S.L. 2010 (74 O.S. Supp. 2010, Sections 902 and 913.4), which relate to normal retirement age provisions; modifying definitions; providing normal retirement age for certain members; requiring certain rate and retirement benefit for certain elected officials; modifying normal retirement date for certain elected officials; modifying early retirement percentages for certain elected officials; modifying eligibility date to receive survivor and retirement benefits for certain elected officials; and providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 902, as last amended by Section 1, Chapter 435, O.S.L. 2010 (74 O.S. Supp. 2010, Section 902), is amended to read as follows:

1 Section 902. As used in Section 901 et seq. of this title:

2 (1) "System" means the Oklahoma Public Employees Retirement
3 System as established by this act and as it may hereafter be
4 amended;

5 (2) "Accumulated contributions" means the sum of all
6 contributions by a member to the System which shall be credited to
7 the member's account;

8 (3) "Act" means Sections 901 to 932, inclusive, of this title;

9 (4) "Actuarial equivalent" means a deferred income benefit of
10 equal value to the accumulated deposits or benefits when computed
11 upon the basis of the actuarial tables in use by the System;

12 (5) "Actuarial tables" means the actuarial tables approved and
13 in use by the Board at any given time;

14 (6) "Actuary" means the actuary or firm of actuaries employed
15 by the Board at any given time;

16 (7) "Beneficiary" means any person named by a member to receive
17 any benefits as provided for by Section 901 et seq. of this title.
18 If there is no beneficiary living at time of member employee's
19 death, the member's estate shall be the beneficiary;

20 (8) "Board" means the Oklahoma Public Employees Retirement
21 System Board of Trustees;

22 (9) "Compensation" means all salary and wages, as defined by
23 the Board of Trustees, including amounts deferred under deferred
24 compensation agreements entered into between a member and a

1 participating employer, but exclusive of payment for overtime,
2 payable to a member of the System for personal services performed
3 for a participating employer but shall not include compensation or
4 reimbursement for traveling, or moving expenses, or any compensation
5 in excess of the maximum compensation level, provided:

6 (a) For compensation for service prior to January 1, 1988,
7 the maximum compensation level shall be Twenty-five
8 Thousand Dollars (\$25,000.00) per annum.

9 For compensation for service on or after January 1,
10 1988, through June 30, 1994, the maximum compensation
11 level shall be Forty Thousand Dollars (\$40,000.00) per
12 annum.

13 For compensation for service on or after July 1, 1994,
14 through June 30, 1995, the maximum compensation level
15 shall be Fifty Thousand Dollars (\$50,000.00) per
16 annum; for compensation for service on or after July
17 1, 1995, through June 30, 1996, the maximum

18 compensation level shall be Sixty Thousand Dollars
19 (\$60,000.00) per annum; for compensation for service
20 on or after July 1, 1996, through June 30, 1997, the
21 maximum compensation level shall be Seventy Thousand
22 Dollars (\$70,000.00) per annum; and for compensation
23 for service on or after July 1, 1997, through June 30,
24 1998, the maximum compensation level shall be Eighty

1 Thousand Dollars (\$80,000.00) per annum. For
2 compensation for services on or after July 1, 1998,
3 there shall be no maximum compensation level for
4 retirement purposes.

5 (b) Compensation for retirement purposes shall include any
6 amount of elective salary reduction under Section 457
7 of the Internal Revenue Code of 1986 and any amount of
8 nonelective salary reduction under Section 414(h) of
9 the Internal Revenue Code of 1986.

10 (c) Notwithstanding any provision to the contrary, the
11 compensation taken into account for any employee in
12 determining the contribution or benefit accruals for
13 any plan year is limited to the annual compensation
14 limit under Section 401(a)(17) of the federal Internal
15 Revenue Code.

