

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

HOUSE BILL 2592

By: Humphrey

AS INTRODUCED

An Act relating to retirement; amending 47 O.S. 2021, Section 2-300, which relates to the Oklahoma Law Enforcement Retirement System; modifying definition; amending 74 O.S. 2021, Sections 902, 915, 916.3, and 919.1, which relate to the Oklahoma Public Employees Retirement System; modifying definition; modifying members who may receive retirement benefit; modifying members who may have certain benefits paid upon death; modifying members who shall pay certain employee contributions; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 2-300, is amended to read as follows:

Section 2-300. As used in Section 2-300 et seq. of this title:

1. "System" means the Oklahoma Law Enforcement Retirement System;
2. "Act" means Section 2-300 et seq. of this title;
3. "Board" means the Oklahoma Law Enforcement Retirement Board of the System;

1 4. "Executive Director" means the managing officer of the
2 System employed by the Board;

3 5. "Fund" means the Oklahoma Law Enforcement Retirement Fund;

4 6. a. "Member" means:

5 (1) all commissioned law enforcement officers of the
6 Oklahoma Highway Patrol Division of the
7 Department of Public Safety who have obtained
8 certification from the Council on Law Enforcement
9 Education and Training, and all cadets of a
10 Patrol Academy of the Department of Public
11 Safety,

12 (2) law enforcement officers and criminalists of the
13 Oklahoma State Bureau of Investigation,

14 (3) law enforcement officers of the Oklahoma State
15 Bureau of Narcotics and Dangerous Drugs Control
16 designated to perform duties in the investigation
17 and prevention of crime and the enforcement of
18 the criminal laws of this state,

19 (4) law enforcement officers of the Oklahoma
20 Alcoholic Beverage Laws Enforcement Commission
21 designated to perform duties in the investigation
22 and prevention of crime and the enforcement of
23 the criminal laws of this state,

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1 (5) employees of the Communications Section of the
2 Oklahoma Highway Patrol Division, radio
3 technicians and tower technicians of the
4 Department of Public Safety, who are employed in
5 any such capacity as of June 30, 2008, and who
6 remain employed on or after July 1, 2008, until a
7 termination of service, or until a termination of
8 service with an election of a vested benefit from
9 the System, or until retirement. Effective July
10 1, 2008, a person employed for the first time as
11 an employee of the Department of Public Safety in
12 the Communications Division as an information
13 systems telecommunication technician of the
14 Department of Public Safety shall not be a member
15 of the System,

16 (6) park rangers of the Oklahoma Tourism and
17 Recreation Department and any park manager or
18 park supervisor of the Oklahoma Tourism and
19 Recreation Department, who was employed in such a
20 position prior to July 1, 1985, and who elects on
21 or before September 1, 1996, to participate in
22 the System, ~~and~~

23 (7) inspectors of the Board of Pharmacy, and
24

1 (8) a correctional officer, probation and parole
2 officer or fugitive apprehension agent with the
3 Department of Corrections whose first creditable
4 service occurs on or after November 1, 2024.

5 b. Effective July 1, 1987, a member does not include a
6 "leased employee" as defined under Section 414(n)(2)
7 of the Internal Revenue Code of 1986, as amended.
8 Effective July 1, 1999, any individual who agrees with
9 the participating employer that the individual's
10 services are to be performed as a leased employee or
11 an independent contractor shall not be a member
12 regardless of any classification as a common-law
13 employee by the Internal Revenue Service or any other
14 governmental agency, or any court of competent
15 jurisdiction.

16 c. All persons who shall be offered a position of a
17 commissioned law enforcement officer as an employee of
18 one of the agencies described in subparagraph a of
19 this paragraph shall participate in the System upon
20 the person meeting the requisite post-offer-pre-
21 employment physical examination standards which shall
22 be subject to the following requirements:

23 (1) all such persons shall be of good moral
24 character, free from deformities, mental or

1 physical conditions, or disease and alcohol or
2 drug addiction which would prohibit the person
3 from performing the duties of a law enforcement
4 officer,

5 (2) the physical-medical examination shall pertain to
6 age, sight, hearing, agility and other conditions
7 the requirements of which shall be established by
8 the Board,

9 (3) the person shall be required to meet the
10 conditions of this subsection prior to the
11 beginning of actual employment but after an offer
12 of employment has been tendered by a
13 participating employer,

14 (4) the Board shall have authority to deny or revoke
15 membership of any person submitting false
16 information in such person's membership
17 application, and

18 (5) the Board shall have final authority in
19 determining eligibility for membership in the
20 System, pursuant to the provisions of this
21 subsection;

22 7. "Normal retirement date" means the date at which the member
23 is eligible to receive the unreduced payments of the member's
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1 accrued retirement benefit. Such date shall be the first day of the
2 month coinciding with or following the date the member:

3 a. completes twenty (20) years of vesting service, or

4 b. attains sixty-two (62) years of age with ten (10)
5 years of vesting service, or

6 c. attains sixty-two (62) years of age, if:

7 (1) the member has been transferred to this System
8 from the Oklahoma Public Employees Retirement
9 System on or after July 1, 1981, and

10 (2) the member would have been vested had the member
11 continued to be a member of the Oklahoma Public
12 Employees Retirement System.

13 With respect to distributions under the System made for calendar
14 years beginning on or after January 1, 2005, the System shall apply
15 the minimum distribution incidental benefit requirements, incidental
16 benefit requirements, and minimum distribution requirements of
17 Section 401(a)(9) of the Internal Revenue Code of 1986, as amended,
18 in accordance with the final regulations under Section 401(a)(9) of
19 the Internal Revenue Code of 1986, as amended, including Treasury
20 Regulations Sections 1.401(a)(9)-1 through 1.401(a)(9)-9; provided
21 that for individuals who attain seventy and one-half (70 1/2) years
22 of age after December 31, 2019, distributions shall be made when the
23 individual attains seventy-two (72) years of age, pursuant to the
24 provisions of the SECURE Act of 2019, Pub. L. 116-94, Sections

1 401(a)(9)(B)(iv)(I), 401(a)(9)(C)(i)(I) and 401(a)(9)(C)(ii)(I) of
2 the Internal Revenue Code of 1986, as amended, notwithstanding any
3 provision of the System to the contrary. With respect to
4 distributions under the System made for calendar years beginning on
5 or after January 1, 2001, through December 31, 2004, the System
6 shall apply the minimum distribution requirements and incidental
7 benefit requirements of Section 401(a)(9) of the Internal Revenue
8 Code of 1986, as amended, in accordance with the regulations under
9 Section 401(a)(9) of the Internal Revenue Code of 1986, as amended,
10 which were proposed in January 2001, notwithstanding any provision
11 of the System to the contrary.

12 Effective July 1, 1989, notwithstanding any other provision
13 contained herein to the contrary, in no event shall commencement of
14 distribution of the accrued retirement benefit of a member be
15 delayed beyond April 1 of the calendar year following the later of:
16 (1) the calendar year in which the member reaches seventy and one-
17 half (70 1/2) years of age for a member who attains this age before
18 January 1, 2020, or, for a member who attains this age after January
19 1, 2020, the calendar year in which the member reaches seventy-two
20 (72) years of age; or (2) the actual retirement date of the member.
21 A member electing to defer the commencement of retirement benefits
22 pursuant to Section 2-308.1 of this title may not defer the benefit
23 commencement beyond the age of sixty-five (65).

