



1 under one of the options provided in this section in lieu of having  
2 it paid in the form stated in Section 1104 of this title. The  
3 election of an option must be made prior to the member's retirement  
4 date or to receipt of a benefit after termination of service with a  
5 vested benefit. A specific person must be designated as joint  
6 annuitant at the time of the election of Option A or B. Election of  
7 an option is available with respect to the vested benefit. All  
8 retirement benefits of a married member shall be paid pursuant to  
9 the Option A plan ~~or Option B plan~~ as provided for in this section  
10 unless the spouse of a member consents in writing for the unreduced  
11 benefits to be paid as provided for in Section 1104 of this title.  
12 The spouse of the member is not required to consent in writing to  
13 the election of the Option B plan by the member.

14 B. The amount of retirement benefit payable under an option  
15 shall be based on the age and sex of the member and the age and sex  
16 of the joint annuitant at the retirement date, and shall be such  
17 amount as to be the actuarial equivalent of the retirement benefit  
18 otherwise payable under Section 1104 of this title.

19 C. The retirement options are:

20 Option A. Joint and one-half to joint annuitant survivor. A  
21 reduced retirement benefit is payable to the retiree during his or  
22 her lifetime with one-half (1/2) of that amount continued to the  
23 joint annuitant during such joint annuitant's remaining lifetime, if  
24 any, after the death of the retiree. If the named joint annuitant

1 dies at any time after the member's retirement date, but before the  
2 death of the retiree, the retiree shall return to the unreduced  
3 retirement benefit, including any postretirement benefit increases,  
4 the member would have received had the member not selected Option A.  
5 The benefit shall be determined at the date of death of the named  
6 joint annuitant. This increase shall become effective the first day  
7 of the month following the date of death of the named joint  
8 annuitant, and shall be payable for the retiree's remaining  
9 lifetime. The retiree shall notify the Uniform Retirement System  
10 for Justices and Judges of the death of the named joint annuitant in  
11 writing. In the absence of the written notice being filed by the  
12 member notifying the Uniform Retirement System for Justices and  
13 Judges of the death of the named joint annuitant within six (6)  
14 months of the date of death, nothing in this subsection shall  
15 require the Uniform Retirement System for Justices and Judges to pay  
16 more than six (6) months of retrospective benefits increase.

17 Option B. Joint and survivor. A reduced retirement benefit is  
18 payable to the retiree during his or her lifetime with that amount  
19 continued to the joint annuitant during the joint annuitant's  
20 remaining lifetime, if any, after the death of the retiree. If the  
21 named joint annuitant dies at any time after the member's retirement  
22 date, but before the death of the retiree, the retiree shall return  
23 to the unreduced retirement benefit, including any postretirement  
24 benefit increases, the member would have received had the member not

1 selected Option B. The benefit shall be determined at the date of  
2 death of the named joint annuitant. This increase shall become  
3 effective the first day of the month following the date of death of  
4 the named joint annuitant, and shall be payable for the retiree's  
5 remaining lifetime. The retiree shall notify the Uniform Retirement  
6 System for Justices and Judges of the death of the named joint  
7 annuitant in writing. In the absence of such written notice being  
8 filed by the member notifying the Uniform Retirement System for  
9 Justices and Judges of the death of the named joint annuitant within  
10 six (6) months of the date of death, nothing in this subsection  
11 shall require the Uniform Retirement System for Justices and Judges  
12 to pay more than six (6) months of retrospective benefits increase.

13 D. If a member who is eligible to retire in accordance with the  
14 provisions of this section or Section 1104 of this title but is not  
15 actually retired or is eligible to vest or has elected a vested  
16 benefit dies, the member's spouse may elect to receive benefits as a  
17 joint annuitant under Option B, calculated as if the member retired  
18 on the date of death, in lieu of receiving the member's accumulated  
19 contributions. However, no benefits shall be payable before the  
20 date the deceased member would have met the requirements for a  
21 normal or early retirement. The provisions of this paragraph shall  
22 be applicable to a surviving spouse of a deceased member who died  
23 prior to the effective date of this act, but only if no benefits or  
24 distributions have been previously paid.

1 SECTION 2. AMENDATORY 74 O.S. 2021, Section 918, is  
2 amended to read as follows:

3 Section 918. (1) Except as otherwise provided for in this  
4 section and Section 918.1 of this title, a member may elect to have  
5 the retirement benefit paid under one of the options provided in  
6 this section in lieu of having it paid in the form stated in Section  
7 915 of this title. The election of an option must be made at any  
8 time prior to retirement or prior to termination of service with a  
9 vested benefit. A specific person must be designated as joint  
10 annuitant at the time of election of Option A or B. Election of an  
11 option is available with respect to the vested benefit. All  
12 retirement benefits of a married member shall be paid pursuant to  
13 the Option A plan ~~or Option B plan~~ as provided for in this section  
14 unless the spouse of a member consents in writing for the benefits  
15 to be paid as provided for in Section 915 of this title or pursuant  
16 to Option C as provided for in this section. The spouse of the  
17 member is not required to consent in writing to the election of the  
18 Option B plan by the member.

19 (2) The amount of retirement benefit payable under an option  
20 shall be based on the age and sex of the member and the age and sex  
21 of the joint annuitant, and shall be such amount as to be the  
22 actuarial equivalent of the retirement benefit otherwise payable  
23 under Section 915 of this title.

