

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2193 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Max Wolfley

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

PROPOSED POLICY
COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2193

By: Wolfley

PROPOSED POLICY COMMITTEE SUBSTITUTE

An Act relating to public retirement systems; authorizing cost-of-living increases for certain members of the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Teachers' Retirement System of Oklahoma, and the Oklahoma Public Employees Retirement System; amending 20 O.S. 2021, Sections 1103 and 1103.1, which relate to the Uniform Retirement System for Justices and Judges; amending 70 O.S. 2021, Sections 17-108.1 and 17-116.2, which relate to the Teachers' Retirement System of Oklahoma; amending 74 O.S. 2021, Section 919.1, as amended by Sections 4, Chapter 280, O.S.L. 2024 (74 O.S. Supp. 2024, Section 919.1) and 920, which relate to the Oklahoma Public Employees Retirement System; modifying employee contribution provisions; modifying employer contribution provisions; providing for codification; and providing an effective date.

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

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 49-143.8 of Title 11, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Except as provided in subsection B of this section and
5 except for persons receiving benefits pursuant to Section 49-101 of
6 Title 11 of the Oklahoma Statutes, any member receiving benefits
7 from the Oklahoma Firefighters Pension and Retirement System as of
8 June 30, 2026, who continues to receive benefits on or after July 1,
9 2026, shall receive an increase in benefits as follows:

10 1. Zero percent (0%) if the member retired after June 30, 2023;

11 2. Two percent (2%) for the first Sixty Thousand Dollars
12 (\$60,000.00) of the member's gross annual retirement benefit if the
13 member retired after June 30, 2018, but before July 1, 2023; and

14 3. Four percent (4%) for the first Sixty Thousand Dollars
15 (\$60,000.00) of the member's gross annual retirement benefit if the
16 member retired before July 1, 2018.

17 B. Any increase in benefits a person is eligible to receive
18 pursuant to repealed Section 49-136 of Title 11 of the Oklahoma
19 Statutes after June 30, 2020, shall be used to offset the increase
20 in benefits provided in subsection A of this section.

21 C. Effective July 1, 2026, any person receiving benefits
22 pursuant to Section 49-101 of Title 11 of the Oklahoma Statutes
23 shall each receive:

24 1. No increase if the member retired after June 30, 2023;

1 2. Two percent (2%) for the first Sixty Thousand Dollars
2 (\$60,000.00) of the member's gross annual retirement benefit if the
3 member retired after June 30, 2018, but before July 1, 2023; and

4 3. Four percent (4%) for the first Sixty Thousand Dollars
5 (\$60,000.00) of the member's gross annual retirement benefit if the
6 member retired before July 1, 2018.

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 50-136.10 of Title 11, unless
9 there is created a duplication in numbering, reads as follows:

10 A. Except as provided in subsection B of this section, any
11 member receiving benefits from the Oklahoma Police Pension and
12 Retirement System as of June 30, 2026, who continues to receive
13 benefits on or after July 1, 2026, shall receive an increase in
14 benefits as follows:

15 1. Zero percent (0%) if the member retired after June 30, 2023;

16 2. Two percent (2%) for the first Sixty Thousand Dollars
17 (\$60,000.00) of the member's gross annual retirement benefit if the
18 member retired after June 30, 2018, but before July 1, 2023; and

19 3. Four percent (4%) for the first Sixty Thousand Dollars
20 (\$60,000.00) of the member's gross annual retirement benefit if the
21 member retired before July 1, 2018.

22 B. Any increase in benefits a person is eligible to receive
23 pursuant to repealed Section 50-120 of Title 11 of the Oklahoma
24

1 Statutes, after June 30, 2020, shall be offset by the increase in
2 benefits, if any, provided by this section.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1104L of Title 20, unless there
5 is created a duplication in numbering, reads as follows:

6 Any member receiving benefits from the Uniform Retirement System
7 for Justices and Judges as of June 30, 2026, who continues to
8 receive benefits on or after July 1, 2026, shall receive an increase
9 in benefits as follows:

- 10 1. Zero percent (0%) if the member retired after June 30, 2023;
- 11 2. Two percent (2%) for the first Sixty Thousand Dollars
12 (\$60,000.00) of the member's gross annual retirement benefit if the
13 member retired after June 30, 2018, but before July 1, 2023; and
- 14 3. Four percent (4%) for the first Sixty Thousand Dollars
15 (\$60,000.00) of the member's gross annual retirement benefit if the
16 member retired before July 1, 2018.

17 SECTION 4. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 2-305.13 of Title 47, unless
19 there is created a duplication in numbering, reads as follows:

20 A. Except as provided in subsection B of this section, any
21 member receiving benefits from the Oklahoma Law Enforcement
22 Retirement System as of June 30, 2026, who continues to receive
23 benefits on or after July 1, 2026, shall receive an increase in
24 benefits as follows:

1 1. Zero percent (0%) if the member retired after June 30, 2023;

2 2. Two percent (2%) for the first Sixty Thousand Dollars

3 (\$60,000.00) of the member's gross annual retirement benefit if the
4 member retired after June 30, 2018, but before July 1, 2023; and

5 3. Four percent (4%) for the first Sixty Thousand Dollars

6 (\$60,000.00) of the member's gross annual retirement benefit if the
7 member retired before July 1, 2018.

8 B. Any increase in benefits a person is eligible to receive
9 pursuant to subsection B, C, or D of Section 2-305 of Title 47 of
10 the Oklahoma Statutes after July 1, 2026, shall be offset by the
11 increase in benefits, if any, provided by this section.

12 SECTION 5. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 17-116.23 of Title 70, unless
14 there is created a duplication in numbering, reads as follows:

15 Any person receiving benefits from the Teachers' Retirement
16 System of Oklahoma as of June 30, 2026, who continues to receive
17 benefits on or after July 1, 2026, shall receive an increase in
18 benefits as follows:

19 1. Zero percent (0%) if the member retired after June 30, 2023;

20 2. Two percent (2%) for the first Sixty Thousand Dollars

21 (\$60,000.00) of the member's gross annual retirement benefit if the
22 member retired after June 30, 2018, but before July 1, 2023; and
23
24

1 3. Four percent (4%) for the first Sixty Thousand Dollars
2 (\$60,000.00) of the member's gross annual retirement benefit if the
3 member retired before July 1, 2018.

4 SECTION 6. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 930.12 of Title 74, unless there
6 is created a duplication in numbering, reads as follows:

7 Any member receiving benefits from the Oklahoma Public Employees
8 Retirement System as of June 30, 2026, who continues to receive
9 benefits on or after July 1, 2026, shall receive an increase in
10 benefits as follows:

11 1. Zero percent (0%) if the member retired after June 30, 2023;

12 2. Two percent (2%) for the first Sixty Thousand Dollars
13 (\$60,000.00) of the member's gross annual retirement benefit if the
14 member retired after June 30, 2018, but before July 1, 2023; and

15 3. Four percent (4%) for the first Sixty Thousand Dollars
16 (\$60,000.00) of the member's gross annual retirement benefit if the
17 member retired before July 1, 2018.