24

1 Effective September 8, 2009, notwithstanding anything to the
2 contrary of the System, the System, which as a governmental plan
3 (within the meaning of Section 414(d) of the Internal Revenue Code
4 of 1986, as amended), is treated as having complied with Section
5 401(a)(9) of the Internal Revenue Code of 1986, as amended, for all
6 years to which Section 401(a)(9) of the Internal Revenue Code of
7 1986, as amended, applies to the System if the System complies with
8 a reasonable and good faith interpretation of Section 401(a)(9) of
9 the Internal Revenue Code of 1986, as amended.

10 A member who was required to join the System effective July 1,
11 1980, because of the transfer of the employing agency from the
12 Oklahoma Public Employees Retirement System to the System, and was
13 not a member of the Oklahoma Public Employees Retirement System on
14 the date of such transfer shall be allowed to receive credit for
15 prior law enforcement service rendered to this state, if the member
16 is not receiving or eligible to receive retirement credit or
17 benefits for such service in any other public retirement system,
18 upon payment to the System of the employee contribution the member
19 would have been subject to had the member been a member of the
20 System at the time, plus five percent (5%) interest. Service credit
21 received pursuant to this paragraph shall be used in determining the
22 member's retirement benefit, and shall be used in determining years
23 of service for retirement or vesting purposes;

1 8. "Actual paid base salary" means the salary received by a
2 member, excluding payment for any accumulated leave or uniform
3 allowance. Salary shall include any amount of nonelective salary
4 reduction under Section 414(h) of the Internal Revenue Code of 1986;

5 9. "Final average salary" means the average of the highest
6 thirty (30) consecutive complete months of actual paid gross salary.
7 Gross salary shall include any amount of elective salary reduction
8 under Section 457 of the Internal Revenue Code of 1986, as amended,
9 and any amount of nonelective salary reduction under Section 414(h)
10 of the Internal Revenue Code of 1986, as amended. Effective July 1,
11 1992, gross salary shall include any amount of elective salary
12 reduction under Section 125 of the Internal Revenue Code of 1986, as
13 amended. Effective July 1, 1998, gross salary shall include any
14 amount of elective salary reduction not includable in the gross
15 income of the member under Section 132(f)(4) of the Internal Revenue
16 Code of 1986, as amended. Effective July 1, 1998, for purposes of
17 determining a member's compensation, any contribution by the member
18 to reduce his or her regular cash remuneration under Section
19 132(f)(4) of the Internal Revenue Code of 1986, as amended, shall be
20 treated as if the member did not make such an election. Only salary
21 on which required contributions have been made may be used in
22 computing the final average salary. Gross salary shall not include
23 severance pay.

1 In addition to other applicable limitations, and notwithstanding
2 any other provision to the contrary, for plan years beginning on or
3 after July 1, 2002, the annual gross salary of each "Noneligible
4 Member" taken into account under the System shall not exceed the
5 Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA")
6 annual salary limit. The EGTRRA annual salary limit is Two Hundred
7 Thousand Dollars (\$200,000.00), as adjusted by the Commissioner for
8 increases in the cost of living in accordance with Section
9 401(a)(17)(B) of the Internal Revenue Code of 1986, as amended. The
10 annual salary limit in effect for a calendar year applies to any
11 period, not exceeding twelve (12) months, over which salary is
12 determined ("determination period") beginning in such calendar year.
13 If a determination period consists of fewer than twelve (12) months,
14 the EGTRRA salary limit will be multiplied by a fraction, the
15 numerator of which is the number of months in the determination
16 period, and the denominator of which is twelve (12). For purposes
17 of this section, a "Noneligible Member" is any member who first
18 became a member during a plan year commencing on or after July 1,
19 1996.

20 For plan years beginning on or after July 1, 2002, any reference
21 in the System to the annual salary limit under Section 401(a)(17) of
22 the Internal Revenue Code of 1986, as amended, shall mean the EGTRRA
23 salary limit set forth in this provision.
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1 Effective January 1, 2008, gross salary for a plan year shall
2 also include gross salary, as described above, for services, but
3 paid by the later of two and one-half (2 1/2) months after a
4 member's severance from employment or the end of the calendar year
5 that includes the date the member terminated employment, if it is a
6 payment that, absent a severance from employment, would have been
7 paid to the member while the member continued in employment with the
8 employer.

9 Effective January 1, 2008, any payments not described above
10 shall not be considered gross salary if paid after severance from
11 employment, even if they are paid by the later of two and one-half
12 (2 1/2) months after the date of severance from employment or the
13 end of the calendar year that includes the date of severance from
14 employment, except payments to an individual who does not currently
15 perform services for the employer by reason of qualified military
16 service within the meaning of Section 414(u)(5) of the Internal
17 Revenue Code of 1986, as amended, to the extent these payments do
18 not exceed the amounts the individual would have received if the
19 individual had continued to perform services for the employer rather
20 than entering qualified military service.

21 Effective January 1, 2008, back pay, within the meaning of
22 Section 1.415(c)-2(g)(8) of the Income Tax Regulations, shall be
23 treated as gross salary for the limitation year to which the back
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1 pay relates to the extent the back pay represents wages and
2 compensation that would otherwise be included in this definition.

3 Effective for years beginning after December 31, 2008, gross
4 salary shall also include differential wage payments under Section
5 414(u) (12) of the Internal Revenue Code of 1986, as amended;

6 10. "Credited service" means the period of service used to
7 determine the amount of benefits payable to a member. Credited
8 service shall consist of the period during which the member
9 participated in the System or the predecessor Plan as an active
10 employee in an eligible membership classification, plus any service
11 prior to the establishment of the predecessor Plan which was
12 credited under the predecessor Plan and for law enforcement officers
13 and criminalists of the Oklahoma State Bureau of Investigation and
14 the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control
15 who became members of the System on July 1, 1980, any service
16 credited under the Oklahoma Public Employees Retirement System as of
17 June 30, 1980, and for members of the Communications and Lake Patrol
18 Divisions of the Oklahoma Department of Public Safety, who became
19 members of the System on July 1, 1981, any service credited under
20 the predecessor Plan or the Oklahoma Public Employees Retirement
21 System as of June 30, 1981, and for law enforcement officers of the
22 Alcoholic Beverage Laws Enforcement Commission who became members of
23 the System on July 1, 1982, any service credited under the Oklahoma
24 Public Employees Retirement System as of June 30, 1982, and for park

1 rangers of the Oklahoma Tourism and Recreation Department who became
2 members of the System on July 1, 1985, any service credited under
3 the Oklahoma Public Employees Retirement System as of June 30, 1985,
4 and for inspectors of the Oklahoma State Board of Pharmacy who
5 became members of the System on July 1, 1986, any service credited
6 under the Oklahoma Public Employees Retirement System as of June 30,
7 1986, for law enforcement officers of the Oklahoma Capitol Patrol
8 Division of the Department of Public Safety who became members of
9 the System effective July 1, 1993, any service credited under the
10 Oklahoma Public Employees Retirement System as of June 30, 1993, and
11 for all commissioned officers in the Gunsmith/Ammunition Reloader
12 Division of the Department of Public Safety who became members of
13 the System effective July 1, 1994, any service credited under the
14 Oklahoma Public Employees Retirement System as of June 30, 1994, and
15 for the park managers or park supervisors of the Oklahoma Tourism
16 and Recreation Department who were employed in such a position prior
17 to July 1, 1985, and who elect to become members of the System
18 effective September 1, 1996, any service transferred pursuant to
19 subsection C of Section 2-309.6 of this title and any service
20 purchased pursuant to subsection B of Section 2-307.2 of this title.
21 Effective August 5, 1993, an authorized leave of absence shall
22 include a period of absence pursuant to the Family and Medical Leave
23 Act of 1993;

