

1 ENGROSSED HOUSE
2 BILL NO. 2077

By: McDaniel (Randy) of the
House

3 and

4 Brinkley of the Senate
5
6

7 An Act relating to public retirement systems;
8 enacting the Sooner Save Special Act; imposing duty
9 on the Oklahoma Public Employees Retirement System to
10 establish defined contribution plan; specifying
11 persons eligible for participation in plan;
12 prescribing period for irrevocable election to
13 participate in defined contribution plan; providing
14 for effect of failure to make election; requiring
15 defined contribution plan to be qualified pursuant to
16 provisions of the Internal Revenue Code of 1986, as
17 amended; prescribing minimum employee contribution
18 amount; prescribing maximum employee contribution
19 amount; providing for salary deductions for employee
20 contributions; providing for employer matching
21 contributions; specifying amount of employer matching
22 contributions; prescribing procedures related to
23 employer matching contributions; providing for
24 vesting schedule; providing for applicability of
provisions of Section 414(h) of the Internal Revenue
Code of 1986, as amended, with respect to employee
contributions; imposing duty on Board of Trustees of
Oklahoma Public Employees Retirement System with
respect to investment of funds in defined
contribution plan accounts; providing for payment of
certain revenues to the Oklahoma Public Employees
Retirement System; providing for deposit of funds
with existing defined benefit plan; amending 74 O.S.
2011, Sections 913.4, as amended by Section 2,
Chapter 155, O.S.L. 2012, 920, as amended by Section
929, Chapter 304, O.S.L. 2012, and 920A (74 O.S.
Supp. 2012, Sections 913.4 and 920), which relate to
the Oklahoma Public Employees Retirement System;
imposing requirement on certain elected official with
respect to participation in defined contribution
retirement plan; modifying provisions related to

1 employer contributions; requiring payment of certain
2 differential amount to the Oklahoma Public Employees
3 Retirement System for specified purpose; amending 74
4 O.S. 2011, Sections 1316.2, as amended by Section
5 962, Chapter 304, O.S.L. 2012 and 1707, as amended by
6 Section 986, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
7 2012, Sections 1316.2 and 1707), which relate to
8 certain provisions affecting the Oklahoma Public
9 Employees Retirement System; modifying provisions
10 based on certain employee election; providing for
11 effect of enactment on certain rights; prohibiting
12 certain collection activity with respect to funds;
13 authorizing offsets; providing for enforcement of
14 qualified domestic orders; defining term; prescribing
15 procedures with respect to alternate payees;
16 prescribing content; imposing restrictions;
17 authorizing rules; providing for codification; and
18 providing an effective date.

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 935.1 of Title 74, unless there
22 is created a duplication in numbering, reads as follows:

23 This act shall be known and may be cited as the "Sooner Save
24 Special Act".

25 SECTION 2. NEW LAW A new section of law to be codified
26 in the Oklahoma Statutes as Section 935.2 of Title 74, unless there
27 is created a duplication in numbering, reads as follows:

28 A. Effective July 1, 2014, the Oklahoma Public Employees
29 Retirement System ("System") shall establish an optional defined
30 contribution plan for those persons who first become employed by any

1 participating employer of the System, as defined by paragraph (25)
2 of Section 902 of Title 74 of the Oklahoma Statutes, on or after
3 July 1, 2014. Such eligible persons may make the election provided
4 by this section to become participants in the defined contribution
5 plan.

6 B. A member eligible to participate in the defined contribution
7 plan authorized by this section shall have a period of ninety (90)
8 days from his or her entry date in order to choose between
9 participation in the defined benefit plan of the System established
10 pursuant to Section 901 et seq. of Title 74 of the Oklahoma Statutes
11 or to participate in the defined contribution retirement plan
12 authorized by this act.

13 C. The election required by subsection B of this section shall
14 be irrevocable and shall govern the participation of the member for
15 all years of service performed for any and all participating
16 employers in the Oklahoma Public Employees Retirement System.

17 D. If a member fails to make the election required by this
18 section within the time prescribed, the member shall become a
19 participant in the defined contribution plan and the member shall
20 not accrue any service credit in the Oklahoma Public Employees
21 Retirement System as established pursuant to Section 901 et seq. of
22 Title 74 of the Oklahoma Statutes.

1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 935.3 of Title 74, unless there
3 is created a duplication in numbering, reads as follows:

4 The Board of Trustees of the Oklahoma Public Employees
5 Retirement System ("Board") shall take whatever action is reasonable
6 and necessary to have the defined contribution plan authorized by
7 this act to be recognized as a tax-qualified plan as that term is
8 defined by Section 401 et seq. of Title 26 of the United States
9 Code, or any other applicable provisions of federal law. The Board
10 is also authorized to establish a plan or use an existing plan
11 established under Section 457 of Title 26 of the United States Code,
12 if it is necessary to carry out the intent of this act. The Board
13 shall take whatever action is reasonable and necessary to obtain
14 confirmation from the Internal Revenue Service, that any such 457
15 plan is consistent with the requirements of Section 457.

16 SECTION 4. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 935.4 of Title 74, unless there
18 is created a duplication in numbering, reads as follows:

19 A. Employee contributions to the defined contribution
20 retirement plan shall consist of a minimum of three percent (3.0%)
21 of compensation.

22 B. Employee contributions to the defined contribution
23 retirement plan that are eligible for an employer match shall
24 consist of a maximum of ten percent (10.0%) of compensation.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 935.5 of Title 74, unless there is created a duplication in numbering, reads as follows:

Employers of members who select the defined contribution retirement plan shall match the employee contribution to the plan on a monthly basis according to the following schedule based on the same compensation amount used to compute the employee contribution amount:

<u>Employee Contribution Rate</u>	<u>Employer Match</u>
3.0%	3.0%
4.0%	4.0%
5.0%	5.0%
6.0%	5.5%
7.0%	5.75%
8.0%	6.0%
9.0%	6.25%
10.0%	6.5%

The initial three-percent employee contribution shall be the only mandatory contribution of an employee who selects the defined contribution retirement plan created by this act. These funds shall be placed by System in either a 401(a) plan or a 457 plan, to be determined by the Board to maintain the plan consistent with the Internal Revenue Code. Any employee contributions eligible to be matched under this section over the three-percent initial

1 contribution shall be considered voluntary deferrals of compensation
2 and placed in a 457 plan. All employer matching funds shall be
3 placed in a 401(a) plan.