18 SECTION 7. AMENDATORY 20 O.S. 2021, Section 1103, is
19 amended to read as follows:

20 Section 1103. A. ~~Effective September 1, 2005~~ On the effective
21 date of this act, each Justice or judge who is a member of The
22 Uniform Retirement System for Justices and Judges shall have eight
23 percent (8%) of the first Ninety Thousand Dollars (\$90,000.00) of
24 his or her current monthly salary or, for a member who is a

1 participating member of The Uniform Retirement System for Justices
2 and Judges on the effective date of this act, a minimum of eight
3 percent (8%) of his or her current monthly salary on the effective
4 date of this act, whichever is greater, withheld by the State of
5 Oklahoma and deposited in a fund in the State Treasury which is
6 hereby created and shall be known as the Oklahoma Judicial
7 Retirement Fund. If a Justice or judge shall cease to be a Justice
8 or judge of the above-mentioned courts, for any reason, before he or
9 she has accumulated eight (8) years of accredited service, or dies
10 after he or she has accumulated eight (8) years' service and having
11 no survivor benefit, then all the contributions retained from his or
12 her salary shall be paid to him or her or his or her named
13 beneficiary, or his or her estate in case of no named beneficiary,
14 and he or she shall have no further claim against the State of
15 Oklahoma for retirement pay for his or her services to date.

16 B. Notwithstanding any provision to the contrary, the
17 compensation taken into account for any judge or Justice in
18 determining contributions or benefit accruals for any plan year is
19 limited to the annual compensation limit under Section 401(a)(17) of
20 the federal Internal Revenue Code.

21 C. Upon death of a retired judge who has no survivor benefits,
22 there shall be paid to his or her named beneficiary, or his or her
23 estate in case of no named beneficiary, an amount equal to the
24

excess, if any, of his or her accumulated contributions over the sum of all retirement benefit payments made.

D. Upon the death of a retired member, the benefit payment for the month in which the retired member died, if not previously paid, shall be made to the estate of the member or to the member's beneficiary if there is no estate. Such benefit payment shall be made in an amount equal to a full monthly benefit payment regardless of the day of the month in which the retired member died.

SECTION 8. AMENDATORY 20 O.S. 2021, Section 1103.1, is amended to read as follows:

Section 1103.1. A. On and after January 1, 2001, the Administrative Director of the Courts, in addition to the members' contributions, shall transfer monthly amounts for deposit in the State Judicial Retirement Fund as set out in Section 1309 of this title equal to two percent (2.0%) of the monthly total actual paid gross salaries of the members of the Uniform Retirement System for Justices and Judges. ~~Effective July 1, 2005~~ Beginning on the effective date of this act, such amounts transferred by the Administrative Director of the Courts shall be as follows:

Fiscal Year Ending	Percentage of Contribution
June 30, 2006	3.0%
June 30, 2007	4.0%
June 30, 2008	5.5%
June 30, 2009	7.0%

1	June 30, 2010	8.5%
2	June 30, 2011	10.0%
3	June 30, 2012	11.5%
4	June 30, 2013	13.0%
5	June 30, 2014	14.5%
6	June 30, 2015	16.0%
7	June 30, 2016	17.5%
8	June 30, 2017	19.0%
9	June 30, 2018	20.5%
10	June 30, 2019 and thereafter	22.0%

11 for the first Ninety Thousand Dollars (\$90,000.00) or, for a member
 12 who is a participating member of the System on the effective date of
 13 this act, for his or her current monthly salary on the effective
 14 date of this act, whichever is greater.

15 B. The State Judicial Retirement Fund should have a funded
 16 ratio at or near ninety percent (90%) or be receiving sufficient
 17 contributions to amortize any unfunded liability of the fund
 18 according to the amortization schedule adopted by the Board of
 19 Trustees of the Oklahoma Public Employees Retirement System. The
 20 Board of Trustees shall provide a copy of the annual actuarial
 21 report to the Governor, the Chief Justice of the Supreme Court, the
 22 Speaker of the House of Representatives and the President Pro
 23 Tempore of the Senate. In addition to this report, the Board shall
 24 provide a letter setting forth the amount of the actuarially

1 required contributions for the System and any other recommendations
2 that the Board may deem necessary.

3 C. The Administrative Director of the Courts shall remit to the
4 System all statutorily required retirement contributions due on a
5 monthly basis. All required court and employee contributions and
6 supporting documentation are due and must be received by the System
7 on or before the fifteenth day of the month following the month for
8 which the contributions are due. Court and employee contributions
9 remitted to the System after thirty (30) days from the above due
10 date shall be subject to a monthly late charge of one and one-half
11 percent (1.5%) of the unpaid balance to be paid by the
12 Administrative Director of the Courts to the System.

13 SECTION 9. AMENDATORY 70 O.S. 2021, Section 17-108.1, is
14 amended to read as follows:

15 Section 17-108.1. A. 1. Except as provided in paragraph 2 of
16 this subsection, the employer of any member of the Teachers'
17 Retirement System of Oklahoma shall make the following contributions
18 to the System:

- 19 a. beginning July 1, 1998, through June 30, 1999, eleven
20 and one-half percent (11 1/2%) of the regular annual
21 compensation of the member not in excess of any
22 applicable maximum compensation level of the member,
23 b. beginning July 1, 1999, through June 30, 2000, four
24 and eight-tenths percent (4.8%) of the regular annual

- 1 compensation of the member not in excess of any
2 applicable maximum compensation level of the member,
- 3 c. beginning July 1, 2000, through June 30, 2001, five
4 and eight-tenths percent (5.8%) of the regular annual
5 compensation of the member not in excess of any
6 applicable maximum compensation level of the member,
- 7 d. beginning July 1, 2001, through June 30, 2002, six and
8 eight-tenths percent (6.8%) of the regular annual
9 compensation of the member not in excess of any
10 applicable maximum compensation level of the member,
- 11 e. beginning July 1, 2002, through December 31, 2006,
12 seven and five-hundredths percent (7.05%) of the
13 regular annual compensation of the member not in
14 excess of any applicable maximum compensation level of
15 the member,
- 16 f. beginning January 1, 2007, through June 30, 2007,
17 seven and six-tenths percent (7.6%) of the regular
18 annual compensation of the member not in excess of any
19 applicable maximum compensation level of the member,
- 20 g. beginning July 1, 2007, through December 31, 2007,
21 seven and eighty-five hundredths percent (7.85%) of
22 the regular annual compensation of the member not in
23 excess of any applicable maximum compensation level of
24 the member,

