

SENATE FLOOR VERSION

April 2, 2012

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ENGROSSED HOUSE
BILL NO. 2623

By: McDaniel (Randy) of the
House

and

Anderson of the Senate

An Act relating to the Teachers' Retirement System; providing that members of the System who have final felony convictions forfeit retirement benefits; excluding deferred sentences; delaying benefits until completion of deferred sentence; excluding certain member contributions; providing that members of the System who have left active contributory service and 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.

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

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

A. Any member of the System upon final conviction of, or pleading guilty or nolo contendere to, a felony in a state or

1 federal court of competent jurisdiction shall forfeit all retirement
2 benefits provided by law; however, the forfeiture of retirement
3 benefits shall not occur if any such member of the System received a
4 deferred sentence, but retirement benefits shall not commence prior
5 to completion of the deferred sentence. The forfeiture of
6 retirement benefits required by this subsection shall not include
7 such member's contributions to the retirement system or retirement
8 benefits that are vested on the effective date of this act.

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

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

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

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

17 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT & INSURANCE, dated
18 3-29-12 - DO PASS.
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