16 (d) Current appointed members of the Oklahoma Tax
17 Commission whose salary is constitutionally limited
18 and is less than the highest salary allowed by law for
19 his or her position shall be allowed, within ninety
20 (90) days from the effective date of this act, to make
21 an election to use the highest salary allowed by law
22 for the position to which the member was appointed for
23 the purposes of making contributions and determination
24 of retirement benefits. Such election shall be

1 irrevocable and be in writing. Reappointment to the
2 same office shall not permit a new election. Members
3 appointed to the Oklahoma Tax Commission after the
4 effective date of this act shall make such election,
5 pursuant to this subparagraph, within ninety (90) days
6 of taking office;

7 (10) "Credited service" means the sum of participating service,
8 prior service and elected service;

9 (11) "Dependent" means a parent, child, or spouse of a member
10 who is dependent upon the member for at least one-half (1/2) of the
11 member's support;

12 (12) "Effective date" means the date upon which the System
13 becomes effective by operation of law;

14 (13) "Eligible employer" means the state and any county, county
15 hospital, city or town, conservation districts, circuit engineering
16 districts and any public or private trust in which a county, city or
17 town participates and is the primary beneficiary is to be an
18 eligible employer for the purpose of this act only, whose employees
19 are covered by Social Security and are not covered by or eligible
20 for another retirement plan authorized under the laws of this state
21 which is in operation on the initial entry date. Emergency medical
22 service districts may join the System upon proper application to the
23 Board. Provided affiliation by a county hospital shall be in the
24 form of a resolution adopted by the board of control.

1 (a) If a class or several classes of employees of any
2 above-defined employers are covered by Social Security
3 and are not covered by or eligible for and will not
4 become eligible for another retirement plan authorized
5 under the laws of this state, which is in operation on
6 the effective date, such employer shall be deemed an
7 eligible employer, but only with respect to that class
8 or those classes of employees as defined in this
9 section.

10 (b) A class or several classes of employees who are
11 covered by Social Security and are not covered by or
12 eligible for and will not become eligible for another
13 retirement plan authorized under the laws of this
14 state, which is in operation on the effective date,
15 and when the qualifications for employment in such
16 class or classes are set by state law; and when such
17 class or classes of employees are employed by a county
18 or municipal government pursuant to such
19 qualifications; and when the services provided by such
20 employees are of such nature that they qualify for
21 matching by or contributions from state or federal
22 funds administered by an agency of state government
23 which qualifies as a participating employer, then the
24 agency of state government administering the state or

1 federal funds shall be deemed an eligible employer,
2 but only with respect to that class or those classes
3 of employees as defined in this subsection; provided,
4 that the required contributions to the retirement plan
5 may be withheld from the contributions of state or
6 federal funds administered by the state agency and
7 transmitted to the System on the same basis as the
8 employee and employer contributions are transmitted
9 for the direct employees of the state agency. The
10 retirement or eligibility for retirement under the
11 provisions of law providing pensions for service as a
12 volunteer fire fighter shall not render any person
13 ineligible for participation in the benefits provided
14 for in Section 901 et seq. of this title. An employee
15 of any public or private trust in which a county, city
16 or town participates and is the primary beneficiary
17 shall be deemed to be an eligible employee for the
18 purpose of this act only.

19 (c) All employees of the George Nigh Rehabilitation
20 Institute who elected to retain membership in the
21 System, pursuant to Section 913.7 of this title, shall
22 continue to be eligible employees for the purposes of
23 this act. The George Nigh Rehabilitation Institute
24

1 shall be considered a participating employer only for
2 such employees.

3 (d) A participating employer of the Teachers' Retirement
4 System of Oklahoma, who has one or more employees who
5 have made an election pursuant to enabling legislation
6 to retain membership in the System as a result of
7 change in administration, shall be considered a
8 participating employer of the Oklahoma Public
9 Employees Retirement System only for such employees;

10 (14) "Employee" means any officer or employee of a
11 participating employer, whose employment is not seasonal or
12 temporary and whose employment requires at least one thousand
13 (1,000) hours of work per year and whose salary or wage is equal to
14 the hourly rate of the monthly minimum wage for state employees.
15 For those eligible employers outlined in Section 910 of this title,
16 the rate shall be equal to the hourly rate of the monthly minimum
17 wage for that employer. Each employer, whose minimum wage is less
18 than the state's minimum wage, shall inform the System of the
19 minimum wage for that employer. This notification shall be by
20 resolution of the governing body.