- 1 h. beginning January 1, 2008, through June 30, 2008,
2 eight and thirty-five hundredths percent (8.35%) of
3 the regular annual compensation of the member not in
4 excess of any applicable maximum compensation level of
5 the member,
- 6 i. beginning July 1, 2008, through December 31, 2008,
7 eight and five-tenths percent (8.5%) of the regular
8 annual compensation of the member not in excess of any
9 applicable maximum compensation level of the member,
- 10 j. beginning January 1, 2009, through December 31, 2009,
11 nine percent (9%) of the regular annual compensation
12 of the member not in excess of any applicable maximum
13 compensation level of the member,
- 14 k. beginning January 1, 2010, through June 30, 2010, nine
15 and five-tenths percent (9.5%) of the regular annual
16 compensation of the member not in excess of any
17 applicable maximum compensation level of the member,
18 and
- 19 l. ~~beginning July 1, 2010, through June 30, 2011, and for~~
20 ~~each fiscal year thereafter~~ on the effective date of
21 this act, nine and five-tenths percent (9.5%) for the
22 first Ninety Thousand Dollars (\$90,000.00) of the
23 regular annual compensation of the member not in
24 excess of any applicable maximum compensation level of

1 the member or, for a member who is a participating
2 member of the System on the effective date of this
3 act, nine and five-tenths percent (9.5%) of the
4 regular annual compensation of the member on the
5 effective date of this act, whichever is greater, not
6 in excess of any applicable maximum compensation level
7 of the member.

8 The employer contribution rate increase that would otherwise be
9 effective, as provided by subparagraphs f, g, h, i, j, k and l of
10 this paragraph, shall not become effective as law unless funding
11 levels to each of the affected participating employers within the
12 System are increased so that the additional employer contribution
13 obligation is funded through an appropriation or transfer of monies
14 instead of requiring the additional employer contribution to be paid
15 for from existing budgetary resources of such participating
16 employers. The participating employers shall use any monies
17 specifically made available for purposes of making employer
18 contributions for such purpose and to the extent of the funds made
19 available for that purpose.

20 2. a. Beginning January 1, 2007, through December 31, 2007,
21 a participating employer that employs an employee of a
22 comprehensive university or a regional institution
23 offering a four-year degree program as designated or
24 authorized by the Oklahoma State Regents for Higher

1 Education shall make contributions to the System with
2 respect to such employees at the rate of seven and
3 five-hundredths percent (7.05%) of the regular annual
4 compensation of the member not in excess of any
5 applicable maximum compensation level.

6 b. Beginning January 1, 2008, through December 31, 2008,
7 a participating employer that employs an employee of a
8 comprehensive university or a regional institution
9 offering a four-year degree program as designated or
10 authorized by the Oklahoma State Regents for Higher
11 Education shall make contributions to the System with
12 respect to such employees at the rate of seven and
13 fifty-five hundredths percent (7.55%) of the regular
14 annual compensation of the member not in excess of any
15 applicable maximum compensation level of the member.

16 c. Beginning January 1, 2009, through December 31, 2009,
17 a participating employer that employs an employee of a
18 comprehensive university or a regional institution
19 offering a four-year degree program as designated or
20 authorized by the Oklahoma State Regents for Higher
21 Education shall make contributions to the System with
22 respect to such employees at the rate of eight and
23 five hundredths percent (8.05%) of the regular annual
24

1 compensation of the member not in excess of any
2 applicable maximum compensation level of the member.

3 d. Beginning January 1, 2010, through June 30, 2010, a
4 participating employer that employs an employee of a
5 comprehensive university or a regional institution
6 offering a four-year degree program as designated or
7 authorized by the Oklahoma State Regents for Higher
8 Education shall make contributions to the System with
9 respect to such employees at the rate of eight and
10 fifty-five hundredths percent (8.55%) of the regular
11 annual compensation of the member not in excess of any
12 applicable maximum compensation level of the member.

13 e. Beginning July 1, 2010, through June 30, 2011, and for
14 each fiscal year thereafter, a participating employer
15 that employs an employee of a comprehensive university
16 or a regional institution offering a four-year degree
17 program as designated or authorized by the Oklahoma
18 State Regents for Higher Education shall make
19 contributions to the System with respect to such
20 employees at the rate of eight and fifty-five
21 hundredths percent (8.55%) of the regular annual
22 compensation of the member not in excess of any
23 applicable maximum compensation level of the member.

1 The employer contribution rate increase that would otherwise be
2 effective as provided by subparagraphs b, c, d and e of this
3 paragraph shall not become effective as law unless funding levels
4 are increased so that the additional employer contribution
5 obligation is funded through such an appropriation or transfer of
6 monies instead of requiring the additional employer contribution to
7 be paid for from existing budgetary resources of such participating
8 employers. The participating employers shall use any monies
9 specifically made available for purposes of making employer
10 contributions for such purpose and to the extent of the funds made
11 available for that purpose.

12 3. Any employer contribution paid to the System pursuant to
13 this subsection shall not be considered as salary, fringe benefit,
14 or total compensation due to members for the purpose of meeting any
15 legislative or contractual obligation of the employer.

16 B. For entities or institutions within The Oklahoma State
17 System of Higher Education, the contributions to the System shall be
18 made on regular annual compensation of a member who is an employee
19 of such entity or institution not to exceed the maximum compensation
20 level in effect for the member as prescribed by law.

21 C. Employers paying contributions to the System pursuant to
22 subsection A or B of this section shall receive credit for that
23 portion of the gross production tax on natural gas and/or casinghead
24 gas apportioned to the System pursuant to subsection 2 of Section

1 1004 of Title 68 of the Oklahoma Statutes in meeting the total
2 required employer contribution. On an annual basis, the Board of
3 Trustees of the Teachers' Retirement System of Oklahoma shall
4 estimate the net additional cost required to be paid by the
5 contributing employers in order to meet the total employer
6 contribution as provided in subsection A or B of this section. The
7 Board of Trustees shall approve the amount of the additional
8 contribution required to be paid by contributing employers as a
9 percentage of total member salaries and fringe benefits for each
10 fiscal year ending June 30, no later than April 1 of the previous
11 fiscal year. In no event shall the additional contribution required
12 to be paid by the contributing employer under this subsection be
13 less than the contribution required under this subsection in the
14 prior year. In the event actual contributions do not equal the
15 required total contribution as provided in subsection A or B of this
16 section, the net difference between the actual contributions and the
17 required total contributions shall be determined and shall be
18 included in the amount of the additional contribution required to be
19 paid by contributing employers for the next fiscal year. All
20 contributing employers shall pay the same percentage of total member
21 salaries and fringe benefits during each fiscal year. The
22 provisions of this subsection shall terminate June 30, 1999.

