

HOUSE OF REPRESENTATIVES - FLOOR VERSION

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:

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

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

5 (1) "System" means the Oklahoma Public Employees Retirement
6 System as established by this act and as it may hereafter be
7 amended;

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

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

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

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

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

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

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1 (8) "Board" means the Oklahoma Public Employees Retirement
2 System Board of Trustees;

3 (9) "Compensation" means all salary and wages, as defined by
4 the Board of Trustees, including amounts deferred under deferred
5 compensation agreements entered into between a member and a
6 participating employer, but exclusive of payment for overtime,
7 payable to a member of the System for personal services performed
8 for a participating employer but shall not include compensation or
9 reimbursement for traveling, or moving expenses, or any compensation
10 in excess of the maximum compensation level, provided:

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

14 For compensation for service on or after January 1,
15 1988, through June 30, 1994, the maximum compensation
16 level shall be Forty Thousand Dollars (\$40,000.00) per
17 annum.

18 For compensation for service on or after July 1, 1994,
19 through June 30, 1995, the maximum compensation level
20 shall be Fifty Thousand Dollars (\$50,000.00) per
21 annum; for compensation for service on or after July
22 1, 1995, through June 30, 1996, the maximum
23 compensation level shall be Sixty Thousand Dollars

1 (\$60,000.00) per annum; for compensation for service
2 on or after July 1, 1996, through June 30, 1997, the
3 maximum compensation level shall be Seventy Thousand
4 Dollars (\$70,000.00) per annum; and for compensation
5 for service on or after July 1, 1997, through June 30,
6 1998, the maximum compensation level shall be Eighty
7 Thousand Dollars (\$80,000.00) per annum. For
8 compensation for services on or after July 1, 1998,
9 there shall be no maximum compensation level for
10 retirement purposes.

11 (b) Compensation for retirement purposes shall include any
12 amount of elective salary reduction under Section 457
13 of the Internal Revenue Code of 1986 and any amount of
14 nonelective salary reduction under Section 414(h) of
15 the Internal Revenue Code of 1986.

16 (c) Notwithstanding any provision to the contrary, the
17 compensation taken into account for any employee in
18 determining the contribution or benefit accruals for
19 any plan year is limited to the annual compensation
20 limit under Section 401(a)(17) of the federal Internal
21 Revenue Code.

22 (d) Current appointed members of the Oklahoma Tax
23 Commission whose salary is constitutionally limited
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1 and is less than the highest salary allowed by law for
2 his or her position shall be allowed, within ninety
3 (90) days from the effective date of this act, to make
4 an election to use the highest salary allowed by law
5 for the position to which the member was appointed for
6 the purposes of making contributions and determination
7 of retirement benefits. Such election shall be
8 irrevocable and be in writing. Reappointment to the
9 same office shall not permit a new election. Members
10 appointed to the Oklahoma Tax Commission after the
11 effective date of this act shall make such election,
12 pursuant to this subparagraph, within ninety (90) days
13 of taking office;

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

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

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

21 (13) "Eligible employer" means the state and any county, county
22 hospital, city or town, conservation districts, circuit engineering
23 districts and any public or private trust in which a county, city or

1 town participates and is the primary beneficiary is to be an
2 eligible employer for the purpose of this act only, whose employees
3 are covered by Social Security and are not covered by or eligible
4 for another retirement plan authorized under the laws of this state
5 which is in operation on the initial entry date. Emergency medical
6 service districts may join the System upon proper application to the
7 Board. Provided affiliation by a county hospital shall be in the
8 form of a resolution adopted by the board of control.

9 (a) If a class or several classes of employees of any
10 above-defined employers are covered by Social Security
11 and are not covered by or eligible for and will not
12 become eligible for another retirement plan authorized
13 under the laws of this state, which is in operation on
14 the effective date, such employer shall be deemed an
15 eligible employer, but only with respect to that class
16 or those classes of employees as defined in this
17 section.