4 Any contribution rate that is more than the three-percent rate
5 can be chosen by the member upon the member's initial option to
6 participate, and can only be changed once per calendar year during
7 an option period as the Board determines. The employee contribution
8 rate chosen shall continue until the next option period.

9 SECTION 6. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 935.6 of Title 74, unless there
11 is created a duplication in numbering, reads as follows:

12 A. Except as otherwise provided by this section, employers
13 shall make payment of the required matching amount as provided by
14 Section 5 of this act within five (5) business days of the member's
15 payroll pay date. The System shall ensure the payment is credited
16 to the defined contribution plan account of the member as soon as
17 possible.

18 B. All employee contributions to the defined contribution plan
19 shall be effected by mandatory salary deductions from the salary of
20 the employee and shall be remitted by the participating employer to
21 the System for deposit into the defined contribution plan account
22 maintained on behalf of the employee.

1 C. Participating employers whose salary deductions and employer
2 contributions are not remitted to the System through the Office of
3 Management and Enterprise Services shall either:

4 1. Send all such remittances by electronic funds transfer; or

5 2. Place all such remittances in a bank account from which
6 OPERS can debit the amount due,

7 both within five (5) business days of the payroll pay date of the
8 member. Payroll data shall be remitted by the same deadline.

9 D. The Office of Management and Enterprise Services shall
10 cooperate with the Board to ensure that any necessary programming
11 changes are made to the state's payroll system to carry out the
12 requirements of this act.

13 SECTION 7. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 935.7 of Title 74, unless there
15 is created a duplication in numbering, reads as follows:

16 A. Members shall at all times be vested at one hundred percent
17 (100%) of the amount of their employee contributions. Members will
18 have retirement discretion over these contributions within the
19 available options offered by the Board.

20 B. Members shall be vested with respect to the employer
21 matching amounts deposited into their defined contribution plan
22 account according to the following schedule based on years of
23 participating service:

24 Year 1	20%
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1	Year 2	40%
2	Year 3	60%
3	Year 4	80%
4	Year 5 and thereafter	100%

5 C. Members will have investment discretion over only the
6 employer contributions in which they have become vested. The
7 vesting percentages apply at the end of each full year of service
8 above. The OPERS Board will establish default investment options
9 for the nonvested portion of employer contributions. To the extent
10 that participants leave employment and have not vested in all of the
11 employer contributions, the nonvested contributions may be used to
12 offset costs of administering the plan.

13 SECTION 8. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 935.8 of Title 74, unless there
15 is created a duplication in numbering, reads as follows:

16 A. Each participating employer shall pick up under the
17 provisions of Section 414(h)(2) of the Internal Revenue Code of
18 1986, as amended, and pay the contribution which the member is
19 required by law to make to the System for all compensation earned
20 after the date as of which an employee elects to participate in the
21 defined contribution plan. Although the contributions so picked up
22 are designated as member contributions, such contributions shall be
23 treated as contributions being paid by the employer in lieu of
24 contributions by the member in determining tax treatment under the

1 Internal Revenue Code of 1986, as amended, and such picked-up
2 contributions shall not be includable in the gross income of the
3 member until such amounts are distributed or made available to the
4 member or the beneficiary of the member. The member, by the terms
5 of this System, shall not have any option to choose to receive the
6 contributions so picked up directly and the picked-up contributions
7 must be paid by the employer to the System.

8 B. Contributions by the member into a 457 plan may not be
9 picked up by the employer, but shall be a voluntary deferral of the
10 employee's compensation. Participating employers within OPERS that
11 are not eligible to participate in the SoonerSave 457 and 401(a)
12 plans that existed prior to this act, and have established 457 plans
13 for their employees, will have the obligation to ensure that their
14 employees do not exceed the maximum annual contributions to a 457
15 plan under the Internal Revenue Code.

16 SECTION 9. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 935.9 of Title 74, unless there
18 is created a duplication in numbering, reads as follows:

19 A member who is eligible to participate in the defined benefit
20 plan of the System under paragraph (14) of Section 902 of Title 74
21 of the Oklahoma Statutes, and as limited by Section 2 of this act,
22 shall be eligible for the matching amounts prescribed by Section 5
23 of this act.
24

1 SECTION 10. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 935.10 of Title 74, unless there
3 is created a duplication in numbering, reads as follows:

4 The Board of Trustees shall contract with one or more business
5 entities in order to create a range of choices regarding investment
6 of funds deposited into defined contribution plan accounts. The
7 investment options shall be substantially similar to the options
8 provided to members of the Oklahoma Public Employees Retirement
9 System that maintain a Deferred Savings Incentive Plan account as
10 offered by the System pursuant to the provisions of the Deferred
11 Savings Incentive Plan. The Board may amend any of its existing
12 contracts with its current service providers to perform
13 substantially the same type of service the provider is currently
14 performing for the Board, in order to facilitate the timely
15 introduction of the new defined contribution plan created by this
16 act. Thereafter, the contracting process for the selection of
17 service providers carrying out duties related to the administration
18 of the plan shall be the same as the selection process for other
19 providers selected by the Board under subsection D of Section 909.1
20 of Title 74 of the Oklahoma Statutes.

21 SECTION 11. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 935.11 of Title 74, unless there
23 is created a duplication in numbering, reads as follows:

1 A. Notwithstanding any other provision of the statutes
2 governing the System to the contrary, each participating employer
3 shall remit to the System the difference between the amount of money
4 which would be remitted to the System using the employer
5 contribution rate required by either Section 920 or Section 920A of
6 Title 74 of the Oklahoma Statutes and the amount of money required
7 for the participating employer to make the required matching
8 contribution amount on behalf of a member making the irrevocable
9 election to participate in the defined contribution plan authorized
10 pursuant to the provisions of Section 5 of this act.

