

SENATE FLOOR VERSION

February 28, 2011

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COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 840

By: Aldridge of the Senate

and

McDaniel (Randy) of the
House

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 2001, Section 904, which relates to proceedings against the Oklahoma Public Employees Retirement System; specifying that certain proceedings shall be brought in Oklahoma County; authorizing hearing examiner to conduct certain hearing and make certain findings; requiring the Board to enter final orders in certain matters; granting the Board certain jurisdiction; amending Section 28, Chapter 536, O.S.L. 2004 (74 O.S. Supp. 2010, Section 920B), which relates to remittance of retirement contributions; specifying that employee contributions shall be considered trust funds and shall be promptly remitted; increasing amount of certain late charge; repealing 74 O.S. 2001, Section 1701.1, which relates to untimely posting of certain deferred compensation contributions; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 904, is amended to read as follows:

1 Section 904. ~~(1)~~ A. The Oklahoma Public Employees Retirement
2 System may sue and be sued in its official name, but its officers,
3 employees, and agents shall not be personally liable for acts of the
4 System. The service of all legal process and of all notices which
5 may be required to be in writing, whether legal proceedings or
6 otherwise, shall be had on the executive director at his or her
7 office. All actions or proceedings directly or indirectly against
8 the System shall be brought in Oklahoma County, including petitions
9 for judicial review of individual proceedings under the
10 Administrative Procedures Act despite any other provision to the
11 contrary.

12 ~~(2)~~ ~~(a)~~ B. 1. Any ~~person~~ member or participating employer, or
13 in the case of a deceased member, a joint annuitant or beneficiary,
14 aggrieved by any order or decision of the ~~Board~~ System made without
15 a hearing may, within thirty (30) days after notice of the order or
16 decision of the ~~Board~~ System, make written request to the Oklahoma
17 Public Employees Retirement System Board of Trustees for a hearing
18 thereon. The Board ~~shall hear such party or parties at its next~~
19 ~~regular meeting or at a special meeting within ninety (90) days~~
20 ~~after receipt of such request and shall give not less than ten (10)~~
21 ~~days' written notice of the time and place of the hearing. Within~~
22 ~~fifteen (15) days after such hearing the Board shall affirm,~~
23 ~~reverse, or modify its previous action, specifying the reasons~~
24 ~~therefor, and written notice of the action taken by the Board shall~~

1 ~~be forwarded immediately to the interested party by the executive~~
2 director may refer any such request to a hearing examiner to conduct
3 the hearing and make recommended findings of fact and conclusions of
4 law to the Board. The Board shall enter final orders in all such
5 matters which shall be considered by the Board under the provisions
6 of the Administrative Procedures Act.

7 ~~(b)~~ 2. Nothing contained in ~~this act~~ Section 901 et seq. of
8 this title shall require the observance at any hearing of the Board
9 or a hearing examiner designated by the Board of formal rules of
10 pleading or evidence.

11 ~~(3)~~ 3. The Board shall have jurisdiction under the
12 Administrative Procedures Act relating to any disputes arising from
13 the administration of the retirement or savings plans administered
14 by the Board, including disputes involving a member, joint
15 annuitant, beneficiary or participating employer of the System.

16 4. Upon written request reasonably made by a person affected by
17 the hearing at such person's expense, the Board shall cause a full
18 stenographic record of the proceedings to be made by a competent
19 court reporter. If transcribed, such record shall be a part of the
20 Board's record of the hearing, and a copy of such stenographic
21 record shall be furnished to any other party having a direct
22 interest therein at the request and expense of such party.

1 SECTION 2. AMENDATORY Section 28, Chapter 536, O.S.L.
2 2004 (74 O.S. Supp. 2010, Section 920B), is amended to read as
3 follows:

4 Section 920B. A. All participating employers shall remit to
5 the Oklahoma Public Employees Retirement System all required
6 retirement contributions due on a monthly basis. All employee
7 contributions withheld shall be considered trust funds held by the
8 employer on behalf of the employee and shall be promptly remitted to
9 the System pursuant to subsection B of this section.

10 B. For non-state agency employers, all required employer and
11 employee contributions and supporting documentation are due and must
12 be received by the System on or before the fifteenth day of the
13 month following the month for which the contributions are due. For
14 state agency employers, all required employer and employee
15 contributions and supporting documentation are due and must be
16 received by the System on or before the fifteenth day following the
17 last day of the payroll period for which said contributions are due.

18 C. Employer and employee contributions remitted to the System
19 after thirty (30) days from the ~~above~~ due dates set forth in
20 subsection B of this section shall be subject to a monthly late
21 charge of ~~one and one-half percent (1.5%)~~ three percent (3%) of the
22 unpaid balance to be paid by the employer to the System.

23 SECTION 3. REPEALER 74 O.S. 2001, Section 1701.1, is
24 hereby repealed.

1 SECTION 4. This act shall become effective July 1, 2011.

2 SECTION 5. It being immediately necessary for the preservation
3 of the public peace, health and safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.

6 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT & INSURANCE, dated
7 2-24-11 - DO PASS, As Amended and Coauthored.

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