24 (3) The retirement options are:

1       Option A. Joint and one-half to joint annuitant survivor. A  
2 reduced retirement benefit is payable to the retiree during his or  
3 her lifetime with one-half (1/2) of that amount continued to the  
4 joint annuitant during such joint annuitant's remaining lifetime, if  
5 any, after the death of the retiree. If the named joint annuitant  
6 dies at any time after the member's retirement date, but before the  
7 death of the retiree, the retiree shall return to the retirement  
8 benefit, including any post-retirement benefit increases the member  
9 would have received had the member not selected Option A. The  
10 benefit shall be determined at the date of death of the named joint  
11 annuitant or July 1, 1994, whichever is later. This increase shall  
12 become effective the first day of the month following the date of  
13 death of the named joint annuitant or July 1, 1994, whichever is  
14 later, and shall be payable for the retiree's remaining lifetime.  
15 The retiree shall notify the Oklahoma Public Employees Retirement  
16 System of the death of the named joint annuitant in writing. In the  
17 absence of the written notice being filed by the member notifying  
18 the Oklahoma Public Employees Retirement System of the death of the  
19 named joint annuitant within six (6) months of the date of death,  
20 nothing in this subsection shall require the Oklahoma Public  
21 Employees Retirement System to pay more than six (6) months of  
22 retrospective benefits increase.

23       Option B. Joint and survivor. A reduced retirement benefit is  
24 payable to the retiree during his or her lifetime with that amount

1 continued to the joint annuitant during the joint annuitant's  
2 remaining lifetime, if any, after the death of the retiree. If the  
3 named joint annuitant dies at any time after the member's retirement  
4 date, but before the death of the retiree, the retiree shall return  
5 to the retirement benefit, including any post retirement benefit  
6 increases the member would have received had the member not selected  
7 Option B. The benefit shall be determined at the date of death of  
8 the named joint annuitant or July 1, 1994, whichever is later. This  
9 increase shall become effective the first day of the month following  
10 the date of death of the named joint annuitant or July 1, 1994,  
11 whichever is later, and shall be payable for the retiree's remaining  
12 lifetime. The retiree shall notify the Oklahoma Public Employees  
13 Retirement System of the death of the named joint annuitant in  
14 writing. In the absence of such written notice being filed by the  
15 member notifying the Oklahoma Public Employees Retirement System of  
16 the death of the named joint annuitant within six (6) months of the  
17 date of death, nothing in this subsection shall require the Oklahoma  
18 Public Employees Retirement System to pay more than six (6) months  
19 of retrospective benefits increase.

20 Option C. Life with ten (10) years certain. A reduced  
21 retirement benefit is payable to the retiree during his or her  
22 lifetime and if the retiree dies within the ten-year certain period,  
23 measured from the commencement of retirement benefits payments, such  
24 payments will be continued to the beneficiary during the balance of

1 the ten-year certain period. If the retiree dies within the ten-  
2 year certain period, and there are no living designated  
3 beneficiaries, the person responsible for the estate of the retiree  
4 may elect for the estate to be paid the benefits for the remainder  
5 of the term or to receive the present value of the remaining benefit  
6 payments according to rules adopted by the Board of Trustees of the  
7 System. If the retiree predeceases a designated beneficiary within  
8 the ten-year certain period, and the beneficiary dies after the  
9 beneficiary has begun to receive benefits, the person responsible  
10 for the estate of the beneficiary may elect for the estate to be  
11 paid the benefits for the remainder of the term or to receive the  
12 present value of the remaining benefit payments according to rules  
13 adopted by the Board of Trustees of the System.

14 (4) If the selection of a joint annuitant would violate the  
15 distribution requirements contained in Section 918.1 of this title,  
16 such selection will not be permitted.

17 (5) If a member who is eligible to retire in accordance with  
18 the provisions of Section 914 of this title but is not actually  
19 retired or is eligible to vest or has elected a vested benefit dies,  
20 the member's spouse may elect to receive benefits as a joint  
21 annuitant under Option B calculated as if the member retired on the  
22 date of death, in lieu of receiving the member's accumulated  
23 contributions. However, no benefits shall be payable before the  
24 date the deceased member would have met the requirements for a



1 normal or early retirement. The provisions of this paragraph shall  
2 be applicable to a surviving spouse of a deceased member who died  
3 prior to the effective date of this act, but only if no benefits or  
4 distributions have been previously paid.

5 (6) Benefits payable to a joint annuitant shall accrue from the  
6 first day of the month following the death of a member or retiree  
7 and, in the case of Option A and Option B, shall end on the last day  
8 of the month in which the joint annuitant dies.

9 SECTION 3. AMENDATORY 74 O.S. 2021, Section 935.7, is  
10 amended to read as follows:

11 Section 935.7 A. Participating employees shall at all times be  
12 vested at one hundred percent (100%) of their accounts containing  
13 solely their employee contributions, and the gains or losses on  
14 these contributions. Participating employees will have investment  
15 discretion over these accounts within the available options offered  
16 by the Board.

17 B. Participating employees shall be vested with respect to the  
18 employer matching amounts, and the gains or losses on these funds,  
19 deposited into their defined contribution system account or accounts  
20 according to the following schedule based on years of participating  
21 service:

22	Year 1	20%
23	Year 2	40%
24	Year 3	60%



SECTION 4. This act shall become effective November 1, 2024.

COMMITTEE REPORT BY: COMMITTEE ON BANKING, FINANCIAL SERVICES AND PENSIONS, dated 02/27/2024 - DO PASS, As Coauthored.