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1 11. "Disability" means a physical or mental condition which, in
2 the judgment of the Board, totally and presumably permanently
3 prevents the member from engaging in the usual and customary duties
4 of the occupation of the member and thereafter prevents the member
5 from performing the duties of any occupation or service for which
6 the member is qualified by reason of training, education or
7 experience. A person is not under a disability when capable of
8 performing a service to the employer, regardless of occupation,
9 providing the salary of the employee is not diminished thereby;

10 12. "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 13. "Line of duty" means any action which a member whose
14 primary function is crime control or reduction or enforcement of the
15 criminal law is obligated or authorized by rule, regulations,
16 condition of employment or service, or law to perform including
17 those social, ceremonial or athletic functions to which the member
18 is assigned, or for which the member is compensated, by the agency
19 the member serves;

20 14. "Personal injury" or "injury" means any traumatic injury as
21 well as diseases which are caused by or result from such an injury,
22 but not occupational diseases;

23 15. "Catastrophic nature" means consequences of an injury that
24 permanently prevent an individual from performing any gainful work;

1 16. "Traumatic injury" means a wound or a condition of the body
2 caused by external force including injuries inflicted by bullets,
3 explosives, sharp instruments, blunt objects or other physical
4 blows, chemicals, electricity, climatic conditions, infectious
5 diseases, radiation and bacteria, but excluding stress and strain;
6 and

7 17. "Beneficiary" means the individual designated by the member
8 on a beneficiary designation form supplied by the Oklahoma Law
9 Enforcement Retirement System, or, if there is no designated
10 beneficiary or if the designated beneficiary predeceases the member,
11 the estate of the member. If the member's spouse is not designated
12 as the sole primary beneficiary, the member's spouse must sign a
13 consent.

14 SECTION 2. AMENDATORY 74 O.S. 2021, Section 902, is
15 amended to read as follows:

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

17 (1) "System" means the Oklahoma Public Employees Retirement
18 System as established by this act and as it may hereafter be
19 amended;

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

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

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

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

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

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

12 (8) "Board" means the Oklahoma Public Employees Retirement
13 System Board of Trustees;

14 (9) "Compensation" means all salary and wages, as defined by
15 the Board of Trustees, including amounts deferred under deferred
16 compensation agreements entered into between a member and a
17 participating employer, but exclusive of payment for overtime,
18 payable to a member of the System for personal services performed
19 for a participating employer but shall not include compensation or
20 reimbursement for traveling, or moving expenses, or any compensation
21 in excess of the maximum compensation level, provided:

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

1 For compensation for service on or after January 1,
2 1988, through June 30, 1994, the maximum compensation
3 level shall be Forty Thousand Dollars (\$40,000.00) per
4 annum.

5 For compensation for service on or after July 1, 1994,
6 through June 30, 1995, the maximum compensation level
7 shall be Fifty Thousand Dollars (\$50,000.00) per
8 annum; for compensation for service on or after July
9 1, 1995, through June 30, 1996, the maximum
10 compensation level shall be Sixty Thousand Dollars
11 (\$60,000.00) per annum; for compensation for service
12 on or after July 1, 1996, through June 30, 1997, the
13 maximum compensation level shall be Seventy Thousand
14 Dollars (\$70,000.00) per annum; and for compensation
15 for service on or after July 1, 1997, through June 30,
16 1998, the maximum compensation level shall be Eighty
17 Thousand Dollars (\$80,000.00) per annum. For
18 compensation for services on or after July 1, 1998,
19 there shall be no maximum compensation level for
20 retirement purposes.

- 21 (b) Compensation for retirement purposes shall include any
22 amount of elective salary reduction under Section 457
23 of the Internal Revenue Code of 1986 and any amount of
24

1 nonelective salary reduction under Section 414(h) of
2 the Internal Revenue Code of 1986.

3 (c) Notwithstanding any provision to the contrary, the
4 compensation taken into account for any employee in
5 determining the contribution or benefit accruals for
6 any plan year is limited to the annual compensation
7 limit under Section 401(a)(17) of the federal Internal
8 Revenue Code.

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

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

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

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

8 (13) "Eligible employer" means the state and any county, county
9 hospital, city or town, conservation districts, circuit engineering
10 districts and any public or private trust in which a county, city or
11 town participates and is the primary beneficiary, is to be an
12 eligible employer for the purpose of this act only, whose employees
13 are covered by Social Security and are not covered by or eligible
14 for another retirement plan authorized under the laws of this state
15 which is in operation on the initial entry date. Emergency medical
16 service districts may join the System upon proper application to the
17 Board. Provided affiliation by a county hospital shall be in the
18 form of a resolution adopted by the board of control.

19 (a) If a class or several classes of employees of any
20 above-defined employers are covered by Social Security
21 and are not covered by or eligible for and will not
22 become eligible for another retirement plan authorized
23 under the laws of this state, which is in operation on
24 the effective date, such employer shall be deemed an

1 eligible employer, but only with respect to that class
2 or those classes of employees as defined in this
3 section.

4 (b) A class or several classes of employees who are
5 covered by Social Security and are not covered by or
6 eligible for and will not become eligible for another
7 retirement plan authorized under the laws of this
8 state, which is in operation on the effective date,
9 and when the qualifications for employment in such
10 class or classes are set by state law; and when such
11 class or classes of employees are employed by a county
12 or municipal government pursuant to such
13 qualifications; and when the services provided by such
14 employees are of such nature that they qualify for
15 matching by or contributions from state or federal
16 funds administered by an agency of state government
17 which qualifies as a participating employer, then the
18 agency of state government administering the state or
19 federal funds shall be deemed an eligible employer,
20 but only with respect to that class or those classes
21 of employees as defined in this subsection; provided,
22 that the required contributions to the retirement plan
23 may be withheld from the contributions of state or
24 federal funds administered by the state agency and

1 transmitted to the System on the same basis as the
2 employee and employer contributions are transmitted
3 for the direct employees of the state agency. The
4 retirement or eligibility for retirement under the
5 provisions of law providing pensions for service as a
6 volunteer firefighter shall not render any person
7 ineligible for participation in the benefits provided
8 for in Section 901 et seq. of this title. An employee
9 of any public or private trust in which a county, city
10 or town participates and is the primary beneficiary
11 shall be deemed to be an eligible employee for the
12 purpose of this act only.

13 (c) All employees of the George Nigh Rehabilitation
14 Institute who elected to retain membership in the
15 System, pursuant to Section 913.7 of this title, shall
16 continue to be eligible employees for the purposes of
17 this act. The George Nigh Rehabilitation Institute
18 shall be considered a participating employer only for
19 such employees.

20 (d) All employees of CompSource Mutual Insurance Company
21 who retain membership in the Oklahoma Public Employees
22 Retirement System pursuant to Section 913.9 of this
23 title shall continue to be eligible employees for the
24 purposes of the Oklahoma Public Employees Retirement

1 System. CompSource Mutual Insurance Company shall be
2 considered a participating employer only for such
3 employees.

4 (e) All employees of a successor organization, as defined
5 by Section 5-60.12 of Title 2 of the Oklahoma
6 Statutes, who retain membership in the Oklahoma Public
7 Employees Retirement System pursuant to Section 5-
8 60.35 of Title 2 of the Oklahoma Statutes shall
9 continue to be eligible employees for the purposes of
10 the Oklahoma Public Employees Retirement System. A
11 successor organization shall be considered a
12 participating employer only for such employees.