23 D. Any school district, state college or university, State
24 Board of Education, State Board of Career and Technology Education,

1 or other state agency may, for and on behalf of any member of the
2 System, pay all or any portion of the contribution required by
3 Section 17-108 of this title. Provided, the contribution so paid by
4 any school district, state college or university, State Board of
5 Education, State Board of Career and Technology Education, or other
6 state agency shall be and remain subject to the withdrawal
7 provisions set forth under the System. Wherever the term
8 "contribution" is used, it shall be deemed to include contributions
9 paid for and on behalf of a member by a school district, state
10 college or university, State Board of Education, State Board of
11 Career and Technology Education, or other state agency.

12 E. All participating employers shall provide a complete record
13 of the total compensation paid to each employee, including any
14 person who is a retired member of the System, whether or not
15 employer and employee contributions are made with respect to such
16 compensation. The employer shall provide the report required by
17 this subsection on a monthly basis on a form or using such method as
18 the Teachers' Retirement System of Oklahoma may require and shall
19 provide a comprehensive annual report showing the correct
20 compensation, service credit and contributions for the prior fiscal
21 year. Each participating employer shall provide reasonable access
22 to its payroll records, records of contribution payments to the
23 System and all other records relevant to the participation of its
24 employees in the System, to the System, its employees or authorized

agents. A participating employer shall cooperate with auditors retained by the System to audit its financial statements or otherwise audit the financial operations of the System.

SECTION 10. AMENDATORY 70 O.S. 2021, Section 17-116.2, is amended to read as follows:

Section 17-116.2. A. 1. Beginning July 1, 1987, and prior to July 1, 1995, a member who retires on or after the member's normal retirement age or whose retirement is because of disability shall receive an annual allowance for life, payable monthly, in an amount equal to two percent (2%) of the member's highest three-year average salary upon which member contributions were made, multiplied by the number of the member's years of creditable service.

A classified member who retired prior to July 1, 1986, shall have the member's retirement allowance calculated on a minimum average salary of Eleven Thousand Five Hundred Dollars (\$11,500.00) or on the member's current minimum average salary plus Two Thousand Dollars (\$2,000.00), whichever is greater. Beginning July 1, 1994, a classified member who retired prior to July 1, 1993, shall have the member's retirement allowance calculated on the member's current minimum average salary plus Five Hundred Fifty Dollars (\$550.00).

An unclassified member who retired prior to July 1, 1986, shall have the member's retirement allowance calculated on a minimum average salary of Nine Thousand Five Hundred Dollars (\$9,500.00) or on the member's current minimum average salary plus One Thousand Dollars

1 (\$1,000.00), whichever is greater. Beginning July 1, 1994, an
2 unclassified member who retired prior to July 1, 1993, shall have
3 the member's retirement allowance calculated on the member's current
4 minimum average salary plus Two Hundred Seventy-five Dollars
5 (\$275.00). Those individuals receiving benefits pursuant to
6 subsection (3) of Section 17-105 of this title whose benefits
7 commenced prior to July 1, 1993, shall receive an increase in
8 benefits of two and one-half percent (2 1/2%). No retirement
9 benefit payments shall be made retroactively.

10 For those members retiring before normal retirement age, except
11 for those members retiring because of a disability, the retirement
12 allowance shall be subject to adjustment in accordance with the
13 actuarial equivalent factors adopted by the Board of Trustees.

14 2. Beginning July 1, 1995, a member, who has no service
15 performed on or after July 1, 1995, for an entity or institution
16 within The Oklahoma State System of Higher Education, who retires on
17 or after the member's normal retirement age or whose retirement is
18 because of disability shall receive an annual allowance for life,
19 payable monthly as follows:

- 20 a. if the member becomes a member after June 30, 1995,
21 and was not eligible to become a member prior to July
22 1, 1995, in an amount equal to two percent (2%) of the
23 member's average salary upon which member
24

- 1 contributions were made, multiplied by the number of
2 the member's years of creditable service, or
- 3 b. if the member became a member or is eligible to become
4 a member prior to July 1, 1995, and elected to have a
5 maximum compensation level in excess of Twenty-five
6 Thousand Dollars (\$25,000.00) pursuant to paragraph 1
7 of subsection C of this section or pursuant to
8 subsection E of this section, or if the member's
9 salary has never exceeded Twenty-five Thousand Dollars
10 (\$25,000.00) prior to July 1, 1995, in an amount equal
11 to:
- 12 (1) two percent (2%) of the member's average salary
13 upon which member contributions were made not to
14 exceed Forty Thousand Dollars (\$40,000.00),
15 multiplied by the number of the member's years of
16 credited service authorized and performed prior
17 to July 1, 1995, plus any years of prior service
18 authorized under this title, plus
- 19 (2) two percent (2%) of the member's average salary
20 upon which member contributions were made,
21 multiplied by the number of the member's years of
22 credited service authorized and performed after
23 June 30, 1995, or
24

1 c. if the member became a member or is eligible to become
2 a member prior to July 1, 1995, and was eligible to
3 elect to have a maximum compensation level in excess
4 of Twenty-five Thousand Dollars (\$25,000.00) and did
5 not elect or elected not to have a maximum
6 compensation level of Forty Thousand Dollars
7 (\$40,000.00) pursuant to paragraph 1 of subsection C
8 of this section or pursuant to subsection E of this
9 section, in an amount equal to:

10 (1) two percent (2%) of the member's average salary
11 upon which member contributions were made not to
12 exceed Twenty-five Thousand Dollars (\$25,000.00),
13 multiplied by the number of the member's years of
14 credited service authorized and performed prior
15 to July 1, 1995, plus any years of prior service
16 authorized under this title, plus

17 (2) two percent (2%) of the member's average salary
18 upon which member contributions were made,
19 multiplied by the number of the member's years of
20 credited service authorized and performed after
21 June 30, 1995.

22 B. Except as otherwise provided for in this section, the amount
23 contributed by each member to the retirement system shall be:
24

1 1. Beginning July 1, 1992, through June 30, 1996, six percent
2 (6%) of the regular annual compensation of such member not in excess
3 of Twenty-five Thousand Dollars (\$25,000.00) and beginning July 1,
4 1995, through June 30, 1996, six percent (6%) of the maximum
5 compensation level;

6 2. Beginning July 1, 1996, through June 30, 1997, six and one-
7 half percent (6 1/2%) of the regular annual compensation of members,
8 who are not employed by an entity or institution within The Oklahoma
9 State System of Higher Education not in excess of Twenty-five
10 Thousand Dollars (\$25,000.00) and beginning July 1, 1996, through
11 June 30, 1997, six and one-half percent (6 1/2%) of the regular
12 annual compensation of members, who are employed by an entity or
13 institution within The Oklahoma State System of Higher Education,
14 not in excess of Twenty-five Thousand Dollars (\$25,000.00);

15 3. Beginning ~~July 1, 1997~~ on the effective date of this act,
16 seven percent (7%) for the first Ninety Thousand Dollars
17 (\$90,000.00) of the regular annual compensation of the member not in
18 excess of any applicable maximum compensation level of the member
19 or, for a member who is a participating member of the System on the
20 effective date of this act, seven percent (7%) of the regular annual
21 compensation of the member on the effective date of this act,
22 whichever is greater, not in excess of any applicable maximum
23 compensation level of the member; and
24

1 4. All public schools in this state shall treat the employee
2 contributions as being picked up under the provisions of Section 414
3 (h) (2) of the Internal Revenue Code of 1986 in determining tax
4 treatment.

