

1 ENGROSSED HOUSE
2 BILL NO. 2623

By: McDaniel (Randy) of the
House

3 and

4 Anderson of the Senate
5
6

7 An Act relating to the Teachers' Retirement System;
8 providing that members of the System who have final
9 felony convictions forfeit retirement benefits;
10 excluding deferred sentences; delaying benefits until
11 completion of deferred sentence; excluding certain
12 member contributions; providing that members of the
13 System who have left active contributory service and
14 who have certain final felony convictions forfeit
retirement benefits; providing for rejection of
claims; providing that suspension or forfeiture
continues until conviction or plea is reversed by
highest appellate court; providing notice and hearing
procedure; providing procedure for investigation and
suspension of benefits; providing for codification;
and providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 17-116.2D of Title 70, unless
19 there is created a duplication in numbering, reads as follows:

20 A. Any member of the System upon final conviction of, or
21 pleading guilty or nolo contendere to, a felony in a state or
22 federal court of competent jurisdiction shall forfeit all retirement
23 benefits provided by law; however, the forfeiture of retirement
24 benefits shall not occur if any such member of the System received a

1 deferred sentence, but retirement benefits shall not commence prior
2 to completion of the deferred sentence. The forfeiture of
3 retirement benefits required by this subsection shall not include
4 such member's contributions to the retirement system or retirement
5 benefits that are vested on the effective date of this act.

6 B. The forfeiture of retirement benefits as provided by
7 subsection A of this section shall also apply to any member of the
8 System who, after leaving active contributory employment, is
9 convicted of, or pleads guilty or nolo contendere to, in a state or
10 federal court of competent jurisdiction, a felony committed while in
11 such employment, where the felony is for bribery, corruption,
12 forgery or perjury or any other crime related to the duties of his
13 or her employment, or related to campaign contributions or campaign
14 financing for that or any other office.

15 C. Any claims for payment of retirement benefits to any such
16 member of the System suspended from or forfeiting his or her
17 retirement benefits shall be rejected by the System.

18 D. Such suspension or forfeiture shall continue until such time
19 as the conviction or guilty plea is reversed by the highest
20 appellate court to which the member may appeal.

21 E. The attorney responsible for prosecuting such members of the
22 System shall notify the System of the forfeiture of such member's
23 retirement benefits. Upon receipt of the notice of forfeiture, the
24 System shall immediately suspend all benefits of the member, and

1 notify the member of his or her right to a hearing to review whether
2 the conviction or plea qualifies for forfeiture of benefits under
3 this section. If the conviction or plea occurs in federal court or
4 the notice of forfeiture is not forthcoming from the state
5 prosecutor, the System may investigate and gather court documents
6 and contact prosecutors to determine whether the conviction or plea
7 qualifies under this section. Upon obtaining sufficient
8 documentation of the conviction or plea, the retirement system shall
9 immediately suspend all benefits of the member, and notify the
10 member of his or her right to a hearing to review whether the
11 conviction or plea qualifies for forfeiture of benefits under this
12 section.

13 SECTION 2. This act shall become effective November 1, 2012.

14 Passed the House of Representatives the 7th day of March, 2012.

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16 _____
17 Presiding Officer of the House of
Representatives

18 Passed the Senate the ____ day of _____, 2012.

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21 _____
22 Presiding Officer of the Senate
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4 March 5, 2012

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7 Representative Randy McDaniel
Room 302-B

8
9 Re: Committee Substitute for House Bill No. 2952
RBH No. 9747

10
11 Committee Substitute for House Bill No. 2952 increases the
12 contribution rate for OLEERS employers by 1% to 11% of compensation.
It also increases the contribution rate for participants in OLEERS to
9% from 8% of compensation.

13 This bill removes the provision giving those retiring participants
14 whose compensation is set by statute a benefit based on the greater
of the statutory compensation or their final average compensation.
15 This provision is effective for those who become participants after
October 31, 2012.

16 Committee Substitute for House Bill No. 2952 is a nonfiscal
17 retirement bill as defined by the Oklahoma Pension Legislation
Actuarial Analysis Act.

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19 *Thomas E. Cummins*

20 Thomas E. Cummins, MAAA
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