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

20 (14) "Employee" means any officer or employee of a
21 participating employer, whose employment is not seasonal or
22 temporary and whose employment requires at least one thousand
23 (1,000) hours of work per year and whose salary or wage is equal to
24 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
24 service as defined in this section. The provisions

1 outlined in Section 917 of this title shall apply to
2 those employees who have previously withdrawn their
3 contributions.

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

17 (e) Any employee employed by the Legislative Service
18 Bureau, State Senate or House of Representatives for
19 the full duration of a regular legislative session
20 shall be eligible for membership in the System
21 regardless of classification as a temporary employee
22 and may participate in the System during the regular
23 legislative session at the option of the employee.
24 For purposes of this subparagraph, the determination

1 of whether an employee is employed for the full
2 duration of a regular legislative session shall be
3 made by the Legislative Service Bureau if such
4 employee is employed by the Legislative Service
5 Bureau, the State Senate if such employee is employed
6 by the State Senate, or by the House of
7 Representatives if such employee is employed by the
8 House of Representatives. Each regular legislative
9 session during which the legislative employee or an
10 employee of the Legislative Service Bureau
11 participates full time shall be counted as six (6)
12 months of full-time participating service.

13 (i) Except as otherwise provided by this
14 subparagraph, once a temporary session employee
15 makes a choice to participate or not, the choice
16 shall be binding for all future legislative
17 sessions during which the employee is employed.

18 (ii) Notwithstanding the provisions of division (i) of
19 this subparagraph, any employee, who is eligible
20 for membership in the System because of the
21 provisions of this subparagraph and who was
22 employed by the State Senate or House of
23 Representatives after January 1, 1989, may file
24 an election, in a manner specified by the Board,

1 to participate as a member of the System prior to
2 September 1, 1989.

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

15 (iv) A member of the System who did not initially
16 elect to participate as a member of the System
17 pursuant to this subparagraph shall be able to
18 acquire service performed as a temporary
19 legislative session employee for periods of
20 service performed prior to the date upon which
21 the person became a member of the System if:
22 a. the member files an election with the System
23 not later than December 31, 2000, to
24 purchase the prior service; and

1 b. the member makes payment to the System of
2 the actuarial cost of the service credit
3 pursuant to subsection A of Section 913.5 of
4 this title. The provisions of Section 913.5
5 of this title shall be applicable to the
6 purchase of the service credit, including
7 the provisions for determining service
8 credit in the event of incomplete payment
9 due to cessation of payments, death,
10 termination of employment or retirement, but
11 the payment may extend for a period not to
12 exceed ninety-six (96) months;

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

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

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

22 (18) "Final average compensation" means the average annual
23 compensation, including amounts deferred under deferred compensation
24 agreements entered into between a member and a participating

1 employer, up to, but not exceeding the maximum compensation levels
2 as provided in paragraph (9) of this section received during the
3 highest three (3) of the last ten (10) years of participating
4 service immediately preceding retirement or termination of
5 employment and with respect to members whose first participating
6 service occurs on or after July 1, 2013, the compensation received
7 during the highest five (5) of the last ten (10) years of
8 participating service immediately preceding retirement or
9 termination of employment. Provided, no member shall retire with a
10 final average compensation unless the member has made the required
11 contributions on such compensation, as defined by the Board of
12 Trustees;

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

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

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

24

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

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

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

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

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

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

20 (iv) June 27, 1950, to January 31, 1955, commonly
21 referred to as the Korean Conflict or the Korean
22 War,

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

- 1 a. for the period from February 28, 1961, to
2 August 4, 1964, military service shall only
3 include service in the Republic of Vietnam
4 during that period, and
- 5 b. for purposes of determining eligibility for
6 education and training benefits, such period
7 shall end on December 31, 1976, or
- 8 (vi) August 1, 1990, to December 31, 1991, commonly
9 referred to as the Gulf War, the Persian Gulf
10 War, or Operation Desert Storm, but excluding any
11 person who served on active duty for training
12 only, unless discharged from such active duty for
13 a service-connected disability;
- 14 (b) during a period of war or combat military operation
15 other than a conflict, war or era listed in
16 subparagraph (a) of this paragraph, beginning on the
17 date of Congressional authorization, Congressional
18 resolution, or Executive Order of the President of the
19 United States, for the use of the Armed Forces of the
20 United States in a war or combat military operation,
21 if such war or combat military operation lasted for a
22 period of ninety (90) days or more, for a person who
23 served, and only for the period served, in the area of
24 responsibility of the war or combat military

1 operation, but excluding a person who served on active
2 duty for training only, unless discharged from such
3 active duty for a service-connected disability, and
4 provided that the burden of proof of military service
5 during this period shall be with the member, who must
6 present appropriate documentation establishing such
7 service.

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

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

- 21 (a) the first day of the month coinciding with or
22 following a member's:
23
24

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

4 (2) sixty-fifth birthday with respect to members
5 whose first participating service occurs on or
6 after November 1, 2011, or with respect to
7 members whose first participating service occurs
8 on or after November 1, 2011, reaches a minimum
9 age of sixty (60) years and who also reaches a
10 normal retirement date pursuant to subparagraph c
11 of this paragraph,

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,
24

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 whose first
14 participating service occurs prior to November 1,
15 2024, and at the time of retirement, the member
16 was a correctional or probation and parole
17 officer with the Department of Corrections, or
18 (ii) a correctional officer, probation and parole
19 officer or fugitive apprehension agent with the
20 Department of Corrections who is in such position
21 on June 30, 2004, but prior to November 1, 2024,
22 or who is hired after June 30, 2004, but prior to
23 November 1, 2024, and who receives a promotion or
24 change in job classification after June 30, 2004,

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

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

1 (iv) a public safety officer employed by the Grand
2 River Dam Authority for the first time on or July
3 1, 2016, or

4 (v) a deputy sheriff or jailer employed by any county
5 that is a participating employer in the System
6 for the first time as a deputy sheriff or jailer
7 on or after November 1, 2020,

8 (e) for those fugitive apprehension agents who retire on
9 or after July 1, 2002, but prior to November 1, 2024,
10 the first day of the month coinciding with or
11 following a member's completion of at least twenty
12 (20) years of full-time-equivalent employment as a
13 fugitive apprehension agent with the Department of
14 Corrections and at the time of retirement, the member
15 was a fugitive apprehension agent with the Department
16 of Corrections, or

17 (f) for any member who was continuously employed by an
18 entity or institution within The Oklahoma State System
19 of Higher Education and whose initial employment with
20 such entity or institution was prior to July 1, 1992,
21 and who without a break in service of more than thirty
22 (30) days became employed by an employer participating
23 in the Oklahoma Public Employees Retirement System,
24 the first day of the month coinciding with or

1 following the date at which the sum of the member's
2 age and number of years of credited service total
3 eighty (80);

4 (25) "Participating employer" means an eligible employer who
5 has agreed to make contributions to the System on behalf of its
6 employees;

7 (26) "Participating service" means the period of employment
8 after the entry date for which credit is granted a member;

9 (27) "Prior service" means the period of employment of a member
10 by an eligible employer prior to the member's entry date for which
11 credit is granted a member under Section 901 et seq. of this title;

12 (28) "Retirant" or "retiree" means a member who has retired
13 under the System;

14 (29) "Retirement benefit" means a monthly income with benefits
15 accruing from the first day of the month coinciding with or
16 following retirement and ending on the last day of the month in
17 which death occurs or the actuarial equivalent thereof paid in such
18 manner as specified by the member pursuant to Section 901 et seq. of
19 this title or as otherwise allowed to be paid at the discretion of
20 the Board;

21 (30) "Retirement coordinator" means the individual designated
22 by each participating employer through whom System transactions and
23 communication shall be directed;