18 (b) A class or several classes of employees who are
19 covered by Social Security and are not covered by or
20 eligible for and will not become eligible for another
21 retirement plan authorized under the laws of this
22 state, which is in operation on the effective date,
23 and when the qualifications for employment in such
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1 class or classes are set by state law; and when such
2 class or classes of employees are employed by a county
3 or municipal government pursuant to such
4 qualifications; and when the services provided by such
5 employees are of such nature that they qualify for
6 matching by or contributions from state or federal
7 funds administered by an agency of state government
8 which qualifies as a participating employer, then the
9 agency of state government administering the state or
10 federal funds shall be deemed an eligible employer,
11 but only with respect to that class or those classes
12 of employees as defined in this subsection; provided,
13 that the required contributions to the retirement plan
14 may be withheld from the contributions of state or
15 federal funds administered by the state agency and
16 transmitted to the System on the same basis as the
17 employee and employer contributions are transmitted
18 for the direct employees of the state agency. The
19 retirement or eligibility for retirement under the
20 provisions of law providing pensions for service as a
21 volunteer fire fighter shall not render any person
22 ineligible for participation in the benefits provided
23 for in Section 901 et seq. of this title. An employee

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1 of any public or private trust in which a county, city
2 or town participates and is the primary beneficiary
3 shall be deemed to be an eligible employee for the
4 purpose of this act only.

5 (c) All employees of the George Nigh Rehabilitation
6 Institute who elected to retain membership in the
7 System, pursuant to Section 913.7 of this title, shall
8 continue to be eligible employees for the purposes of
9 this act. The George Nigh Rehabilitation Institute
10 shall be considered a participating employer only for
11 such employees.

12 (d) A participating employer of the Teachers' Retirement
13 System of Oklahoma, who has one or more employees who
14 have made an election pursuant to enabling legislation
15 to retain membership in the System as a result of
16 change in administration, shall be considered a
17 participating employer of the Oklahoma Public
18 Employees Retirement System only for such employees;

19 (14) "Employee" means any officer or employee of a
20 participating employer, whose employment is not seasonal or
21 temporary and whose employment requires at least one thousand
22 (1,000) hours of work per year and whose salary or wage is equal to
23 the hourly rate of the monthly minimum wage for state employees.

1 For those eligible employers outlined in Section 910 of this title,
2 the rate shall be equal to the hourly rate of the monthly minimum
3 wage for that employer. Each employer, whose minimum wage is less
4 than the state's minimum wage, shall inform the System of the
5 minimum wage for that employer. This notification shall be by
6 resolution of the governing body.

7 (a) Any employee of the county extension agents who is not
8 currently participating in the Teachers' Retirement
9 System of Oklahoma shall be a member of this System.

10 (b) Eligibility shall not include any employee who is a
11 contributing member of the United States Civil Service
12 Retirement System.

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

5 (d) Eligibility shall also not include any officer or
6 employee of the Oklahoma Employment Security
7 Commission, except for those officers and employees of
8 the Commission electing to transfer to this System
9 pursuant to the provisions of Section 910.1 of this
10 title or any other class of officers or employees
11 specifically exempted by the laws of this state,
12 unless there be a consolidation as provided by Section
13 912 of this title. Employees of the Oklahoma
14 Employment Security Commission who are ineligible for
15 enrollment in the Employment Security Commission
16 Retirement Plan, that was in effect on January 1,
17 1964, shall become members of this System.

18 (e) Any employee employed by the Legislative Service
19 Bureau, State Senate or House of Representatives for
20 the full duration of a regular legislative session
21 shall be eligible for membership in the System
22 regardless of classification as a temporary employee
23 and may participate in the System during the regular
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1 legislative session at the option of the employee.
2 For purposes of this subparagraph, the determination
3 of whether an employee is employed for the full
4 duration of a regular legislative session shall be
5 made by the Legislative Service Bureau if such
6 employee is employed by the Legislative Service
7 Bureau, the State Senate if such employee is employed
8 by the State Senate, or by the House of
9 Representatives if such employee is employed by the
10 House of Representatives. Each regular legislative
11 session during which the legislative employee or an
12 employee of the Legislative Service Bureau
13 participates full time shall be counted as six (6)
14 months of full-time participating service.

- 15 (i) Except as otherwise provided by this
16 subparagraph, once a temporary session employee
17 makes a choice to participate or not, the choice
18 shall be binding for all future legislative
19 sessions during which the employee is employed.
- 20 (ii) Notwithstanding the provisions of division (i) of
21 this subparagraph, any employee, who is eligible
22 for membership in the System because of the
23 provisions of this subparagraph and who was
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1 employed by the State Senate or House of
2 Representatives after January 1, 1989, may file
3 an election, in a manner specified by the Board,
4 to participate as a member of the System prior to
5 September 1, 1989.