5 Subject to Internal Revenue Service approval, paragraph 4 of this
6 subsection shall not apply to a comprehensive university group
7 established on or before July 1, 1998, whose employee contributions
8 were consistently treated as not picked up as of July 1, 1998, and
9 at all times thereafter.

10 C. 1. Prior to July 1, 1995, an active member of the System
11 may elect to have a maximum compensation level of Forty Thousand
12 Dollars (\$40,000.00). Such an election shall be made in writing and
13 filed with the System. Members whose salaries are in excess of
14 Twenty-five Thousand Dollars (\$25,000.00) on July 20, 1987, shall
15 file the election with the System prior to January 1, 1988. Members
16 whose salaries exceed Twenty-five Thousand Dollars (\$25,000.00)
17 after July 20, 1987, shall file the election when the salary exceeds
18 Twenty-five Thousand Dollars (\$25,000.00). If a member makes such
19 an election, the member shall contribute the following amounts:

- 20 a. beginning July 1, 1992, through June 30, 1993, eleven
21 percent (11%) of the regular annual compensation of
22 such member that is in excess of Twenty-five Thousand
23 Dollars (\$25,000.00) and is not in excess of Forty
24 Thousand Dollars (\$40,000.00),

b. beginning July 1, 1993, through June 30, 1994, nine percent (9%) of the regular annual compensation of such member that is in excess of Twenty-five Thousand Dollars (\$25,000.00) and is not in excess of Forty Thousand Dollars (\$40,000.00), and

c. beginning July 1, 1994, through June 30, 1995, eight percent (8%) of the regular annual compensation of such member that is in excess of Twenty-five Thousand Dollars (\$25,000.00) and is not in excess of Forty Thousand Dollars (\$40,000.00). Except as provided in subsection E of this section, any such election shall be irrevocable.

2. After June 30, 1995, in addition to the amount contributed by each member to the retirement system pursuant to subsection B of this section, the total amount contributed by each member to the retirement system shall include, beginning July 1, 1995, through June 30, 1997, seven percent (7%) of the regular annual compensation of each member, who is not employed by an entity or institution within The Oklahoma State System of Higher Education, that is in excess of Twenty-five Thousand Dollars (\$25,000.00) and beginning July 1, 1996, through June 30, 1997, seven percent (7%) of the regular annual compensation of each member who is employed by an entity or institution within The Oklahoma State System of Higher Education in excess of Twenty-five Thousand Dollars (\$25,000.00),

1 but not in excess of any applicable maximum compensation level of
2 the member.

3 D. 1. Any member who was a contributing member of the
4 Retirement System between July 1, 1987, and June 30, 1995, who at
5 the time the member was eligible to make an election to increase the
6 maximum compensation level of the member, failed to make an election
7 or chose not to increase the maximum compensation level of the
8 member to Forty Thousand Dollars (\$40,000.00), may elect to make
9 back contributions to the Retirement System. The member shall
10 complete a new election form and file with the Board of Trustees,
11 the form and a payment equaling the difference between the amount
12 contributed at the twenty-five-thousand-dollar level and the
13 appropriate contribution on compensation in excess of Twenty-five
14 Thousand Dollars (\$25,000.00) up to a maximum of Forty Thousand
15 Dollars (\$40,000.00) shall be made prior to the official retirement
16 date of the member. The required payment shall include any
17 contribution required by the employing school district, and shall
18 include interest compounded annually at ten percent (10%) per annum
19 of both employer and employee contributions.

20 2. Any changes made pursuant to this subsection shall be
21 irrevocable.

22 E. 1. An individual who withdrew from the Teachers' Retirement
23 System and whose salary was in excess of Seven Thousand Eight
24 Hundred Dollars (\$7,800.00) and had elected to contribute only on

1 Seven Thousand Eight Hundred Dollars (\$7,800.00) before his or her
2 withdrawal shall contribute on the earning ceiling as provided for
3 in this section on his or her reentry into membership in the
4 Teachers' Retirement System.

5 2. An individual who elected to contribute on a maximum of
6 Seven Thousand Eight Hundred Dollars (\$7,800.00) per annum shall,
7 beginning July 1, 1979, contribute on his or her earning ceiling as
8 provided for in this section.

9 3. Any member who elected to contribute on Seven Thousand Eight
10 Hundred Dollars (\$7,800.00) prior to January 1, 1978, and whose
11 salary was more than Seven Thousand Eight Hundred Dollars
12 (\$7,800.00) during the school years 1974-75 through 1978-79 may
13 elect to make back contributions to the retirement system by paying
14 the five percent (5%) contributions on the difference between Seven
15 Thousand Eight Hundred Dollars (\$7,800.00) and the actual salary of
16 the member, not to exceed Ten Thousand Dollars (\$10,000.00) for each
17 applicable school year, plus interest compounded annually at ten
18 percent (10%) per annum. Such payment shall be made prior to the
19 official retirement date of the member.

20 F. Each employer shall cause to be deducted from the salary of
21 each member on each and every payroll of such employer for each and
22 every payroll period, the proper percentage of his or her earnable
23 compensation as provided for in subsection B or subsection C of this
24 section.

1 1. Deductions shall begin with the first payroll period of the
2 school year. In determining the amount earnable by a member in a
3 payroll period, the Board of Trustees shall consider the rate of
4 annual compensation payable to such member on the first day of the
5 payroll period as continuing throughout such payroll period, and it
6 may omit deductions from compensation for any period less than a
7 full period, and to facilitate the making of deductions, it may
8 modify the deduction required of any member by such an amount as
9 shall not exceed one-tenth of one percent (1/10 of 1%) of the annual
10 compensation upon the basis of which such deduction is to be made.
11 Prior to January 1, 1991, any active contributing member who joined
12 the System subsequent to July 1, 1943, may pay the normal cost,
13 which shall mean the single sum which would have been paid under
14 existing statutes at the time the service was performed, plus
15 interest, for years of teaching service in Oklahoma from the date of
16 establishment of the System in 1943 to date of membership, in a lump
17 sum, or in installments equal to establishing one (1) year of
18 creditable service. Effective January 1, 1991, any active
19 contributing member who joined the System subsequent to July 1,
20 1943, may pay the amount determined by the Board of Trustees
21 pursuant to Section 17-116.8 of this title for years of teaching
22 service in Oklahoma from the date of establishment of the System in
23 1943 to date of membership, in a lump sum, or in installments equal
24 to establishing one (1) year of creditable service. For purposes of