1 (31) "Social Security" means the old-age survivors and
2 disability section of the Federal Social Security Act;

3 (32) "Total disability" means a physical or mental disability
4 accepted for disability benefits by the Federal Social Security
5 System;

6 (33) "Service-connected disability benefits" means military
7 service benefits which are for a service-connected disability rated
8 at twenty percent (20%) or more by the Veterans Administration or
9 the Armed Forces of the United States;

10 (34) "Elected official" means a person elected to a state
11 office in the legislative or executive branch of state government or
12 a person elected to a county office for a definite number of years
13 and shall include an individual who is appointed to fill the
14 unexpired term of an elected state official;

15 (35) "Elected service" means the period of service as an
16 elected official;

17 (36) "Limitation year" means the year used in applying the
18 limitations of Section 415 of the Internal Revenue Code of 1986,
19 which year shall be the calendar year; and

20 (37) "Public safety officers of the Grand River Dam Authority"
21 means those persons hired by the Grand River Dam Authority on or
22 after the effective date of this act who are certified by the
23 Council on Law Enforcement Education and Training or an equivalent
24 certifying entity for law enforcement personnel training and who

1 perform law enforcement functions as part of their regularly
2 assigned duties and responsibilities on a full-time basis. With
3 respect to any public safety officer hired by the Grand River Dam
4 Authority on or after the effective date of this act, any earned
5 benefits or credits toward retirement benefits from previous
6 participation within the Oklahoma Public Employees Retirement System
7 or the Oklahoma Law Enforcement Retirement System shall remain
8 within that system.

9 SECTION 3. AMENDATORY 74 O.S. 2021, Section 915, is
10 amended to read as follows:

11 Section 915. A. (1) Except as otherwise provided in this
12 subsection and as provided for elected officials in Section 913.4 of
13 this title, any member who shall retire on or after the member's
14 normal retirement date shall be entitled to receive an annual
15 retirement benefit equal to two percent (2%) of the member's final
16 average compensation as determined pursuant to paragraph (18) of
17 Section 902 of this title, multiplied by the number of years of
18 credited service that has been credited to the member in accordance
19 with the provisions of Section 913 of this title other than years
20 credited pursuant to paragraph (2) of this subsection.

21 (2) Effective January 1, 2004, except as otherwise provided for
22 elected officials in Section 913.4 of this title and except for
23 those members making contributions pursuant to paragraphs (c), (d),
24 (e) and (f) of subsection (1) of Section 919.1 of this title, any

1 member who shall retire shall be entitled to receive an annual
2 retirement benefit equal to two and one-half percent (2 1/2%) of the
3 member's final average compensation as determined pursuant to
4 paragraph (18) of Section 902 of this title, multiplied by the
5 number of full years of participating service after January 1, 2004,
6 that have been credited to the member in accordance with the
7 provisions of Section 913 of this title and only for those full
8 years of participating service for which contributions have been
9 made pursuant to paragraph (g) of subsection (1) of Section 919.1 of
10 this title. The two and one-half percent (2 1/2%) multiplier shall
11 not apply to purchased service, purchased or granted military
12 service or transferred service. In order to receive the two and
13 one-half percent (2 1/2%) multiplier in computing retirement
14 benefits, an active member shall make an irrevocable written
15 election to pay the contributions pursuant to paragraph (g) of
16 subsection (1) of Section 919.1 of this title. The two and one-half
17 percent (2 1/2%) multiplier pursuant to this paragraph shall not
18 apply to additional years of service credit attributed to sick leave
19 pursuant to paragraph 7 of subsection B of Section 913 of this title
20 and fractional years pursuant to subsection C of Section 913 of this
21 title and shall be attributable only to the participating service
22 credited after the election of the member.

23 (3) The minimum final average compensation for any person who
24 becomes a member of the System on or after July 1, 1995:

- 1 a. and who had twenty (20) or more years of credited
2 service within the System as of the member's
3 retirement date shall be no less than Thirteen
4 Thousand Eight Hundred Dollars (\$13,800.00) per annum,
- 5 b. and who had at least fifteen (15) but not more than
6 nineteen (19) years of credited service within the
7 System as of the member's retirement date shall be no
8 less than Six Thousand Nine Hundred Dollars
9 (\$6,900.00) per annum,
- 10 c. and who had less than fifteen (15) years of credited
11 service within the System as of the member's
12 retirement date shall not be eligible for any minimum
13 amount of final average compensation and the member's
14 final average compensation shall be the final average
15 compensation as defined by paragraph (18) of Section
16 902 of this title.

17 (4) Provided, further, any member who has elected a vested
18 benefit pursuant to Section 917 of this title shall be entitled to
19 receive benefits as outlined in this section except the percent
20 factor and the member's maximum compensation level in effect the
21 date the member's employment was terminated with a participating
22 employer shall be applicable.

23 (5) Any member who is a correctional officer or a probation and
24 parole officer employed by the Department of Corrections at the time

1 of retirement and who retires on or before June 30, 2000, shall be
2 entitled to receive an annual retirement benefit equal to two and
3 one-half percent (2 1/2%) of the final average compensation of the
4 member not to exceed Twenty-five Thousand Dollars (\$25,000.00) and
5 two percent (2%) of the final average salary in excess of Twenty-
6 five Thousand Dollars (\$25,000.00) but not exceeding the maximum
7 compensation level as provided in paragraph (9) of Section 902 of
8 this title, multiplied by the number of years of service as a
9 correctional officer or a probation and parole officer; provided,
10 any years accrued prior to July 1, 1990, as a correctional officer
11 or a probation and parole officer by a member who is employed as a
12 correctional officer or a probation and parole officer on July 1,
13 1990, shall be calculated for retirement purposes at two and one-
14 quarter percent (2 1/4%) of the final average compensation of the
15 member not to exceed Twenty-five Thousand Dollars (\$25,000.00) and
16 two percent (2%) of the final average salary in excess of Twenty-
17 five Thousand Dollars (\$25,000.00) but not exceeding the maximum
18 compensation level as provided in paragraph (9) of Section 902 of
19 this title, multiplied by the number of years of such service and
20 any years in excess of twenty (20) years as such an officer or years
21 credited to the member in accordance with the provisions of Section
22 913 of this title shall be calculated for retirement purposes at two
23 percent (2%) of the final average compensation of the member
24 multiplied by the number of years of such service. Any person who

1 contributes to the System as a correctional officer or a probation
2 and parole officer as provided in paragraph (b) or (c) of subsection
3 (1) of Section 919.1 of this title, on or before June 30, 2000, but
4 who does not make such contributions after June 30, 2000, and who
5 does not qualify for normal retirement under subparagraph (c) of
6 paragraph (24) of Section 902 of this title shall have retirement
7 benefits for each year of full-time-equivalent participating service
8 as a correctional or a probation and parole officer after July 1,
9 1990, computed on two and one-half percent (2 1/2%) of the final
10 average compensation based upon those years as a correctional
11 officer or a probation and parole officer. Provided, further, any
12 fugitive apprehension agent shall be entitled to receive benefits as
13 outlined in this act for service as a fugitive apprehension agent
14 prior to July 1, 2002, only upon payment to the System of the
15 employee contributions which would have been paid if such fugitive
16 apprehension agent had been covered by this section prior to the
17 effective date of this act, plus interest of not to exceed ten
18 percent (10%) as determined by the Board. The Department of
19 Corrections may make the employee contribution and interest payment
20 on behalf of such member.