21 (a) Any employee of the county extension agents who is not
22 currently participating in the Teachers' Retirement
23 System of Oklahoma shall be a member of this System.
24

1 (b) Eligibility shall not include any employee who is a
2 contributing member of the United States Civil Service
3 Retirement System.

4 (c) It shall be mandatory for an officer, appointee or
5 employee of the office of district attorney to become
6 a member of this System if he or she is not currently
7 participating in a county retirement system. Provided
8 further, that if an officer, appointee or employee of
9 the office of district attorney is currently
10 participating in such county retirement system, he or
11 she is ineligible for this System as long as he or she
12 is eligible for such county retirement system. Any
13 eligible officer, appointee or employee of the office
14 of district attorney shall be given credit for prior
15 service as defined in this section. The provisions
16 outlined in Section 917 of this title shall apply to
17 those employees who have previously withdrawn their
18 contributions.

19 (d) Eligibility shall also not include any officer or
20 employee of the Oklahoma Employment Security
21 Commission, except for those officers and employees of
22 the Commission electing to transfer to this System
23 pursuant to the provisions of Section 910.1 of this
24 title or any other class of officers or employees

1 specifically exempted by the laws of this state,
2 unless there be a consolidation as provided by Section
3 912 of this title. Employees of the Oklahoma
4 Employment Security Commission who are ineligible for
5 enrollment in the Employment Security Commission
6 Retirement Plan, that was in effect on January 1,
7 1964, shall become members of this System.

8 (e) Any employee employed by the Legislative Service
9 Bureau, State Senate or House of Representatives for
10 the full duration of a regular legislative session
11 shall be eligible for membership in the System
12 regardless of classification as a temporary employee
13 and may participate in the System during the regular
14 legislative session at the option of the employee.
15 For purposes of this subparagraph, the determination
16 of whether an employee is employed for the full
17 duration of a regular legislative session shall be
18 made by the Legislative Service Bureau if such
19 employee is employed by the Legislative Service
20 Bureau, the State Senate if such employee is employed
21 by the State Senate, or by the House of
22 Representatives if such employee is employed by the
23 House of Representatives. Each regular legislative
24 session during which the legislative employee or an

1 employee of the Legislative Service Bureau
2 participates full time shall be counted as six (6)
3 months of full-time participating service.

4 (i) Except as otherwise provided by this
5 subparagraph, once a temporary session employee
6 makes a choice to participate or not, the choice
7 shall be binding for all future legislative
8 sessions during which the employee is employed.

9 (ii) Notwithstanding the provisions of division (i) of
10 this subparagraph, any employee, who is eligible
11 for membership in the System because of the
12 provisions of this subparagraph and who was
13 employed by the State Senate or House of
14 Representatives after January 1, 1989, may file
15 an election, in a manner specified by the Board,
16 to participate as a member of the System prior to
17 September 1, 1989.

18 (iii) Notwithstanding the provisions of division (i) of
19 this subparagraph, a temporary legislative
20 session employee who elected to become a member
21 of the System may withdraw from the System
22 effective the day said employee elected to
23 participate in the System upon written request to
24 the Board. Any such request must be received by

1 the Board prior to October 1, 1990. All employee
2 contributions made by the temporary legislative
3 session employee shall be returned to the
4 employee without interest within four (4) months
5 of receipt of the written request.