1 this option, teaching service in Oklahoma shall include the teaching
2 of vocational agricultural courses within Oklahoma for the federal
3 government. Years for which contributions are paid shall count as
4 membership service under this plan. A member may receive credit for
5 not more than five (5) years of teaching service rendered while in
6 the Peace Corps or in the public schools of a territory of the
7 United States or the public schools, American Military Dependent
8 Schools or state colleges or state universities outside this state
9 by paying his or her contributions, plus interest, and membership
10 fees to the retirement system, subject to the regulations of the
11 Board of Trustees, providing he or she is not receiving and is not
12 eligible to receive retirement credit or benefits from said service
13 in any other public retirement system of this state, or any other
14 state or territory of the United States subject to the following
15 provisions:

- 16 a. the member is required to have two (2) years of
17 employed service teaching earned in Oklahoma for each
18 year of Peace Corps, territorial, out-of-state,
19 noncovered in-state or military membership credit
20 granted.
- 21 b. prior to January 1, 1991, the out-of-state or
22 noncovered in-state payment shall be the normal cost,
23 which means the single sum which would have been paid
24 under existing law at the time the service was

1 performed, plus interest, on the basis of what his or
2 her annual salary would have been in Oklahoma or out
3 of state, whichever is greater, had he or she been
4 employed as a teacher. Effective January 1, 1991, the
5 Peace Corps, territorial, out-of-state or noncovered
6 in-state payment shall be the amount determined by the
7 Board of Trustees pursuant to Section 17-116.8 of this
8 title.

9 2. In addition to the deductions hereinabove provided for, any
10 member who becomes a member of the Armed Forces of the United States
11 of America during any period of national emergency, including World
12 War II, the Korean conflict, the Vietnam conflict or others as may
13 be determined by the Board of Trustees, or whose entrance into or
14 training for the teaching profession was interrupted by his or her
15 entrance into the Armed Forces, and who was or shall have become a
16 member of the Teachers' Retirement System shall be granted the
17 privilege of making up his or her five percent (5%) contributions as
18 provided for in this section until January 1, 1991, for not to
19 exceed five (5) years of service in the Armed Forces by electing to
20 pay said contributions on the basis of the rate of pay in his or her
21 contract as a teacher at the time his or her service in the Armed
22 Forces commenced or in the case of a teacher who was not teaching
23 prior to entering the Armed Forces, on the basis of the salary of
24 the first year of teaching after being honorably discharged from the

1 Armed Forces. Effective January 1, 1991, the member will receive
2 such service upon payment of the amount determined by the Board of
3 Trustees pursuant to Section 17-116.8 of this title. Such
4 contributions shall be credited in the regular manner, and the
5 period for which said contributions were paid shall be counted as
6 creditable years of service and allocated to the period during which
7 the military service was rendered, except that the period for which
8 contributions were paid must have been continuous and shall be
9 credited in the aggregate, regardless of fiscal year limitations.
10 Notwithstanding any provision herein to the contrary, contributions,
11 benefits and service credit with respect to qualified military
12 service as defined by Section 414(u) of the Internal Revenue Code of
13 1986 shall be provided in accordance with Section 414(u) of the
14 Internal Revenue Code.

15 3. Retirement benefits for all service credits purchased
16 pursuant to this subsection shall be determined in accordance with
17 the provisions of paragraph 2 of this subsection.

18 G. Effective July 1, 2004, the total creditable service of a
19 member who retires or terminates employment and elects a vested
20 benefit shall include not to exceed one hundred twenty (120) days of
21 unused sick leave accumulated subsequent to August 1, 1959. Twenty
22 (20) days of unused sick leave shall equal one (1) month for
23 purposes of creditable service credit. If the member becomes a
24 member or was eligible to become a member prior to July 1, 1995, the

1 year of credit received in this section shall be treated as service
2 earned prior to July 1, 1995. This subsection shall apply to
3 members retiring or vesting on or after the effective date of this
4 act and shall not be retroactive.

5 H. Any member who:

6 1. Shall be absent from the teaching service because of
7 election to the State Legislature or appointment to the executive
8 branch in an education-related capacity shall be allowed thirty (30)
9 days from the date as of which the person is officially elected or
10 appointed to file an election with the Teachers' Retirement System
11 to retain his or her membership in the Teachers' Retirement System
12 upon payment of the contribution required of other members and
13 employers of said members as provided for in this section and his or
14 her service credits shall continue to be accumulated during such
15 absence, provided he or she is not receiving retirement credits or
16 benefits from said service beginning after July 1, 1992, in other
17 public retirement systems; or

18 2. Became an employee of the Oklahoma Commission for Teacher
19 Preparation on or subsequent to June 1, 2001, but prior to July 1,
20 2002, who was previously employed by a participating employer within
21 the Teachers' Retirement System of Oklahoma, may elect to cancel any
22 accumulated service credit accrued within the Oklahoma Public
23 Employees Retirement System on or after June 1, 2001, but prior to
24 July 1, 2002, by filing an election with the Oklahoma Public

1 Employees Retirement System for the cancellation of such service
2 credit. The election shall be irrevocable and shall require the
3 Oklahoma Public Employees Retirement System to transfer all
4 accumulated employer and employee contributions made on behalf of or
5 by the person making such election to the Teachers' Retirement
6 System for such period of time. The Teachers' Retirement System
7 shall compute the employee contributions that would have been made
8 to the System by such employee if the contributions had been
9 computed pursuant to this section. In order to receive the full
10 amount of creditable service for the period of time on or after June
11 1, 2001, but not later than June 30, 2002, the employee shall be
12 required to pay any difference between the transferred employee
13 contributions and the amount computed by the Teachers' Retirement
14 System. The employee may make payment of any required amount in the
15 manner provided by and subject to the requirements of Section 17-
16 116.8 of this title. After payment of all required employee
17 contributions, the Teachers' Retirement System shall credit the
18 period of time represented by the transferred employee contributions
19 as creditable service within the meaning of Section 17-101 of this
20 title. After the transfer of the employee contributions, the
21 Oklahoma Public Employees Retirement System shall cancel any service
22 credit previously accumulated for the period of time represented by
23 such transferred employee contributions. Any person who makes the
24 election provided for by this paragraph, and who continues

1 employment with the Oklahoma Commission for Teacher Preparation on
2 or after July 1, 2002, shall continue to accrue service credit in
3 the Teachers' Retirement System of Oklahoma. The employer shall
4 make employer contributions according to the requirements of Section
5 17-108.1 of this title and shall provide for the deduction of
6 employee contributions as required by this section.