11 B. The System shall deposit the monies remitted to it by
12 employers having members that participate in the defined
13 contribution plan created by this act, as described by subsection A
14 of this section, into the existing defined benefit pension plan
15 authorized pursuant to Section 901 et seq. of Title 74 of the
16 Oklahoma Statutes in order to reduce the liabilities of the defined
17 benefit pension plan.

18 SECTION 12. AMENDATORY 74 O.S. 2011, Section 913.4, as
19 amended by Section 2, Chapter 155, O.S.L. 2012 (74 O.S. Supp. 2012,
20 Section 913.4), is amended to read as follows:

21 Section 913.4 A. 1. Except as otherwise provided in this
22 subsection, an elected official may elect to participate in the
23 System and if he or she elects to do so shall have the option of
24 participating at any one of the computation factors set forth in

paragraph 3 or 4 of this subsection and will receive retirement benefits in accordance with the computation factor chosen. The election on participation in the System must be in writing, must specify the computation factor chosen, and must be filed with the System within ninety (90) days after the elected official takes office. The election to participate and the election of a computation factor shall be irrevocable. Reelection to the same office will not permit new elections. Failure of an elected official to file such election form within the ninety-day period shall be deemed an irrevocable election to participate in the System at the maximum computation factor.

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

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

Elected official	Computation	Alternate
Contribution Rate	Factor	Formula

1	4.5%	1.9%	\$12.50
2	6%	2.5%	\$20.00
3	7.5%	3.0%	\$25.00
4	8.5%	3.4%	\$27.50
5	9%	3.6%	\$30.00
6	10%	4.0%	\$40.00

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

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

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

6 7. A statewide elected official or legislator whose first
7 service as an elected official occurs on or after July 1, 2014,
8 shall become a participant in the defined contribution plan created
9 by Sections 1 through 11 of this act and such elected official shall
10 not accrue any service credit in the defined benefit plan of the
11 Oklahoma Public Employees Retirement System created pursuant to
12 Section 901 et seq. of this title.

13 B. The normal retirement date for an elected official shall be
14 the first day of the month coinciding with or following the
15 official's sixtieth birthday or the first day of the month
16 coinciding with or following the date at which the sum of the
17 elected official's age and number of years of credited service total
18 eighty (80). The normal retirement date for an elected official
19 first elected or appointed to an elected office on or after November
20 1, 2011, shall be the first day of the month coinciding with or
21 following the official's sixty-fifth birthday or the date upon which
22 the elected or appointed official attains the age of sixty-two (62)
23 and who has at least ten (10) years of elected or appointed service.
24 Any elected official first elected or appointed to an elected office

before November 1, 2011, who has a minimum of ten (10) years' participating service may retire under the early retirement provisions of this act, including those electing a vested benefit and shall receive an adjustment of annual benefits in accordance with the following percentage schedule:

Age	Percentage of Normal Retirement Benefits
60	100%
59	94%
58	88%
57	82%
56	76%
55	70%

Except for officials whose first elected or appointed service as an elected official occurs on or after November 1, 2011, and who retire at age sixty-two (62) with a minimum of ten (10) years of elected or appointed service, any elected official first elected or appointed for an elected office on or after November 1, 2011, who has a minimum of ten (10) years' participating service may retire under the early retirement provisions of this act, including those electing a vested benefit and shall receive an adjustment of annual benefits in accordance with the following percentage schedule:

Age	Percentage of Normal Retirement Benefits
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1	65	100%
2	64	93.33%
3	63	86.67%
4	62	80%
5	61	73.33%
6	60	66.67%

7 C. 1. Any elected official shall receive annual benefits
8 computed based upon the computation factor selected multiplied by
9 the member's highest annual compensation received as an elected
10 official prior to retirement or termination of employment multiplied
11 by the number of years of credited service. No elected official
12 shall retire using such highest annual compensation unless the
13 elected official has made the required election and has paid the
14 required contributions on such salary.

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

21 3. Elected officials who become members of the Oklahoma Public
22 Employees Retirement System on or after August 22, 2008, will
23 receive retirement benefits in accordance with the computation
24 factor selected pursuant to subsection A of this section multiplied

1 by the member's highest annual compensation received as an elected
2 official and only for those years of credited service the member
3 served as an elected official. If such elected official has
4 participating service as a nonelected member, then such nonelected
5 service shall be computed separately pursuant to the provisions of
6 paragraph (1) of subsection A of Section 915 of this title with the
7 final benefit result added to the final benefit result for elected
8 service. In no event shall the elected official be entitled to
9 apply the computation factor selected pursuant to subsection A of
10 this section or the compensation received as an elected official to
11 the computation of nonelected service.

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

17 D. Any elected official making an election to participate at a
18 computation factor less than the maximum and later selecting a
19 higher computation factor shall contribute to the System a sum equal
20 to the amount which the elected official would have contributed if
21 the elected official had made such election at the time the elected
22 official first became eligible, plus interest as determined by the
23 Board, in order to receive the additional benefits for all service
24 as an elected official; otherwise, the additional benefits shall be

1 applicable only to service for which the elected official pays the
2 appropriate percent of contributions to the System.

3 E. The surviving spouse of a deceased elected official who was
4 first elected or appointed to an elected office before November 1,
5 2011, and who has at least six (6) years of participating service
6 and the surviving spouse of a deceased elected official who was
7 first elected or appointed to an elected office on or after November
8 1, 2011, and who has at least eight (8) years of participating
9 service shall be entitled to receive survivor benefits in the amount
10 herein prescribed, if married to the decedent continuously for a
11 period of at least three (3) years immediately preceding the elected
12 official's death. Provided the elected official had met the service
13 requirements, survivor benefits shall be payable when the deceased
14 member would have met the requirements for normal or early
15 retirement. The amount of the benefits the surviving spouse may
16 receive shall be fifty percent (50%) of the amount of benefits the
17 deceased elected official was receiving or will be eligible to
18 receive. Remarriage of a surviving spouse shall disqualify the
19 spouse for the receipt of survivor benefits. Elected officials may
20 elect a retirement option as provided in Section 918 of this title
21 in lieu of the survivors benefit provided above.