6 (iv) A member of the System who did not initially
7 elect to participate as a member of the System
8 pursuant to subparagraph (e) of this paragraph
9 shall be able to acquire service performed as a
10 temporary legislative session employee for
11 periods of service performed prior to the date
12 upon which the person became a member of the
13 System if:

- 14 a. the member files an election with the System
15 not later than December 31, 2000, to
16 purchase the prior service; and
- 17 b. the member makes payment to the System of
18 the actuarial cost of the service credit
19 pursuant to subsection A of Section 913.5 of
20 this title. The provisions of Section 913.5
21 of this title shall be applicable to the
22 purchase of the service credit, including
23 the provisions for determining service
24 credit in the event of incomplete payment

1 due to cessation of payments, death,
2 termination of employment or retirement, but
3 the payment may extend for a period not to
4 exceed ninety-six (96) months;

5 (15) "Entry date" means the date on which an eligible employer
6 joins the System. The first entry date pursuant to Section 901 et
7 seq. of this title shall be January 1, 1964;

8 (16) "Executive Director" means the managing officer of the
9 System employed by the Board under Section 901 et seq. of this
10 title;

11 (17) "Federal Internal Revenue Code" means the federal Internal
12 Revenue Code of 1954 or 1986, as amended and as applicable to a
13 governmental plan as in effect on July 1, 1999;

14 (18) "Final average compensation" means the average annual
15 compensation, including amounts deferred under deferred compensation
16 agreements entered into between a member and a participating
17 employer, up to, but not exceeding the maximum compensation levels
18 as provided in paragraph (9) of this section received during the
19 highest three (3) of the last ten (10) years of participating
20 service immediately preceding retirement or termination of
21 employment. Provided, no member shall retire with a final average
22 compensation unless the member has made the required contributions
23 on such compensation, as defined by the Board of Trustees;

24

1 (19) "Fiscal year" means the period commencing July 1 of any
2 year and ending June 30 of the next year. The fiscal year is the
3 plan year for purposes of the federal Internal Revenue Code;
4 however, the calendar year is the limitation year for purposes of
5 Section 415 of the federal Internal Revenue Code;

6 (20) "Fund" means the Oklahoma Public Employees Retirement Fund
7 as created by Section 901 et seq. of this title;

8 (21) "Leave of absence" means a period of absence from
9 employment without pay, authorized and approved by the employer and
10 acknowledged to the Board, and which after the effective date does
11 not exceed two (2) years;

12 (22) "Member" means an eligible employee or elected official
13 who is in the System and is making the required employee or elected
14 official contributions, or any former employee or elected official
15 who shall have made the required contributions to the System and
16 shall have not received a refund or withdrawal;

17 (23) "Military service" means service in the Armed Forces of
18 the United States by an honorably discharged person during the
19 following time periods, as reflected on such person's Defense
20 Department Form 214, not to exceed five (5) years for combined
21 participating and/or prior service, as follows:

22 (a) during the following periods, including the beginning
23 and ending dates, and only for the periods served,
24 from:

- 1 (i) April 6, 1917, to November 11, 1918, commonly
2 referred to as World War I,
- 3 (ii) September 16, 1940, to December 7, 1941, as a
4 member of the 45th Division,
- 5 (iii) December 7, 1941, to December 31, 1946, commonly
6 referred to as World War II,
- 7 (iv) June 27, 1950, to January 31, 1955, commonly
8 referred to as the Korean Conflict or the Korean
9 War,
- 10 (v) February 28, 1961, to May 7, 1975, commonly
11 referred to as the Vietnam era, except that:
12 a. for the period from February 28, 1961, to
13 August 4, 1964, military service shall only
14 include service in the Republic of Vietnam
15 during that period, and
16 b. for purposes of determining eligibility for
17 education and training benefits, such period
18 shall end on December 31, 1976, or
- 19 (vi) August 1, 1990, to December 31, 1991, commonly
20 referred to as the Gulf War, the Persian Gulf
21 War, or Operation Desert Storm, but excluding any
22 person who served on active duty for training
23 only, unless discharged from such active duty for
24 a service-connected disability;

1 (b) during a period of war or combat military operation
2 other than a conflict, war or era listed in
3 subparagraph (a) of this paragraph, beginning on the
4 date of Congressional authorization, Congressional
5 resolution, or Executive Order of the President of the
6 United States, for the use of the Armed Forces of the
7 United States in a war or combat military operation,
8 if such war or combat military operation lasted for a
9 period of ninety (90) days or more, for a person who
10 served, and only for the period served, in the area of
11 responsibility of the war or combat military
12 operation, but excluding a person who served on active
13 duty for training only, unless discharged from such
14 active duty for a service-connected disability, and
15 provided that the burden of proof of military service
16 during this period shall be with the member, who must
17 present appropriate documentation establishing such
18 service.