21 (6) Any member who is a correctional officer, a probation and
22 parole officer or a fugitive apprehension agent employed by the
23 Department of Corrections at the time of retirement whose first
24 participating service occurs prior to November 1, 2024, and who

1 retires on or after July 1, 2002, shall be entitled to receive an
2 annual retirement benefit equal to two and one-half percent (2 1/2%)
3 of the final average compensation of the member, but not exceeding
4 the maximum compensation level as provided in paragraph (18) of
5 Section 902 of this title, multiplied by the number of years of
6 service as a correctional officer, a probation and parole officer or
7 a fugitive apprehension agent, and any years in excess of twenty
8 (20) years as such an officer or agent, or years credited to the
9 member in accordance with the provisions of Section 913 of this
10 title, shall be calculated for retirement purposes at two percent
11 (2%) of the final average compensation of the member multiplied by
12 the number of years of such service. For purposes of this
13 paragraph, "final average compensation" shall be determined by
14 computing the average annual salary, in the manner prescribed by
15 paragraph (18) of Section 902 of this title, for the highest three
16 (3) years of the last ten (10) years of participating service
17 immediately preceding retirement or termination of employment for
18 all years of service performed by such member, both for years of
19 service performed as a correctional officer, probation and parole
20 officer or fugitive apprehension agent, not in excess of twenty (20)
21 years, and for years of service performed in excess of twenty (20)
22 years, whether as a correctional officer, probation and parole
23 officer, fugitive apprehension agent or other position unless the
24 computation of benefits would result in a lower retirement benefit

1 amount than if final average compensation were to be computed as
2 otherwise provided by this paragraph. "Final average compensation"
3 shall be determined by computing the average annual salary for the
4 highest five (5) of the last ten (10) years of participating service
5 immediately preceding retirement or termination of employment, with
6 respect to members whose first participating service occurs on or
7 after July 1, 2013.

8 (7) Any member who is a correctional officer, a probation and
9 parole officer or a fugitive apprehension agent who has at least
10 five (5) years of service as a correctional officer, a probation and
11 parole officer or a fugitive apprehension agent who is in such
12 position on June 30, 2004, and whose first participating service
13 occurs prior to November 1, 2024, or who is hired after June 30,
14 2004, but prior to November 1, 2024, in such position, and who
15 receives a promotion or change in job classification after June 30,
16 2004, to another position in the Department of Corrections, and who
17 is employed by the Department of Corrections at the time of
18 retirement and who retires on or after July 1, 2004, shall be
19 entitled to receive an annual retirement benefit equal to two and
20 one-half percent (2 1/2%) of the final average compensation of the
21 member, but not exceeding the maximum compensation level as provided
22 in paragraph (18) of Section 902 of this title, multiplied by the
23 number of years of service with the Department of Corrections and
24 any years in excess of twenty (20) years with the Department or

1 years credited to the member in accordance with the provisions of
2 Section 913 of this title, shall be calculated for retirement
3 purposes at two percent (2%) of the final average compensation of
4 the member multiplied by the number of years of such service. For
5 purposes of this paragraph, "final average compensation" shall be
6 determined by computing the average annual salary, in the manner
7 prescribed by paragraph (18) of Section 902 of this title, for the
8 highest three (3) years of the last ten (10) years of participating
9 service immediately preceding retirement or termination of
10 employment for all years of service performed by such member with
11 the Department. "Final average compensation" shall be determined by
12 computing the average annual salary for the highest five (5) of the
13 last ten (10) years of participating service immediately preceding
14 retirement or termination of employment, with respect to members
15 whose first participating service occurs on or after July 1, 2013.

16 (8) Any person who contributed to the System as a correctional
17 officer, a probation and parole officer or a fugitive apprehension
18 agent as provided in paragraph (b) or (c) of subsection (1) of
19 Section 919.1 of this title, whose first participating service
20 occurs prior to November 1, 2024, and who retires under normal
21 retirement or early retirement on or after January 1, 2004, under
22 paragraph (24) of Section 902 of this title, and any public safety
23 officer described by paragraph (37) of Section 902 of this title
24 hired on or after the effective date of this act by the Grand River

1 Dam Authority and who retires on or after the effective date of this
2 act, shall have retirement benefits for each year of full-time-
3 equivalent participating service as a correctional officer, a
4 probation and parole officer or a fugitive apprehension agent, or
5 Grand River Dam public safety officer computed on two and one-half
6 percent (2 1/2%) of the final average compensation based upon those
7 years as a correctional officer, a probation and parole officer, a
8 fugitive apprehension agent or a Grand River Dam public safety
9 officer. For purposes of this paragraph, "final average
10 compensation" shall be determined by computing the average annual
11 salary, in the manner prescribed by paragraph (18) of Section 902 of
12 this title, for the highest three (3) years of the last ten (10)
13 years of participating service immediately preceding retirement or
14 termination of employment for all years of service performed by such
15 member, both for years of service performed as a correctional
16 officer, probation and parole officer or fugitive apprehension
17 agent, or years of service performed as a Grand River Dam public
18 safety officer, not in excess of twenty (20) years, and for years of
19 service performed in excess of twenty (20) years, whether as a
20 correctional officer, probation and parole officer, fugitive
21 apprehension agent, Grand River Dam public safety officer, or other
22 position unless the computation of benefits would result in a lower
23 retirement benefit amount than if final average compensation were to
24 be computed as otherwise provided by this paragraph. "Final average

1 compensation" shall be determined by computing the average annual
2 salary for the highest five (5) of the last ten (10) years of
3 participating service immediately preceding retirement or
4 termination of employment, with respect to members whose first
5 participating service occurs on or after July 1, 2013, or with
6 respect to Grand River Dam public safety officers whose first
7 participating service occurs on or after the effective date of this
8 act.

9 (9) Any member who is:

- 10 a. initially on or after July 1, 2002, employed as a
11 firefighter for the Oklahoma Military Department and
12 who retires on or after the member's normal retirement
13 date shall be entitled to receive an annual retirement
14 benefit equal to two and one-half percent (2 1/2%) of
15 the final average compensation of the member
16 multiplied by the number of years of service in such
17 service,
- 18 b. (1) a firefighter who performs firefighting services
19 for the Oklahoma Military Department prior to
20 July 1, 2002, and who makes an election in
21 writing on a form prescribed for this purpose by
22 the System not later than December 31, 2002,
23 shall be entitled to receive a retirement benefit
24 based upon two and one-half percent (2 1/2%) of

1 the final average compensation of the member
2 multiplied by the number of years of service as a
3 firefighter with the Oklahoma Military Department
4 on or after July 1, 2002. The election
5 authorized by this subdivision shall be
6 irrevocable once the election is filed with the
7 System,

- 8 (2) a firefighter who performs firefighting services
9 for the Oklahoma Military Department prior to
10 July 1, 2002, and who makes the election in
11 division (1) of this subparagraph may also make
12 an election in writing on a form prescribed for
13 this purpose by the System not later than
14 December 31, 2002, to receive a retirement
15 benefit based upon two and one-half percent (2
16 1/2%) of the final average compensation of the
17 member multiplied by the number of years of
18 service as a firefighter with the Oklahoma
19 Military Department prior to July 1, 2002. The
20 election authorized by this subdivision shall be
21 irrevocable once the election is filed with the
22 System. Retirement benefits shall be calculated
23 based upon the two and one-half percent (2 1/2%)
24

1 multiplier upon payment being made pursuant to
2 Section 913.5 of this title.