22 F. Any elected official who served in the Armed Forces of the
23 United States, as defined in paragraph (23) of Section 902 of this
24 title, prior to membership in the Oklahoma Public Employees

1 Retirement System shall be granted credited service of not to exceed
2 five (5) years for those periods of active military service during
3 which the elected official was a war veteran.

4 G. Anyone appointed or elected to an elected position after
5 July 1, 1990, shall not be eligible to receive benefits as provided
6 in this section until such person has participated as an elected
7 official for six (6) years. Anyone appointed or elected to an
8 elected position on or after November 1, 2011, shall not be eligible
9 to receive benefits as provided in this section until such person
10 has participated as an elected official for eight (8) years.

11 H. Elected officials who terminate participation in the System
12 and who have a minimum of six (6) years of participating service
13 shall be entitled to elect a vested benefit and shall be entitled to
14 the retirement options as provided in Section 918 of this title in
15 lieu of the survivors benefit provided in subsection E of this
16 section. Elected officials who terminate participation in the
17 System and who have a minimum of eight (8) years of participating
18 service shall be entitled to elect a vested benefit and shall be
19 entitled to retirement options as provided in Section 918 of this
20 title in lieu of the survivors benefits provided in subsection E of
21 this section.

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

1 For members who joined the System on or after November 1, 2011, the
2 number of years of credited service shall be based on actual years
3 and months of credited service without rounding up or down.

4 SECTION 13. AMENDATORY 74 O.S. 2011, Section 920, as
5 amended by Section 929, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
6 2012, Section 920), is amended to read as follows:

7 Section 920. (1) Effective July 1, 1994, every state agency
8 which is a participating employer shall contribute to the System an
9 amount equal to eleven and one-half percent (11 1/2%) of the monthly
10 compensation of each member, but not in excess of Forty Thousand
11 Dollars (\$40,000.00).

12 (2) Effective July 1, 1995, every state agency which is a
13 participating employer shall contribute to the System an amount
14 equal to eleven and one-half percent (11 1/2%) of the monthly
15 compensation of each member, not to exceed the allowable annual
16 compensation as defined in paragraph (9) of Section 902 of this
17 title.

18 (3) Effective July 1, 1996, every state agency which is a
19 participating employer shall contribute to the System an amount
20 equal to twelve percent (12%) of the monthly compensation of each
21 member, not to exceed the allowable annual compensation defined in
22 paragraph (9) of Section 902 of this title.

23 (4) Effective July 1, 1999, and through the fiscal year ending
24 June 30, 2005, every state agency which is a participating employer

shall contribute to the System an amount equal to ten percent (10%) of the monthly compensation of each member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title.

(5) ~~Effective July 1, 2005~~ Except as otherwise provided by subsection (11) of this section, every state agency which is a participating employer shall contribute an amount to the System equal to a percentage of monthly compensation of each member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title as follows:

July 1, 2005 - June 30, 2006	11 1/2%
July 1, 2006 - June 30, 2007	12 1/2%
July 1, 2007 - June 30, 2008	13 1/2%
July 1, 2008 - June 30, 2009	14 1/2%
July 1, 2009 - June 30, 2011	15 1/2%
July 1, 2011 - June 30, 2012	
and each year thereafter	16 1/2%

(6) The Board shall certify, on or before November 1 of each year, to the Office of Management and Enterprise Services an actuarially determined estimate of the rate of contribution which will be required, together with all accumulated contributions and other assets of the System, to be paid by each participating employer to pay all liabilities which shall exist or accrue under the System, including amortization of the past service cost over a

1 period of not to exceed forty (40) years from June 30, 1987, and the
2 cost of administration of the System, as determined by the Board,
3 upon recommendation of the actuary.

4 (7) The Office of Management and Enterprise Services and the
5 Governor shall include in the budget and in the budget request for
6 appropriations the sum required to satisfy the state's obligation
7 under this section as certified by the Board and shall present the
8 same to the Legislature for allowance and appropriation.

9 (8) Each other participating employer shall appropriate and pay
10 to the System a sum sufficient to satisfy the obligation under this
11 section as certified by the Board.

12 (9) Each participating employer is hereby authorized to pay the
13 employer's contribution from the same fund that the compensation for
14 which said contribution is paid from or from any other funds
15 available to it for such purpose.

16 (10) Forfeitures arising from severance of employment, death or
17 for any other reason may not be applied to increase the benefits any
18 member would otherwise receive under the System's law. However,
19 forfeitures may be used to reduce an employer's contribution.

20 (11) Effective July 1, 2014, an employer shall be required to
21 make payment to the Oklahoma Public Employees Retirement System of
22 the amount described by subsection A of Section 11 of this act with
23 respect to any employee who is a participant in the defined
24 contribution plan created pursuant to the provisions of Sections 1

1 through 11 of this act. The employer shall be required to make the
2 required matching contribution amount for all employees that
3 participate in the defined contribution plan and to remit the
4 difference between such amount and the amount the employer would
5 otherwise have paid pursuant to the provisions of this section to
6 the Oklahoma Public Employees Retirement System.

7 SECTION 14. AMENDATORY 74 O.S. 2011, Section 920A, is
8 amended to read as follows:

9 Section 920A. A. Any county, county hospital, city or town,
10 conservation district, circuit engineering district or any public or
11 private trust in which a county, city or town participates and is
12 the primary beneficiary, which is a participating employer and any
13 eligible employee shall contribute to the System. The total
14 employer and employee contributions shall be based on the allowable
15 annual compensation as defined in paragraph (9) of Section 902 of
16 this title. Except as provided for in this section, the employer
17 shall not pay for the employee any of the employee contribution to
18 the System.