19 An eligible member under this paragraph shall include only those
20 persons who shall have served during the times or in the areas
21 prescribed in this paragraph, and only if such person provides
22 appropriate documentation in such time and manner as required by the
23 System to establish such military service prescribed in this
24 paragraph, or for service pursuant to subdivision a of division (v)

1 of subparagraph (a) of this paragraph those persons who were awarded
2 service medals, as authorized by the United States Department of
3 Defense as reflected in the veteran's Defense Department Form 214,
4 related to the Vietnam Conflict for service prior to August 5, 1964;

5 (24) "Normal retirement date" means the date on which a member
6 may retire with full retirement benefits as provided in Section 901
7 et seq. of this title, such date being whichever occurs first:

8 (a) the first day of the month coinciding with or
9 following a member's:

10 (1) sixty-second birthday with respect to members
11 whose first participating service occurs prior to
12 November 1, 2011, or

13 (2) sixty-fifth birthday with respect to members
14 whose first participating service occurs on or
15 after November 1, 2011,

16 (b) for any person who initially became a member prior to
17 July 1, 1992, and who does not reach a normal
18 retirement date pursuant to division (1) of
19 subparagraph (a) of this paragraph, the first day of
20 the month coinciding with or following the date at
21 which the sum of a member's age and number of years of
22 credited service total eighty (80); such a normal
23 retirement date will also apply to any person who
24 became a member of the sending system as defined in

1 Section 901 et seq. of this title, prior to July 1,
2 1992, regardless of whether there were breaks in
3 service after July 1, 1992,

4 (c) for any person who became a member after June 30,
5 1992, but prior to November 1, 2011, and who does not
6 reach a normal retirement date pursuant to division
7 (1) of subparagraph (a) of this paragraph, the first
8 day of the month coinciding with or following the date
9 at which the sum of a member's age and number of years
10 of credited service total ninety (90),

11 (d) in addition to subparagraphs (a), (b) and (c) of this
12 paragraph, the first day of the month coinciding with
13 or following a member's completion of at least twenty
14 (20) years of full-time-equivalent employment as:

15 (i) a correctional or probation and parole officer
16 with the Department of Corrections and at the
17 time of retirement, the member was a correctional
18 or probation and parole officer with the
19 Department of Corrections, or

20 (ii) a correctional officer, probation and parole
21 officer or fugitive apprehension agent with the
22 Department of Corrections who is in such position
23 on June 30, 2004, or who is hired after June 30,
24 2004, and who receives a promotion or change in

1 job classification after June 30, 2004, to
2 another position in the Department of
3 Corrections, so long as such officer or agent has
4 at least five (5) years of service as a
5 correctional officer, probation and parole
6 officer or fugitive apprehension agent with the
7 Department, has twenty (20) years of full-time-
8 equivalent employment with the Department and was
9 employed by the Department at the time of
10 retirement, or

11 (iii) a firefighter with the Oklahoma Military
12 Department either employed for the first time on
13 or after July 1, 2002, or who was employed prior
14 to July 1, 2002, in such position and who makes
15 the election authorized by division (2) of
16 subparagraph b of paragraph (8) of subsection A
17 of Section 915 of this title and at the time of
18 retirement, the member was a firefighter with the
19 Oklahoma Military Department, and such member has
20 at least twenty (20) years of credited service
21 upon which the two and one-half percent (2 1/2%)
22 multiplier will be used in calculating the
23 retirement benefit,
24

1 (e) for those fugitive apprehension agents who retire on
2 or after July 1, 2002, the first day of the month
3 coinciding with or following a member's completion of
4 at least twenty (20) years of full-time-equivalent
5 employment as a fugitive apprehension agent with the
6 Department of Corrections and at the time of
7 retirement, the member was a fugitive apprehension
8 agent with the Department of Corrections, or