6 (iii) Notwithstanding the provisions of division (i) of
7 this subparagraph, a temporary legislative
8 session employee who elected to become a member
9 of the System may withdraw from the System
10 effective the day said employee elected to
11 participate in the System upon written request to
12 the Board. Any such request must be received by
13 the Board prior to October 1, 1990. All employee
14 contributions made by the temporary legislative
15 session employee shall be returned to the
16 employee without interest within four (4) months
17 of receipt of the written request.

18 (iv) A member of the System who did not initially
19 elect to participate as a member of the System
20 pursuant to subparagraph (e) of this paragraph
21 shall be able to acquire service performed as a
22 temporary legislative session employee for
23 periods of service performed prior to the date
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1 upon which the person became a member of the
2 System if:

- 3 a. the member files an election with the System
4 not later than December 31, 2000, to
5 purchase the prior service; and
- 6 b. the member makes payment to the System of
7 the actuarial cost of the service credit
8 pursuant to subsection A of Section 913.5 of
9 this title. The provisions of Section 913.5
10 of this title shall be applicable to the
11 purchase of the service credit, including
12 the provisions for determining service
13 credit in the event of incomplete payment
14 due to cessation of payments, death,
15 termination of employment or retirement, but
16 the payment may extend for a period not to
17 exceed ninety-six (96) months;

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

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

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

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

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

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

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

3 (22) "Member" means an eligible employee or elected official
4 who is in the System and is making the required employee or elected
5 official contributions, or any former employee or elected official
6 who shall have made the required contributions to the System and
7 shall have not received a refund or withdrawal;

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

13 (a) during the following periods, including the beginning
14 and ending dates, and only for the periods served,
15 from:

16 (i) April 6, 1917, to November 11, 1918, commonly
17 referred to as World War I,

18 (ii) September 16, 1940, to December 7, 1941, as a
19 member of the 45th Division,

20 (iii) December 7, 1941, to December 31, 1946, commonly
21 referred to as World War II,

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1 (iv) June 27, 1950, to January 31, 1955, commonly
2 referred to as the Korean Conflict or the Korean
3 War,

4 (v) February 28, 1961, to May 7, 1975, commonly
5 referred to as the Vietnam era, except that:

6 a. for the period from February 28, 1961, to
7 August 4, 1964, military service shall only
8 include service in the Republic of Vietnam
9 during that period, and

10 b. for purposes of determining eligibility for
11 education and training benefits, such period
12 shall end on December 31, 1976, or

13 (vi) August 1, 1990, to December 31, 1991, commonly
14 referred to as the Gulf War, the Persian Gulf
15 War, or Operation Desert Storm, but excluding any
16 person who served on active duty for training
17 only, unless discharged from such active duty for
18 a service-connected disability;

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

14 An eligible member under this paragraph shall include only those
15 persons who shall have served during the times or in the areas
16 prescribed in this paragraph, and only if such person provides
17 appropriate documentation in such time and manner as required by the
18 System to establish such military service prescribed in this
19 paragraph, or for service pursuant to subdivision a of division (v)
20 of subparagraph (a) of this paragraph those persons who were awarded
21 service medals, as authorized by the United States Department of
22 Defense as reflected in the veteran's Defense Department Form 214,
23 related to the Vietnam Conflict for service prior to August 5, 1964;

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

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

6 (1) sixty-second birthday with respect to members
7 whose first participating service occurs prior to
8 November 1, 2011, or

9 (2) sixty-fifth birthday with respect to members
10 whose first participating service occurs on or
11 after November 1, 2011,

12 (b) for any person who initially became a member prior to
13 July 1, 1992, and who does not reach a normal
14 retirement date pursuant to division (1) of
15 subparagraph (a) of this paragraph, the first day of
16 the month coinciding with or following the date at
17 which the sum of a member's age and number of years of
18 credited service total eighty (80); such a normal
19 retirement date will also apply to any person who
20 became a member of the sending system as defined in
21 Section 901 et seq. of this title, prior to July 1,
22 1992, regardless of whether there were breaks in
23 service after July 1, 1992,

1 (c) for any person who became a member after June 30,
2 1992, but prior to November 1, 2011, and who does not
3 reach a normal retirement date pursuant to division
4 (1) of subparagraph (a) of this paragraph, the first
5 day of the month coinciding with or following the date
6 at which the sum of a member's age and number of years
7 of credited service total ninety (90),

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

12 (i) a correctional or probation and parole officer
13 with the Department of Corrections and at the
14 time of retirement, the member was a correctional
15 or probation and parole officer with the
16 Department of Corrections, or