7 I. Any member who shall be absent from the teaching service
8 because of election or appointment as a local, state or national
9 education association officer, prior to January 1, 2011, shall be
10 allowed to retain his or her membership in the Teachers' Retirement
11 System upon payment of the contribution required of other members
12 and employers of said members as provided for in this section and
13 his or her service credits shall continue to be accumulated during
14 such absence. Provided, however, any one such absence shall not
15 exceed twelve (12) continuous years. No member who has less than
16 ten (10) years of contributory service on July 1, 1994, may make
17 this election after June 30, 1994. Members contributing to the
18 System on July 1, 1994, may continue to contribute under this
19 subsection until they have completed eight (8) years allowed by this
20 subsection. The member may file for retirement when otherwise
21 eligible for retirement as provided by Section 17-105 of this title.

22 J. A member may receive credit for those years of service
23 accumulated by the member while employed by an entity which is a
24 participating employer in the Oklahoma Firefighters Pension and

1 Retirement System, the Oklahoma Police Pension and Retirement
2 System, the Uniform Retirement System for Justices and Judges, the
3 Oklahoma Law Enforcement Retirement System, or the Oklahoma Public
4 Employees Retirement System, if the member is not receiving or
5 eligible to receive retirement credit or benefits from said service
6 in any other public retirement system. A member also may receive
7 credit for those years of service with the Department of Wildlife
8 Conservation or with an employer that is a participating employer
9 within one of the state retirement systems specifically referred to
10 in this section when at the time of such service by the member the
11 employer was not such a participating employer, if the member is not
12 receiving or eligible to receive retirement credit or benefits from
13 said service in any other public retirement system. To receive the
14 service credit provided in this subsection, the member shall pay the
15 amount determined by the Board of Trustees pursuant to Section 17-
16 116.8 of this title. For purposes of this subsection, creditable
17 service transferred from the Oklahoma Public Employees Retirement
18 System shall include service authorized under paragraph (f) of
19 subsection (2) of Section 913 of Title 74 of the Oklahoma Statutes
20 as amended from time to time. Members who retire prior to July 1,
21 1993, shall have their monthly benefit adjusted to include all
22 services accrued under paragraph (f) of subsection (2) of Section
23 913 of Title 74 of the Oklahoma Statutes. Provided however, any
24 adjustment of existing retirement benefits caused by reason of

1 inclusion of such service authorized under paragraph (f) of
2 subsection (2) of Section 913 of Title 74 of the Oklahoma Statutes
3 shall not affect any retirement benefit paid prior to July 1, 1993.

4 K. 1. An active member of the Teachers' Retirement System of
5 Oklahoma may receive credit for those years of service accumulated
6 by the member while a member of the Oklahoma Public Employees
7 Retirement System if:

8 a. the member is an active member of the Teachers'
9 Retirement System of Oklahoma, and

10 b. the member provides notice to the Oklahoma Public
11 Employees Retirement System and the Teachers'
12 Retirement System of Oklahoma of the member's election
13 to transfer said service credit. The notice shall
14 include a list of the years to be transferred, and

15 c. the member is not receiving or eligible to receive
16 retirement credit or benefits from said service in any
17 other public retirement system, notwithstanding the
18 years of service sought to be transferred under this
19 subsection.

20 Members electing to take advantage of the transfer authorized by
21 this subsection who are receiving or eligible to receive retirement
22 credit or benefits from said service in any other public retirement
23 system shall have all service credit with the Oklahoma Public
24 Employees Retirement System canceled which is not transferred to the

1 Teachers' Retirement System of Oklahoma or used as a cash offset in
2 such a transfer pursuant to subparagraph d of paragraph 2 of this
3 subsection. Service credit transferred to the Teachers' Retirement
4 System of Oklahoma under this subsection shall also be canceled with
5 the Oklahoma Public Employees Retirement System.

6 2. For purposes of this subsection, the "sending system" shall
7 mean the Oklahoma Public Employees Retirement System. The
8 "receiving system" shall mean the Teachers' Retirement System of
9 Oklahoma.

10 a. Within thirty (30) days notification of an intent to
11 transfer is received by the sending system, the
12 sending system shall, according to its own rules and
13 regulations:

14 (1) for members who have accrued at least eight (8)
15 years of credited service with the sending
16 system, determine the present value of the
17 member's earned benefits attributable to the
18 years of service sought to be transferred,
19 discounted according to the member's age at the
20 time of transfer and computed as of the earliest
21 age at which the member would be able to retire.
22 Said computation shall assume an unreduced
23 benefit and be computed using interest and
24 mortality assumptions consistent with the

1 actuarial assumptions adopted by the Board of
2 Trustees for purposes of preparing the annual
3 actuarial evaluation, but shall not make any
4 projections regarding future salary. For
5 employees who have accrued at least eight (8)
6 years of credited service, the sending system
7 shall use the product of this calculation for
8 purposes of determining the transfer fee to be
9 paid by the employee under subparagraph c of this
10 paragraph so long as it is greater than the
11 product of the calculation in division (2) of
12 this subparagraph, and

- 13 (2) determine the sum of the employee and employer
14 contributions applicable to the years of service
15 sought to be transferred plus interest consistent
16 with the actuarial assumptions adopted by the
17 Board of Trustees for purposes of preparing the
18 annual actuarial evaluation. For all nonvested
19 members, and for members who have accrued at
20 least eight (8) years of credited service, if the
21 product of this calculation is greater than the
22 product of the calculation in division (1) of
23 this subparagraph, the sending system shall use
24 the product of this calculation for purposes of

1 determining the amount to be transferred by the
2 sending system under subparagraph c of this
3 paragraph and any transfer fee to be paid by the
4 member under subparagraph d of this paragraph.

- 5 b. Within thirty (30) days notification of an intent to
6 transfer is received by the receiving system, the
7 receiving system shall determine, according to the
8 system's own rules and regulations, the present value
9 of the member's incremental projected benefits
10 discounted according to the member's age at the time
11 of the transfer. Incremental projected benefits shall
12 be the difference between the projected benefit said
13 member would receive without transferring the service
14 credit and the projected benefit after transfer of
15 service credit computed as of the earliest age at
16 which the member would be able to retire. Said
17 computation shall assume an unreduced benefit and be
18 computed using interest, salary projections and
19 mortality assumptions consistent with the actuarial
20 assumptions adopted by the Board of Trustees for
21 purposes of preparing the annual actuarial evaluation.
- 22 c. The sending system shall, within sixty (60) days from
23 the date notification of an intent to transfer is
24 received by the sending system, transfer to the

1 receiving system the amount determined in subparagraph
2 a of this paragraph. Except if the cost as calculated
3 under subparagraph a of this paragraph is greater than
4 the actuarial value of the incremental benefit in the
5 receiving system, as established in subparagraph b of
6 this paragraph, the sending system shall send the
7 receiving system an amount equal to the actuarial
8 value of the incremental projected benefit in the
9 receiving system.