9 (f) for any member who was continuously employed by an
10 entity or institution within The Oklahoma State System
11 of Higher Education and whose initial employment with
12 such entity or institution was prior to July 1, 1992,
13 and who without a break in service of more than thirty
14 (30) days became employed by an employer participating
15 in the Oklahoma Public Employees Retirement System,
16 the first day of the month coinciding with or
17 following the date at which the sum of the member's
18 age and number of years of credited service total
19 eighty (80);

20 (25) "Participating employer" means an eligible employer who
21 has agreed to make contributions to the System on behalf of its
22 employees;

23 (26) "Participating service" means the period of employment
24 after the entry date for which credit is granted a member;

1 (27) "Prior service" means the period of employment of a member
2 by an eligible employer prior to the member's entry date for which
3 credit is granted a member under Section 901 et seq. of this title;

4 (28) "Retirant" or "retiree" means a member who has retired
5 under the System;

6 (29) "Retirement benefit" means a monthly income with benefits
7 accruing from the first day of the month coinciding with or
8 following retirement and ending on the last day of the month in
9 which death occurs or the actuarial equivalent thereof paid in such
10 manner as specified by the member pursuant to Section 901 et seq. of
11 this title or as otherwise allowed to be paid at the discretion of
12 the Board;

13 (30) "Retirement coordinator" means the individual designated
14 by each participating employer through whom System transactions and
15 communication shall be directed;

16 (31) "Social Security" means the old-age survivors and
17 disability section of the Federal Social Security Act;

18 (32) "Total disability" means a physical or mental disability
19 accepted for disability benefits by the Federal Social Security
20 System;

21 (33) "Service-connected disability benefits" means military
22 service benefits which are for a service-connected disability rated
23 at twenty percent (20%) or more by the Veterans Administration or
24 the Armed Forces of the United States;

1 (34) "Elected official" means a person elected to a state
2 office in the legislative or executive branch of state government or
3 a person elected to a county office for a definite number of years
4 and shall include an individual who is appointed to fill the
5 unexpired term of an elected state official;

6 (35) "Elected service" means the period of service as an
7 elected official; and

8 (36) "Limitation year" means the year used in applying the
9 limitations of Section 415 of the Internal Revenue Code of 1986,
10 which year shall be the calendar year.

11 SECTION 2. AMENDATORY 74 O.S. 2001, Section 913.4, as
12 last amended by Section 2, Chapter 435, O.S.L. 2010 (74 O.S. Supp.
13 2010, Section 913.4), is amended to read as follows:

14 Section 913.4 A. 1. ~~An~~ Except as otherwise provided in this
15 subsection, an elected official may elect to participate in the
16 System and if he or she elects to do so shall have the option of
17 participating at any one of the computation factors set forth in
18 paragraphs 3 or 4 of this subsection and will receive retirement
19 benefits in accordance with the computation factor chosen. The
20 election on participation in the System must be in writing, must
21 specify the computation factor chosen, and must be filed with the
22 System within ninety (90) days after the elected official takes
23 office. The election to participate and the election of a
24 computation factor shall be irrevocable. Reelection to the same

1 office will not permit new elections. Failure of an elected
2 official to file such election form within the ninety-day period
3 shall be deemed an irrevocable election to participate in the System
4 at the maximum computation factor.

5 2. Contributions and benefits will be based upon the elected
6 official's annual compensation as defined in Section 902 of this
7 title. Employer and elected official contributions shall be
8 remitted at least monthly, or as the Board may otherwise provide, to
9 the System for deposit in the Oklahoma Public Employees Retirement
10 Fund. Effective July 1, 1994, and thereafter, the participating
11 employer shall contribute as provided in Section 920 of this title.