19 B. For the fiscal year ending June 30, 2005, the total employer
20 and employee contributions shall equal thirteen and one-half percent
21 (13 1/2%) of the allowable monthly compensation of each member;
22 provided, however, each participating employer listed in this
23 section may set the amount of the employer and employee contribution
24 to equal thirteen and one-half percent (13 1/2%) of the allowable

1 monthly compensation of each member for compensation as provided in
2 paragraph (9) of Section 902 of this title; provided, the employer
3 contribution shall not exceed ten percent (10%) and the employee
4 contribution shall not exceed eight and one-half percent (8 1/2%).

5 C. The Except as otherwise provided by subsection H of this
6 section, the total employer and employee contributions for fiscal
7 years following the fiscal year ending June 30, 2005, shall be as
8 follows:

9	July 1, 2005 - June 30, 2006	15%
10	July 1, 2006 - June 30, 2007	16%
11	July 1, 2007 - June 30, 2008	17%
12	July 1, 2008 - June 30, 2009	18%
13	July 1, 2009 - June 30, 2010	19%
14	July 1, 2010 - June 30, 2011	
15	and each fiscal year thereafter	20%

16 Such employee and employer contributions shall be based upon the
17 allowable monthly compensation of each member for compensation as
18 provided in paragraph (9) of Section 902 of this title. The maximum
19 employer contribution of ten percent (10%) in subsection B of this
20 section shall increase by one and one-half percent (1.5%) beginning
21 in the fiscal year ending June 30, 2006, and one percent (1%) for
22 each fiscal year thereafter until it reaches sixteen and one-half
23 percent (16.5%). For such years, the employee contribution shall
24 not exceed eight and one-half percent (8 1/2%).

1 D. For members who make the election pursuant to paragraph (2)
2 of subsection A of Section 915 of this title, the employee
3 contribution shall increase by two and ninety-one one-hundredths
4 percent (2.91%). Such employee contribution increase shall be paid
5 by the employee.

6 E. Each participating employer pursuant to the provisions of
7 this section may pick up under the provisions of Section 414(h) (2)
8 of the Internal Revenue Code of 1986 and pay the contribution which
9 the member is required by law to make to the System for all
10 compensation earned after December 31, 1989. Although the
11 contributions so picked up are designated as member contributions,
12 such contributions shall be treated as contributions being paid by
13 the participating employer in lieu of contributions by the member in
14 determining tax treatment under the Internal Revenue Code of 1986
15 and such picked up contributions shall not be includable in the
16 gross income of the member until such amounts are distributed or
17 made available to the member or the beneficiary of the member. The
18 member, by the terms of this System, shall not have any option to
19 choose to receive the contributions so picked up directly and the
20 picked up contributions must be paid by the participating employer
21 to the System.

22 F. Member contributions which are picked up shall be treated in
23 the same manner and to the same extent as member contributions made
24 prior to the date on which member contributions were picked up by

1 the participating employer. Member contributions so picked up shall
2 be included in gross salary for purposes of determining benefits and
3 contributions under the System.

4 G. The participating employer shall pay the member
5 contributions from the same source of funds used in paying salary to
6 the member, by effecting an equal cash reduction in gross salary of
7 the member.

8 H. Effective July 1, 2014, an employer shall be required to
9 make payment to the Oklahoma Public Employees Retirement System of
10 the amount described by subsection A of Section 11 of this act with
11 respect to any employee who is a participant in the defined
12 contribution plan created pursuant to the provisions of Sections 1
13 through 11 of this act. The employer shall be required to make the
14 required matching contribution amount for all employees that
15 participate in the defined contribution plan and to remit the
16 difference between such amount and the amount the employer would
17 otherwise have paid pursuant to the provisions of this section to
18 the Oklahoma Public Employees Retirement System.

19 SECTION 15. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 935.12 of Title 74, unless there
21 is created a duplication in numbering, reads as follows:

22 A. Except as otherwise provided by this section, no alteration,
23 amendment, or repeal of this act shall affect the then-existing
24 rights of members and beneficiaries, but shall be effective only as

1 to rights which would otherwise accrue hereunder as a result of
2 services rendered by an employee after such alteration, amendment,
3 or repeal. Any benefits, fund, property, or rights created by or
4 accruing to any person under the provisions of this act shall not be
5 subject to execution, garnishment or attachment, or any other
6 process or claim whatsoever, and shall be unassignable, except as
7 specifically provided by this section. Notwithstanding the
8 foregoing, the Board may offset any amounts held by a participant in
9 the plan or beneficiary to pay a judgment or settlement against a
10 member or beneficiary for a crime involving the System, for a fraud
11 or breach of the member's fiduciary duty to the System, or for funds
12 or monies incorrectly paid to a member or a beneficiary, provided
13 such offset is in accordance with the requirements of Section
14 401(a)(13) or similar provisions of the Internal Revenue Code. The
15 offset applies to any assets held in the plan which may otherwise be
16 payable to a member or beneficiary from the plan administered by the
17 Board.

18 B. 1. The provisions of subsection A of this section shall not
19 apply to a qualified domestic order as provided pursuant to this
20 subsection.

21 2. The term "qualified domestic order" means an order issued by
22 a district court of this state pursuant to the domestic relation
23 laws of the State of Oklahoma which relates to the provision of
24 marital property rights to a spouse or former spouse of a member or

1 provision of support for a minor child or children and which creates
2 or recognizes the existence of the right of an alternate payee, or
3 assigns to an alternate payee the right, to receive a portion of the
4 funds payable with respect to a participant in the plan.

5 3. For purposes of the payment of marital property, to qualify
6 as an alternate payee a spouse or former spouse must have been
7 married to the related member for a period of not less than thirty
8 (30) continuous months immediately preceding the commencement of the
9 proceedings from which the qualified domestic order issues.

10 4. A qualified domestic order is valid and binding on the Board
11 and the related member only if it meets the requirements of this
12 subsection.