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

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1 Corrections, so long as such officer or agent has
2 at least five (5) years of service as a
3 correctional officer, probation and parole
4 officer or fugitive apprehension agent with the
5 Department, has twenty (20) years of full-time-
6 equivalent employment with the Department and was
7 employed by the Department at the time of
8 retirement, or

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

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

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

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

21 (26) "Participating service" means the period of employment
22 after the entry date for which credit is granted a member;
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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
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1 at twenty percent (20%) or more by the Veterans Administration or
2 the Armed Forces of the United States;

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

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

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

13 SECTION 2. AMENDATORY 74 O.S. 2001, Section 913.4, as
14 last amended by Section 2, Chapter 435, O.S.L. 2010 (74 O.S. Supp.
15 2010, Section 913.4), is amended to read as follows:

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

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1 System within ninety (90) days after the elected official takes
 2 office. The election to participate and the election of a
 3 computation factor shall be irrevocable. Reelection to the same
 4 office will not permit new elections. Failure of an elected
 5 official to file such election form within the ninety-day period
 6 shall be deemed an irrevocable election to participate in the System
 7 at the maximum computation factor.

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

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

19 Elected official	Computation	Alternate
20 Contribution Rate	Factor	Formula
21 4.5%	1.9%	\$12.50
22 6%	2.5%	\$20.00
23 7.5%	3.0%	\$25.00

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

1	8.5%	3.4%	\$27.50
2	9%	3.6%	\$30.00
3	10%	4.0%	\$40.00

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

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

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

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

Age	Percentage of Normal Retirement Benefits
60	100%
59	94%
58	88%
57	82%

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1 shall retire using such highest annual compensation unless the
2 elected official has made the required election and has paid the
3 required contributions on such salary.

4 2. The retirement benefit may be computed pursuant to the
5 provisions of paragraph (1) of subsection A of Section 915 of this
6 title if the benefit would be higher. Elected officials who have a
7 vested benefit prior to July 1, 1980, may elect to receive annual
8 benefits based on the alternate formula provided above. Such annual
9 benefits shall be paid in equal monthly installments.

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

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1 this section or the compensation received as an elected official to
2 the computation of nonelected service.

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

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

18 E. The surviving spouse of a deceased elected official ~~having~~
19 who was first elected or appointed to an elected office before
20 November 1, 2011, and who has at least six (6) years of
21 participating service and the surviving spouse of a deceased elected
22 official who was first elected or appointed to an elected office on
23 or after November 1, 2011, and who has at least eight (8) years of

1 participating service shall be entitled to receive survivor benefits
2 in the amount herein prescribed, if married to the decedent
3 continuously for a period of at least three (3) years immediately
4 preceding the elected official's death. Provided the elected
5 official had met the service requirements, survivor benefits shall
6 be payable when the deceased member would have met the requirements
7 for normal or early retirement. The amount of the benefits the
8 surviving spouse may receive shall be fifty percent (50%) of the
9 amount of benefits the deceased elected official was receiving or
10 will be eligible to receive. Remarriage of a surviving spouse shall
11 disqualify the spouse for the receipt of survivor benefits. Elected
12 officials may elect a retirement option as provided in Section 918
13 of this title in lieu of the survivors benefit provided above.

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

20 G. ~~Any one~~ Anyone appointed or elected to an elected position
21 after July 1, 1990, shall not be eligible to receive benefits as
22 provided in this section until such person has participated as an
23 elected official for six (6) years. Anyone appointed or elected to

1 an elected position on or after November 1, 2011, shall not be
2 eligible to receive benefits as provided in this section until such
3 person has participated as an elected official for eight (8) years.

4 H. Elected officials who terminate participation in the System
5 and who have a minimum of six (6) years of participating service
6 shall be entitled to elect a vested benefit and shall be entitled to
7 the retirement options as provided in Section 918 of this title in
8 lieu of the survivors benefit provided ~~above~~ in subsection E of this
9 section. Elected officials who terminate participation in the
10 System and who have a minimum of eight (8) years of participating
11 service shall be entitled to elect a vested benefit and shall be
12 entitled to retirement options as provided in Section 918 of this
13 title in lieu of the survivors benefits provided in subsection E of
14 this section.

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

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

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20 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM AND
21 FINANCIAL SERVICES, dated 03-31-2011 - DO PASS, As Amended.
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