12 3. Except as provided in paragraph 4 of this subsection,
13 effective July 1, 1994, the computation factor selected and the
14 corresponding elected official contribution rate shall be as
15 follows:

16	Elected official	Computation	Alternate
17	Contribution Rate	Factor	Formula
18	4.5%	1.9%	\$12.50
19	6%	2.5%	\$20.00
20	7.5%	3.0%	\$25.00
21	8.5%	3.4%	\$27.50
22	9%	3.6%	\$30.00
23	10%	4.0%	\$40.00

24

1 4. Elected officials who are first elected or appointed to an
2 elected office on or after November 1, 2010, shall elect a
3 computation factor of either 1.9% or 4%. The elected official
4 contribution rate for the 1.9% computation factor is currently 4.5%
5 and the contribution rate for the 4% computation factor is currently
6 10%. All other computation factors and contribution rates set forth
7 in paragraph 3 of this subsection shall not be available to any
8 person first elected or appointed to an elected office on or after
9 November 1, 2010.

10 5. The contribution rate for elected officials who are first
11 elected or appointed to an elected office on or after November 1,
12 2011, shall be in the amount specified in paragraph (a) of
13 subsection (1) of Section 919.1 of this title. The amount of the
14 retirement benefit for elected officials who are first elected or
15 appointed to an elected office on or after November 1, 2011, shall
16 be based on the provisions of paragraph (1) of subsection A of
17 Section 915 of this title.

18 6. The computation factors and corresponding elected official
19 contribution rates provided for in paragraphs 3 and 4 of this
20 subsection shall be based on the entire compensation as an elected
21 official subject to the definition and maximum compensation levels
22 as set forth in paragraph (9) of Section 902 of this title.

23 B. The normal retirement date for an elected official shall be
24 the first day of the month coinciding with or following the

1 official's sixtieth birthday or the first day of the month
 2 coinciding with or following the date at which the sum of the
 3 elected official's age and number of years of credited service total
 4 eighty (80). The normal retirement date for an elected official
 5 first elected or appointed to an elected office on or after November
 6 1, 2011, shall be the first day of the month coinciding with or
 7 following the official's sixty-fifth birthday. Any elective elected
 8 official first elected or appointed to an elected office before
 9 November 1, 2011, who has a minimum of ten (10) years' participating
 10 service may retire under the early retirement provisions of this
 11 act, including those electing a vested benefit and shall receive an
 12 adjustment of annual benefits in accordance with the following
 13 percentage schedule:

		Percentage of Normal
	Age	Retirement Benefits
16	60	100%
17	59	94%
18	58	88%
19	57	82%
20	56	76%
21	55	70%

22 Any elected official first elected or appointed for an elected
 23 office on or after November 1, 2011, who has a minimum of ten (10)
 24 years' participating service may retire under the early retirement

1 provisions of this act, including those electing a vested benefit
2 and shall receive an adjustment of annual benefits in accordance
3 with the following percentage schedule:

<u>Age</u>	<u>Percentage of Normal Retirement Benefits</u>
<u>65</u>	<u>100%</u>
<u>64</u>	<u>93.33%</u>
<u>63</u>	<u>86.67%</u>
<u>62</u>	<u>80%</u>
<u>61</u>	<u>73.33%</u>
<u>60</u>	<u>66.67%</u>
<u>59</u>	<u>63.33%</u>
<u>58</u>	<u>60%</u>

14 C. 1. Any elected official shall receive annual benefits
15 computed based upon the computation factor selected multiplied by
16 the member's highest annual compensation received as an elected
17 official prior to retirement or termination of employment multiplied
18 by the number of years of credited service. No elected official
19 shall retire using such highest annual compensation unless the
20 elected official has made the required election and has paid the
21 required contributions on such salary.

22 2. The retirement benefit may be computed pursuant to the
23 provisions of paragraph (1) of subsection A of Section 915 of this
24 title if the benefit would be higher. Elected officials who have a

1 vested benefit prior to July 1, 1980, may elect to receive annual
2 benefits based on the alternate formula provided above. Such annual
3 benefits shall be paid in equal monthly installments.