13 5. A qualified domestic order shall clearly specify:

- 14 a. the name and last-known mailing address (if any) of
15 the member and the name and mailing address of the
16 alternate payee covered by the order,
- 17 b. the amount or percentage of the member's funds or
18 assets to be paid by the System to the alternate
19 payee,
- 20 c. the number of payments or period to which such order
21 applies,
- 22 d. the characterization of the benefit as to marital
23 property rights or child support, and
- 24 e. each plan to which such order applies.

1 6. A qualified domestic order meets the requirements of this
2 subsection only if such order:

3 a. does not require the System to provide any type or
4 form of benefit, or any option not otherwise provided
5 under state law as relates to the System,

6 b. does not require the System to provide increased
7 benefits, and

8 c. does not require the payment of funds or assets to an
9 alternate payee which are required to be paid to
10 another alternate payee pursuant to another order
11 previously determined to be a qualified domestic order
12 or an order recognized by the System as a valid order
13 prior to the effective date of this act.

14 7. A qualified domestic order shall not require payment of
15 funds or assets to an alternate payee prior to the actual permitted
16 distribution date or withdrawal of the related member.

17 8. The obligation of the System to pay an alternate payee
18 pursuant to a qualified domestic order shall cease upon the death of
19 the related member.

20 9. This subsection shall not be subject to the provisions of
21 the Employee Retirement Income Security Act of 1974 (ERISA), 29
22 U.S.C.A. Section 1001 et seq., as amended from time to time, or
23 rules and regulations promulgated thereunder, and court cases
24 interpreting said act.

1 10. The Board shall promulgate such rules as are necessary to
2 implement the provisions of this subsection.

3 11. An alternate payee who has acquired beneficiary rights
4 pursuant to a valid qualified domestic order must fully comply with
5 all provisions of the rules promulgated by the Board pursuant to
6 this subsection in order to continue receiving his or her benefit.

7 SECTION 16. AMENDATORY 74 O.S. 2011, Section 1316.2, as
8 amended by Section 962, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
9 2012, Section 1316.2), is amended to read as follows:

10 Section 1316.2 A. Any employee, other than an education
11 employee, who retires pursuant to the provisions of the Oklahoma
12 Public Employees Retirement System or who has a vested benefit
13 pursuant to the provisions of the Oklahoma Public Employees
14 Retirement System may continue in force the health and dental
15 insurance benefits authorized by the provisions of the Oklahoma
16 Employees Insurance and Benefits Act, or other employer insurance
17 benefits if the employer does not participate in the plans offered
18 by the Office of Management and Enterprise Services, if such
19 election to continue in force is made within thirty (30) days from
20 the date of termination of service. Except as otherwise provided
21 for in Section 840-2.27I of this title and subsection H of this
22 section, health and dental insurance coverage may not be reinstated
23 at a later time if the election to continue in force is declined.
24 Vested employees other than education employees who have terminated

1 service and are not receiving benefits and effective July 1, 1996,
2 nonvested persons who have terminated service with more than eight
3 (8) years of participating service with a participating employer,
4 who within thirty (30) days from the date of termination of service
5 elect to continue such coverage, shall pay the full cost of said
6 insurance premium at the rate and pursuant to the terms and
7 conditions established by the Office. Provided also, any employee
8 other than an education employee who commences employment with a
9 participating employer on or after September 1, 1991, who terminates
10 service with such employer on or after July 1, 1996, but who
11 otherwise has insufficient years of service to retire or terminate
12 service with a vested benefit pursuant to the provisions of the
13 Oklahoma Public Employees Retirement System or to elect to continue
14 coverage as a nonvested employee as provided in this section, but
15 who, immediately prior to employment with the participating employer
16 was covered as a dependent on the health and dental insurance policy
17 of a spouse who was an active employee other than an education
18 employee, may count as part of his or her credited service for the
19 purpose of determining eligibility to elect to continue coverage
20 under this section, the time during which said terminating employee
21 was covered as such a dependent.

22 B. 1. Health insurance benefit plans offered pursuant to this
23 section shall include:

24 a. indemnity plans offered through the Office,

- 1 b. managed care plans offered as alternatives to the
2 indemnity plans offered through the Office,
3 c. Medicare supplements offered pursuant to the Oklahoma
4 Employees Insurance and Benefits Act,
5 d. Medicare risk-sharing contracts offered as
6 alternatives to the Medicare supplements offered
7 through the Office. All Medicare risk-sharing
8 contracts shall be subject to a risk adjustment
9 factor, based on generally accepted actuarial
10 principles for adverse selection which may occur, and
11 e. for the Oklahoma Public Employee Retirement System,
12 other employer-provided health insurance benefit plans
13 if the employer does not participate in the plans
14 offered pursuant to the Oklahoma Employees Insurance
15 and Benefits Act.

16 2. Health insurance benefit plans offered pursuant to this
17 section shall provide prescription drug benefits, except for plans
18 designed pursuant to the Medicare Prescription Drug Improvement and
19 Modernization Act of 2003, for which provision of prescription drug
20 benefits is optional, and except for plans offered pursuant to
21 subparagraph e of paragraph 1 of this subsection.

22 C. 1. Designated public retirement systems shall contribute a
23 monthly amount towards the health insurance premium of certain
24

1 individuals receiving benefits from the public retirement system as
2 follows:

- 3 a. a retired employee, other than an education employee,
4 or an employee who elects to participate in the
5 defined contribution plan administered by the Oklahoma
6 Public Employees Retirement System on or after July 1,
7 2014, who is receiving benefits from the Oklahoma
8 Public Employees Retirement System after September 30,
9 1988, shall have One Hundred Five Dollars (\$105.00),
10 or the premium rate of the health insurance benefit
11 plan, whichever is less, paid by the Oklahoma Public
12 Employees Retirement System to the Board or other
13 insurance carrier of the employer if the employer does
14 not participate in the plans offered by the Office in
15 the manner specified in subsection G of this section,
- 16 b. a retired employee or surviving spouse other than an
17 education employee who is receiving benefits from the
18 Oklahoma Law Enforcement Retirement System after
19 September 30, 1988, is under sixty-five (65) years of
20 age and is not otherwise eligible for Medicare shall
21 have the premium rate for the health insurance benefit
22 plan or One Hundred Five Dollars (\$105.00), whichever
23 is less, paid by the Oklahoma Law Enforcement
24