3 (10) Any person who contributes to the System as a deputy
4 sheriff or county jailer as provided in paragraph (f) of subsection
5 (1) of Section 919.1 of this title, and who retires under normal
6 retirement or early retirement under division (v) of subparagraph
7 (d) of paragraph (24) of Section 902 of this title, shall have
8 retirement benefits for each year of full-time-equivalent
9 participating service as a deputy sheriff or county jailer computed
10 on two and one-half percent (2 1/2%) of the final average
11 compensation based upon those years as a deputy sheriff or county
12 jailer, and any years in excess of twenty (20) years as a deputy
13 sheriff or county jailer, or years credited to the member in
14 accordance with the provisions of Section 913 of this title, shall
15 be calculated for retirement purposes at two percent (2%) of the
16 final average compensation of the member multiplied by the number of
17 years of such service. For purposes of this paragraph, "final
18 average compensation" shall be determined by computing the average
19 annual salary, in the manner prescribed by paragraph (18) of Section
20 902 of this title, both for years of service performed as a deputy
21 sheriff or county jailer not in excess of twenty (20) years, and for
22 years of service performed in excess of twenty (20) years, whether
23 as a deputy sheriff or county jailer.
24

1 (11) Upon death of a retiree, there shall be paid to his or her
2 beneficiary an amount equal to the excess, if any, of his or her
3 accumulated contributions over the sum of all retirement benefit
4 payments made.

5 (12) Such annual retirement benefits shall be paid in equal
6 monthly installments, except that the Board may provide for the
7 payment of retirement benefits which total less than Two Hundred
8 Forty Dollars (\$240.00) a year on other than a monthly basis.

9 (13) Pursuant to the rules established by the Board, a retiree
10 receiving monthly benefits from the System may authorize warrant
11 deductions for any products currently offered to active state
12 employees through the Employees Benefits Council, provided that
13 product is offered to state retirees as a group and has a minimum
14 participation of five hundred state retirees. The System has no
15 responsibility for the marketing, enrolling or administration of
16 such products, but shall retain a processing fee of two percent (2%)
17 of the gross deductions for the products. Retirement benefit
18 deductions shall be made for membership dues for any statewide
19 association for which payroll deductions are authorized pursuant to
20 subsection B of Section 34.70 of Title 62 of the Oklahoma Statutes
21 for retired members of any state-supported retirement system, upon
22 proper authorization given by the member to the board from which the
23 member or beneficiary is currently receiving retirement benefits.

1 B. A member shall be considered disabled if such member
2 qualifies for the payment of Social Security disability benefits, or
3 the payment of benefits pursuant to the Railroad Retirement Act of
4 1974, Section 231 et seq. of Title 45 of the United States Code, and
5 shall be eligible for benefits hereunder upon proof of such
6 disability, provided such member is an active regularly scheduled
7 employee with a participating employer at the time of injury or
8 inception of illness or disease resulting in subsequent
9 certification of eligibility for Social Security disability benefits
10 by reason of such injury, illness or disease, providing such
11 disability is certified by the Social Security Administration within
12 one (1) year after the last date physically on the job and after
13 completion of at least eight (8) years of participating service or
14 combined prior and participating service or resulting in subsequent
15 certification of eligibility of disability by the Railroad
16 Retirement Board providing such certification is made by the
17 Railroad Retirement Board within one (1) year after the last date
18 physically on the job and after completion of at least eight (8)
19 years of participating service or combined prior and participating
20 service. The member shall submit to the Retirement System the
21 Social Security Award Notice or the Railroad Retirement Award Notice
22 certifying the date of entitlement for disability benefits, as
23 issued by the Social Security Administration, Department of Health
24 and Human Services or the Railroad Retirement Board. Disability

1 benefits shall become effective on the date of entitlement as
2 established by the Social Security Administration or the Railroad
3 Retirement Board, but not before the first day of the month
4 following removal from the payroll, whichever is later, and final
5 approval by the Retirement System. Benefits shall be based upon
6 length of service and compensation as of the date of disability,
7 without actuarial reduction because of commencement prior to the
8 normal retirement date. The only optional form of benefit payment
9 available for disability benefits is Option A as provided for in
10 Section 918 of this title. Option A must be elected in accordance
11 with the provisions of Section 918 of this title. Benefit payments
12 shall cease upon the member's recovery from disability prior to the
13 normal retirement date. Future benefits, if any, shall be paid
14 based upon length of service and compensation as of the date of
15 disability. In the event that disability ceases and the member
16 returns to employment within the System credited service to the date
17 of disability shall be restored, and future benefits shall be
18 determined accordingly.

19 C. A member who incurred a disability pursuant to subsection B
20 of this section on or after July 1, 1999, and who has retired from
21 the System with an early retirement benefit pending certification
22 from the Social Security Administration or the Railroad Retirement
23 Board shall receive a retirement benefit not less than the
24 disability retirement benefit provided by subsection B of this

1 section once the System receives a Social Security Award Notice or a
2 Railroad Retirement Award Notice pursuant to subsection B of this
3 section and a completed Application for Disability Benefits. In
4 addition, such member shall receive the difference, if any, between
5 the early retirement benefit and the disability benefit from the
6 date the Social Security Administration or the Railroad Retirement
7 Board establishes disability entitlement.

8 D. Any actively participating member of the System on or after
9 July 1, 1998, except for those employees provided in subparagraph
10 (e) of paragraph (14) of Section 902 of this title, whose employment
11 is less than full-time, shall have his or her final average
12 compensation calculated on an annualized basis using his or her
13 hourly wage subject to the maximum compensation limits; provided,
14 however, any such member whose first participating service occurred
15 before July 1, 2013, and who has at least three (3) years of full-
16 time employment during the last ten (10) years immediately preceding
17 termination or retirement shall not be eligible for the
18 annualization provisions contained herein; and provided further, any
19 such member whose first participating service occurred on or after
20 July 1, 2013, and who has at least five (5) years of full-time
21 employment during the last ten (10) years immediately preceding
22 termination or retirement shall not be eligible for the
23 annualization provisions contained herein. The Board of Trustees
24

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

3 SECTION 4. AMENDATORY 74 O.S. 2021, Section 916.3, is
4 amended to read as follows:

5 Section 916.3 A. Notwithstanding the provisions of Sections
6 901 through 932 of this title, a monthly pension, as provided in
7 subsection B of this section, shall be paid on behalf of any member
8 who is a correctional officer or probation and parole officer of the
9 Department of Corrections and who is killed or mortally wounded on
10 or after January 1, 2000, but prior to November 1, 2024, during the
11 performance of the member's duties for the Department or any
12 employee of the Department of Corrections who is killed or mortally
13 wounded after June 30, 2004, during the performance of the member's
14 duties for the Department. The monthly pension described in this
15 section shall be paid on behalf of any member first hired by any
16 county that is a participating employer in the System as a deputy
17 sheriff or jailer on or after November 1, 2020, and who is killed or
18 mortally wounded during the performance of the member's duties as a
19 deputy sheriff or jailer.

20 B. The monthly benefit shall be equal to:

21 1. Two and one-half percent (2 1/2%);

22 2. Multiplied by twenty (20) years of service, regardless of

23 the actual number of years of credited service performed by the

24 member prior to death, if the member had performed less than twenty

1 (20) years of credited service, or the actual number of years of
2 credited service of the member if greater than twenty (20) years;

3 3. Multiplied by the member's final average compensation; and

4 4. Divided by 12.

5 C. The pension provided for in subsection A of this section
6 shall be paid:

7 1. Except as provided in subsection D of this section, to the
8 surviving spouse for life; or

9 2. If there is no surviving spouse or upon the death of the
10 surviving spouse:

11 a. to the surviving child or children of said member or
12 legal guardian of such child or children for such time
13 as such child or children are under the age of
14 eighteen (18) years, or

15 b. to the surviving child or children between the age of
16 eighteen (18) and twenty-two (22) years if the child
17 is enrolled full time in and is regularly attending a
18 public or private school or any institution of higher
19 education.