4 3. Elected officials who become members of the Oklahoma Public
5 Employees Retirement System on or after August 22, 2008, will
6 receive retirement benefits in accordance with the computation
7 factor selected pursuant to subsection A of this section multiplied
8 by the member's highest annual compensation received as an elected
9 official and only for those years of credited service the member
10 served as an elected official. If such elected official has
11 participating service as a nonelected member, then such nonelected
12 service shall be computed separately pursuant to the provisions of
13 paragraph (1) of subsection A of Section 915 of this title with the
14 final benefit result added to the final benefit result for elected
15 service. In no event shall the elected official be entitled to
16 apply the computation factor selected pursuant to subsection A of
17 this section or the compensation received as an elected official to
18 the computation of nonelected service.

19 4. Elected officials who are first elected or appointed to an
20 elected office on or after August 22, 2008, may not receive a
21 maximum benefit greater than their single highest annual
22 compensation received as a member of the Oklahoma Public Employees
23 Retirement System.

1 D. Any elected official making an election to participate at a
2 computation factor less than the maximum and later selecting a
3 higher computation factor shall contribute to the System a sum equal
4 to the amount which the elected official would have contributed if
5 the elected official had made such election at the time the elected
6 official first became eligible, plus interest as determined by the
7 Board, in order to receive the additional benefits for all service
8 as an elected official; otherwise, the additional benefits shall be
9 applicable only to service for which the elected official pays the
10 appropriate percent of contributions to the System.

11 E. The surviving spouse of a deceased elected official ~~having~~
12 who was first elected or appointed to an elected office before
13 November 1, 2011, and who has at least six (6) years of
14 participating service and the surviving spouse of a deceased elected
15 official who was first elected or appointed to an elected office on
16 or after November 1, 2011, and who has at least eight (8) years of
17 participating service shall be entitled to receive survivor benefits
18 in the amount herein prescribed, if married to the decedent
19 continuously for a period of at least three (3) years immediately
20 preceding the elected official's death. Provided the elected
21 official had met the service requirements, survivor benefits shall
22 be payable when the deceased member would have met the requirements
23 for normal or early retirement. The amount of the benefits the
24 surviving spouse may receive shall be fifty percent (50%) of the

1 amount of benefits the deceased elected official was receiving or
2 will be eligible to receive. Remarriage of a surviving spouse shall
3 disqualify the spouse for the receipt of survivor benefits. Elected
4 officials may elect a retirement option as provided in Section 918
5 of this title in lieu of the survivors benefit provided above.

6 F. Any elected official who served in the Armed Forces of the
7 United States, as defined in paragraph (23) of Section 902 of this
8 title, prior to membership in the Oklahoma Public Employees
9 Retirement System shall be granted credited service of not to exceed
10 five (5) years for those periods of active military service during
11 which the elected official was a war veteran.

12 G. ~~Any one~~ Anyone appointed or elected to an elected position
13 after July 1, 1990, shall not be eligible to receive benefits as
14 provided in this section until such person has participated as an
15 elected official for six (6) years. Anyone appointed or elected to
16 an elected position on or after November 1, 2011, shall not be
17 eligible to receive benefits as provided in this section until such
18 person has participated as an elected official for eight (8) years.

19 H. Elected officials who terminate participation in the System
20 and who have a minimum of six (6) years of participating service
21 shall be entitled to elect a vested benefit and shall be entitled to
22 the retirement options as provided in Section 918 of this title in
23 lieu of the survivors benefit provided ~~above~~ in subsection E of this
24 section. Elected officials who terminate participation in the

1 System and who have a minimum of eight (8) years of participating
2 service shall be entitled to elect a vested benefit and shall be
3 entitled to retirement options as provided in Section 918 of this
4 title in lieu of the survivors benefits provided in subsection E of
5 this section.

6 I. In determining the number of years of credited service, a
7 fractional year of six (6) months or more shall be considered as one
8 (1) year, and less than six (6) months or more shall be disregarded.

9 SECTION 3. This act shall become effective November 1, 2011.

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