1 Retirement System to the Office in the manner
2 specified in subsection G of this section,

- 3 c. a retired employee other than an education employee
4 who is receiving benefits from the Oklahoma Law
5 Enforcement Retirement System after September 30,
6 1988, is sixty-five (65) years of age or older or who
7 is under sixty-five (65) years of age and is eligible
8 for Medicare shall have One Hundred Five Dollars
9 (\$105.00), or the premium rate of the health insurance
10 benefit plan, whichever is less, paid by the Oklahoma
11 Law Enforcement Retirement System to the Office in the
12 manner specified in subsection G of this section, and
13 d. a retired employee other than an education employee
14 who is receiving benefits from the Uniform Retirement
15 System for Justices and Judges after September 30,
16 1988, shall have One Hundred Five Dollars (\$105.00),
17 or the premium rate of the health insurance plan,
18 whichever is less, paid by the Uniform Retirement
19 System for Justices and Judges to the Office in the
20 manner specified in subsection G of this section.

21 2. Premium payments made pursuant to this section shall be made
22 subject to the following conditions:

- 23 a. the health plan shall be authorized by the provisions
24 of the Oklahoma Employees Insurance and Benefits Act,

1 except that if an employer from which an employee
2 retired or with a vested benefit pursuant to the
3 provisions of the Oklahoma Public Employees Retirement
4 System does not participate in the plans authorized by
5 the provisions of the Oklahoma Employees Insurance and
6 Benefits Act, the health plan will be the health
7 insurance benefits of the employer from which the
8 individual retired or vested,

9 b. for plans offered by the Oklahoma Employees Insurance
10 and Benefits Act, the amount to be paid shall be
11 determined pursuant to the provisions of this
12 subsection and shall first be applied in whole or in
13 part to the prescription drug coverage premium. Any
14 remaining amount shall be applied toward the medical
15 coverage premium,

16 c. for all plans, if the amount paid by the public
17 retirement system does not cover the full cost of the
18 elected coverage, the individual shall pay the
19 remaining premium amount, and

20 d. payment shall be made by the retirement systems in the
21 manner specified under subsection G of this section.

22 D. For any member of the Oklahoma Law Enforcement Retirement
23 System killed in the line of duty, whether the member was killed in
24 the line of duty prior to the effective date of this act or on or

1 after the effective date of this act, or if the member was on a
2 disability leave status at the time of death, the surviving spouse
3 or dependents of such deceased member of the Oklahoma Law
4 Enforcement Retirement System may elect to continue or commence
5 health and dental insurance benefits provided said dependents pay
6 the full cost of such insurance and for deaths occurring on or after
7 July 1, 2002, such election is made within thirty (30) days of the
8 date of death. The eligibility for said benefits shall terminate
9 for the surviving children when said children cease to qualify as
10 dependents.

11 E. Effective July 1, 2004, a retired member of the Oklahoma Law
12 Enforcement Retirement System who retired from the System by means
13 of a personal and traumatic injury of a catastrophic nature and in
14 the line of duty and any surviving spouse of such retired member and
15 any surviving spouse of a member who was killed in the line of duty
16 shall have one hundred percent (100%) of the retired member's or
17 surviving spouse's health care premium cost, whether the member or
18 surviving spouse elects coverage under the Medicare supplement or
19 Medicare risk-sharing contract, paid by the Oklahoma Law Enforcement
20 Retirement System to the Office in the manner specified in
21 subsection H of this section. For plans offered by the Office, such
22 contributions will first be applied in whole or in part to the
23 prescription drug coverage premium, if any.

1 F. Dependents of a deceased employee who was on active work
2 status or on a disability leave at the time of death or of a
3 participating retardant or of any person who has elected to receive
4 a vested benefit under the Oklahoma Public Employees Retirement
5 System, the Uniform Retirement System for Justices and Judges or the
6 Oklahoma Law Enforcement Retirement System may continue the health
7 and dental insurance benefits in force provided said dependents pay
8 the full cost of such insurance and they were covered as eligible
9 dependents at the time of such death and such election is made
10 within thirty (30) days of date of death. The eligibility for said
11 benefits shall terminate for the surviving children when said
12 children cease to qualify as dependents.

13 G. The amounts required to be paid by the Oklahoma Public
14 Employees Retirement System, the Uniform Retirement System for
15 Justices and Judges and the Oklahoma Law Enforcement Retirement
16 System pursuant to this section shall be forwarded no later than the
17 tenth day of each month following the month for which payment is due
18 by the Oklahoma Public Employees Retirement System Board of Trustees
19 or the Oklahoma Law Enforcement Retirement Board to the Office for
20 deposit in the Health, Dental and Life Insurance Reserve Fund or to
21 another insurance carrier as provided for in subsection H of Section
22 1315 of this title.

23 H. Upon retirement from employment of the Board of Regents of
24 the University of Oklahoma, any person who was or is employed at the

George Nigh Rehabilitation Institute and who transferred employment pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any person who was employed at the Medical Technology and Research Authority and who transferred employment pursuant to Section 7068 of this title, and any person who is a member of the Oklahoma Law Enforcement Retirement System pursuant to the authority of Section 2-314 of Title 47 of the Oklahoma Statutes may participate in the benefits authorized by the provisions of the Oklahoma Employees Insurance and Benefits Act for retired participants, including health, dental and life insurance benefits, if such election to participate is made within thirty (30) days from the date of termination of service. Life insurance benefits for any such person who transferred employment shall not exceed the coverage the person had at the time of such transfer. Retirees who transferred employment and who participate pursuant to this paragraph shall pay the premium for elected benefits less any amounts paid by a state retirement system pursuant to this section.