20 D. No surviving spouse shall receive benefits from this
21 section, Section 49-113 of Title 11 of the Oklahoma Statutes,
22 Section 50-117 of Title 11 of the Oklahoma Statutes, or Section 2-
23 306 of Title 47 of the Oklahoma Statutes as the surviving spouse of
24 more than one member of the Oklahoma Firefighters Pension and

1 Retirement System, the Oklahoma Police Pension and Retirement
2 System, the Oklahoma Law Enforcement Retirement System, or the
3 Oklahoma Public Employees Retirement System. The surviving spouse
4 of more than one member shall elect which member's benefits he or
5 she will receive.

6 E. In addition to the pension above provided for, if said
7 member leaves one or more children under the age of eighteen (18)
8 years or under the age of twenty-two (22) years if the child is
9 enrolled full-time in and is regularly attending a public or private
10 school or any institution of higher education, Four Hundred Dollars
11 (\$400.00) a month shall be paid to the surviving spouse or to the
12 person having the care and custody of such children if there is no
13 surviving spouse or if the surviving spouse dies and until each
14 child reaches the age of eighteen (18) years or reaches the age of
15 twenty-two (22) years if the child is enrolled full-time in and is
16 regularly attending a public or private school or any institution of
17 higher education.

18 F. The pension benefit provided in this section shall be made
19 prospectively only from the effective date of this act. The
20 benefits shall be payable beginning the later of the first day of
21 the month following the date that such employee was killed or dies
22 from a mortal wound, as provided in this section, or the effective
23 date of this act.

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1 G. The Board of the Oklahoma Public Employees Retirement System
2 shall promulgate such rules as are necessary to implement the
3 provisions of this section.

4 SECTION 5. AMENDATORY 74 O.S. 2021, Section 919.1, is
5 amended to read as follows:

6 Section 919.1 (1) Employee contributions to the System shall
7 be:

8 (a) for employees except as otherwise provided in
9 paragraphs (b), (c), (d), (e), (f) and (g) of this
10 subsection: beginning July 1, 2006, and thereafter,
11 three and one-half percent (3.5%) of allowable annual
12 compensation;

13 (b) for correctional officers and probation and parole
14 officers employed by the Department of Corrections
15 prior to November 1, 2024: beginning July 1, 1998,
16 ~~and thereafter,~~ and for correctional officers or
17 probation and parole officers who are in such position
18 on June 30, 2004, but prior to November 1, 2024, or
19 who are hired after June 30, 2004, but prior to
20 November 1, 2024, and who receive a promotion or
21 change in job classification after June 30, 2004, to
22 another position in the Department of Corrections, so
23 long as such officers have at least five (5) years of
24 service as a correctional officer or probation and

1 parole officer, eight percent (8%) of allowable
2 compensation as provided in paragraph (9) of Section
3 902 of this title;

4 (c) for fugitive apprehension agents who are employed with
5 the Department of Corrections on or after July 1,
6 2002, but prior to November 1, 2024, and for fugitive
7 apprehension agents who are in such position on June
8 30, 2004, or who are hired after June 30, 2004, but
9 prior to November 1, 2024, and who receive a promotion
10 or change in job classification after June 30, 2004,
11 to another position in the Department of Corrections,
12 so long as such agents have at least five (5) years of
13 service as a fugitive apprehension agent, eight
14 percent (8%) of allowable compensation as provided in
15 paragraph (9) of Section 902 of this title;

16 (d) for firefighters of the Oklahoma Military Department
17 first employed beginning July 1, 2002, and thereafter,
18 and such firefighters who performed service prior to
19 July 1, 2002, for the Oklahoma Military Department and
20 who make the election authorized by division (1) of
21 subparagraph b of paragraph (9) of subsection A of
22 Section 915 of this title who perform service on or
23 after July 1, 2002, in such capacity, eight percent
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1 (8%) of allowable compensation as provided in
2 subsection (9) of Section 902 of this title;

3 (e) for all public safety officers of the Grand River Dam
4 Authority as defined by paragraph (37) of Section 902
5 of this title, eight percent (8%) of allowable
6 compensation as provided in paragraph (9) of Section
7 902 of this title;

8 (f) for deputy sheriffs and county jailers employed by any
9 county that is a participating employer in the System
10 for the first time as a deputy sheriff or jailer on or
11 after November 1, 2020, eight percent (8%) of
12 allowable compensation as provided in paragraph (9) of
13 Section 902 of this title; and

14 (g) for all employees except those who make contributions
15 pursuant to paragraphs (b), (c), (d), (e) and (f) of
16 this subsection who make an irrevocable written
17 election pursuant to paragraph (2) of subsection A of
18 Section 915 of this title: six and forty-one one-
19 hundredths percent (6.41%) of allowable annual
20 compensation.

21 The contributions required by paragraphs (b), (c), (e), and (f)
22 of this subsection shall be made by a member for not more than
23 twenty (20) years and thereafter shall be as provided in paragraph
24 (a) of this subsection.

1 (2) Contributions shall be deducted by each state agency by the
2 participating employer for such benefits as the Board is authorized
3 to administer as provided for by law. Employee and employer
4 contributions shall be remitted monthly, or as the Board may
5 otherwise provide, to the Executive Director for deposit in the
6 Oklahoma Public Employees Retirement Fund.

7 (3) Each participating employer shall pick up under the
8 provisions of Section 414(h) (2) of the Internal Revenue Code of 1986
9 and pay the contribution which the member is required by law to make
10 to the System for all compensation earned after December 31, 1988.
11 Although the contributions so picked up are designated as member
12 contributions, such contributions shall be treated as contributions
13 being paid by the participating employer in lieu of contributions by
14 the member in determining tax treatment under the Internal Revenue
15 Code of 1986 and such picked up contributions shall not be
16 includable in the gross income of the member until such amounts are
17 distributed or made available to the member or the beneficiary of
18 the member. The member, by the terms of this System, shall not have
19 any option to choose to receive the contributions so picked up
20 directly and the picked up contributions must be paid by the
21 participating employer to the System.

22 Member contributions which are picked up shall be treated in the
23 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 The participating employer shall pay the member contributions
5 from the same source of funds used in paying salary to the member,
6 by effecting an equal cash reduction in gross salary of the member.

7 (4) By September 1, 1989, the System shall refund the
8 accumulated employee contributions of any member who elects to
9 retain the member's membership in the Teachers' Retirement System of
10 Oklahoma, in accordance with Section 17-104 of Title 70 of the
11 Oklahoma Statutes, to such member. Upon the refund of the
12 accumulated employee contributions referred to in this subsection,
13 all benefits and rights accrued to such member are terminated.

14 SECTION 6. This act shall become effective November 1, 2024.

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16 59-1-5558 CMA 01/13/23

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THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

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January 16, 2023

Representative Justin Humphrey
Room 301

Re: RBH No. 5558

RBH No. 5558 would change the definition of Oklahoma Law Enforcement Retirement System eligible employee to include Correction Officer Probation and Parole Officer and Fugitive Apprehension Agent hired by the Department of Corrections after 10/31/2024.

Currently such officers would become participants in OPERS with an increased benefit schedule similar to OLERS benefits.

RBH No. 5558 is a fiscal bill as defined by OPLAAA.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Thomas E. Cummins

Thomas E. Cummins, MAAA