SECTION 17. AMENDATORY 74 O.S. 2011, Section 1707, as amended by Section 986, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012, Section 1707), is amended to read as follows:

Section 1707. A. Effective January 1, 1998, for each qualified participant as defined in this section who is a state employee as defined in this section, the Oklahoma Public Employees Retirement System shall pay each month from funds appropriated or deposited to

1 the Oklahoma State Employees Deferred Savings Incentive Plan Fund
2 created pursuant to this section the sum of Twenty-five Dollars
3 (\$25.00) to a plan established pursuant to the Internal Revenue
4 Code, Section 401(a), for the benefit of the employee; provided, if
5 monies in the fund are insufficient to fully fund the contributions
6 in any month, payments shall be suspended until such time as
7 sufficient monies are available. Employees receiving payroll other
8 than monthly shall have an amount contributed which is equivalent to
9 Twenty-five Dollars (\$25.00) per month.

10 B. For the purposes of this section, "qualified participant"
11 means a state employee as defined in this section who is an active
12 participant in the Oklahoma State Employees Deferred Compensation
13 Plan making deferrals of at least Twenty-five Dollars (\$25.00) per
14 month. A qualified participant shall not include an employee who
15 elected to participate in the defined contribution plan administered
16 by the Oklahoma Public Employees Retirement System on or after July
17 1, 2014. Effective July 1, 2000, each qualified participant shall
18 be eligible for a contribution of Twenty-five Dollars (\$25.00) to
19 the Oklahoma State Employees Deferred Savings Incentive Plan
20 beginning with the first employee deferral into the Oklahoma State
21 Employees Deferred Compensation Plan. The Director of the Office of
22 Management and Enterprise Services shall be responsible for the
23 provision of such information and assistance as may be necessary to
24 determine which employees are qualified participants and shall

1 provide for appropriate payroll transactions to accomplish
2 contributions to the Oklahoma State Employees Deferred Savings
3 Incentive Plan and the Oklahoma State Employees Deferred
4 Compensation Plan. The Oklahoma Public Employees Retirement System
5 shall be responsible for establishing rules and plan documents for
6 administration of such contributions. Funds so credited shall be
7 held and invested in the same manner as the Oklahoma State Employees
8 Deferred Compensation Plan, as provided in Section 1701 of this
9 title.

10 C. For the purposes of this section, "state employee" means any
11 officer or employee of the executive, legislative, or judicial
12 branches of the government of this state who is an active member of
13 a public retirement system of this state, but does not include:

14 1. Employees of the public elementary, secondary, or area
15 vocational school districts;

16 2. Employees of The Oklahoma State System of Higher Education
17 except employees of the Oklahoma State Regents of Higher Education,
18 employees of the governing boards and employees of the Board of
19 Regents of the University of Oklahoma who are participating members
20 of the Oklahoma Public Employees Retirement System;

21 3. Persons on temporary, student, internship, or other limited-
22 term appointments except for Executive Fellows in the Carl Albert
23 Public Internship Program created in Section 840-3.4 of this title;
24 or

1 4. Persons employed pursuant to Section 1.6a of Title 53 of the
2 Oklahoma Statutes.

3 D. No public official shall be able to make contributions to
4 the Section 401(a) plan described by this section during a term of
5 office which commenced prior to July 1, 1997. A public official may
6 make contributions to the Section 401(a) plan described by this
7 section during a term of office which commences after July 1, 1997.
8 No legislator shall be eligible to make contributions to the Section
9 401(a) plan described by this section until such contributions have
10 been approved by the Board on Legislative Compensation. The
11 provisions of this subsection shall be applicable only in the event
12 that the Plan permits employee contributions.

13 E. There is hereby created in the State Treasury a revolving
14 fund to be designated the "Oklahoma State Employees Deferred Savings
15 Incentive Plan Fund". The fund shall be a continuing fund, not
16 subject to fiscal year limitations, and shall consist of any monies
17 the Legislature may appropriate or transfer to the fund and any
18 monies contributed for the fund from any other sources, public or
19 private. All monies accruing to the credit of said fund are hereby
20 appropriated and may be budgeted and expended by the Oklahoma Public
21 Employees Retirement System for the matching of deferred
22 compensation contributions pursuant to this section and in
23 accordance with rules promulgated by the Oklahoma Public Employees
24 Retirement System and for reimbursement of expenses for

1 administration of the Deferred Savings Incentive Plan and the
2 Oklahoma State Employees Deferred Compensation Plan. Expenditures
3 from the fund shall be made by warrants issued by the State
4 Treasurer against claims filed as prescribed by law with the
5 Director of the Office of Management and Enterprise Services for
6 approval and payment.

7 F. Effective July 1, 2000, every employer which has state
8 employees participating in the Oklahoma State Employees Deferred
9 Savings Incentive Plan shall pay to the Fund an amount equal to
10 Twenty-five Dollars (\$25.00) each month for each qualified
11 participant as defined in this section, along with an amount to
12 reimburse the cost of administration of the Oklahoma State Employees
13 Deferred Savings Incentive Plan and the Oklahoma State Employees
14 Deferred Compensation Plan for each qualified participant, as
15 determined by the Board.

16 1. The Board shall certify each year to the Office of
17 Management and Enterprise Services the determined amount for the
18 administrative cost of the Oklahoma State Deferred Savings Incentive
19 Plan and the Oklahoma State Employees Deferred Compensation Plan
20 which will be required to be paid for each qualified participant.
21 The Board of Trustees shall promulgate such rules as are necessary
22 to implement the provisions of this subsection and provide the
23 methodology for the determination.

2. Each employer shall pay at least monthly to the Fund the sum sufficient to satisfy the obligation under this section as certified by the Board.

3. Each employer is hereby authorized to pay the employer's contribution from the same fund that the compensation for which said contribution is paid from or from any other funds available to it for such purpose.

SECTION 18. This act shall become effective November 1, 2013.

Passed the House of Representatives the 5th day of March, 2013.

Presiding Officer of the House
of Representatives

Passed the Senate the ____ day of _____, 2013.

Presiding Officer of the Senate