10 d. In order to receive the credit provided for in
11 paragraph 1 of this subsection, if the cost of the
12 actuarial value of the incremental benefit to the
13 receiving system is greater than the cost as
14 calculated under subparagraph a of this paragraph for
15 the same years of service to the sending system as
16 established in subparagraphs a and b of this
17 paragraph, the employee shall elect to:

- 18 (1) pay any difference to receive full credit for the
19 years sought to be transferred, or
20 (2) receive prorated service credit for only the
21 amount received from the Oklahoma Public
22 Employees Retirement System pursuant to this
23 subsection.
24

1 Such an election shall be made in writing, filed with
2 the System prior to receiving the credit provided for
3 in paragraph 1 of this subsection, and shall be
4 irrevocable.

5 3. Within sixty (60) days of successfully completing all of the
6 requirements for transfer under this subsection, the sending system
7 shall pay the receiving system any amount due under this subsection.
8 Within sixty (60) days of successfully completing all of the
9 requirements for transfer under this subsection, the member shall
10 pay the receiving system any amount due under this subsection. In
11 the event that the member is unable to pay the transfer fee provided
12 for in this subsection by the due date, the Board of Trustees of the
13 receiving system shall permit the member to amortize the transfer
14 fee over a period not to exceed sixty (60) months. Said payments
15 shall be made by payroll deductions unless the Board of Trustees
16 permits an alternate payment source. The amortization shall include
17 interest in an amount not to exceed the actuarially assumed interest
18 rate adopted by the Board of Trustees for investment earnings each
19 year. Any member who ceases to make payment, terminates, retires or
20 dies before completing the payments provided for in this section
21 shall receive prorated service credit for only those payments made,
22 unless the unpaid balance is paid by said member, his or her estate
23 or successor in interest within six (6) months after said member's
24 death, termination of employment or retirement, provided no

1 retirement benefits shall be payable until the unpaid balance is
2 paid, unless said member or beneficiary affirmatively waives the
3 additional six-month period in which to pay the unpaid balance.

4 4. Years of service transferred pursuant to this subsection
5 shall be used both in determining the member's retirement benefit
6 and in determining the years of service for retirement and/or
7 vesting purposes. Years of service rendered as a member of the
8 Oklahoma Public Employees Retirement System prior to July 1, 1992,
9 if any, shall be deemed to be years of service rendered as a member
10 of the Teachers' Retirement System of Oklahoma prior to July 1,
11 1992, and shall qualify such person as a member of the Teachers'
12 Retirement System of Oklahoma before July 1, 1992.

13 5. Notwithstanding the requirements of subsection (5) of
14 Section 917 of Title 74 of the Oklahoma Statutes, members electing
15 to take advantage of the transfer authorized by this subsection who
16 have withdrawn their contributions from the sending system shall
17 remit to the sending system the amount of the accumulated
18 contributions the member has withdrawn plus simple interest of ten
19 percent (10%) per annum prior to making said election or the
20 election shall be deemed invalid and the transfer shall be canceled.
21 If such an election is deemed invalid and the transfer is canceled,
22 the accumulated contribution remitted to the sending system by the
23 member who originally withdrew their contributions shall be returned
24 to the member. The member's rights and obligations regarding any

1 service credit reestablished in the sending system due to a failure
2 to satisfy the requirements of this subsection shall be determined
3 by the sending system in accordance with Section 901 et seq. of
4 Title 74 of the Oklahoma Statutes.

5 6. If any member fails for any reason to satisfy the
6 requirements of this subsection, the election to transfer service
7 credit shall be void and of no effect, and any service credited as a
8 result of this transfer shall be canceled. If such service is
9 canceled, the years of canceled service credit which were
10 unsuccessfully transferred to the receiving system from the sending
11 system shall be reestablished in the sending system. The member's
12 rights and obligations regarding any service credit reestablished in
13 the sending system due to a failure to satisfy the requirements of
14 this subsection shall be determined by the sending system in
15 accordance with Section 901 et seq. of Title 74 of the Oklahoma
16 Statutes.

17 7. The Board of Trustees shall promulgate such rules as are
18 necessary to implement the provisions of this subsection.

19 L. Any member whose regular annual compensation was not
20 determined as provided for by law may pay the member contribution
21 required pursuant to subsection B of this section on such amount not
22 included in the member's regular annual compensation and receive
23 credit for such amount in the calculation of the member's benefit.
24 The employees must pay the employer contributions required pursuant

1 to Section 17-108.1 of this title. Interest at the rate of ten
2 percent (10%) per annum shall be charged to both employee and
3 employer contributions. Provided that the employing district may
4 pay all or any portion of the contributions and interest the member
5 is required to pay. Any payment by the employing district for a
6 prior year obligation shall be considered a current obligation of
7 the employer.

8 M. Any active member who elected during the 1978-79 school year
9 to pay the difference between five percent (5%) on actual salary not
10 exceeding Ten Thousand Dollars (\$10,000.00) and six percent (6%) on
11 actual salary not exceeding Fifteen Thousand Dollars (\$15,000.00)
12 shall receive credit for one (1) year of credited service upon
13 receipt and approval of a proper request by the Board of Trustees.

14 N. Effective July 1, 1988, any member who is employed by the
15 Governor, the State Senate, the House of Representatives or the
16 Legislative Service Bureau shall be allowed to elect to retain
17 membership in the Retirement System upon payment of the accrued and
18 current member contributions and employer contributions as provided
19 in subsection B of this section and Section 17-108.1 of this title.
20 Such contributions may be paid on behalf of the member by the
21 employing entity. Upon payment of such contributions, service
22 credits shall continue to be accumulated during such employment.
23 Accrued contributions shall be paid to the Retirement System by
24 August 1, 1989. Current contributions shall be paid to the

1 Retirement System by the tenth of the following month beginning with
2 the month of July 1989.

3 O. Notwithstanding any requirements of this title to restrict
4 the payment of service purchases, the Board of Trustees shall
5 promulgate such rules as necessary to allow active members of the
6 System to make installment payments for the redeposit of withdrawn
7 accounts or other payments due under the provisions of this title.
8 The rules shall permit the member to amortize the balance due over a
9 period not to exceed sixty (60) months, and shall include interest
10 consistent with the actuarial assumptions adopted by the Board of
11 Trustees for purposes of preparing the annual actuarial evaluation.
12 Further, the rules shall provide that all payments must be completed
13 prior to the effective retirement date of the member.

14 P. 1. A member of the Oklahoma Public Employees Retirement
15 System who becomes a member of the Teachers' Retirement System of
16 Oklahoma because the member has become employed by an entity or
17 institution within The Oklahoma State System of Higher Education,
18 State Board of Education, State Board of Career and Technology
19 Education, Oklahoma Department of Career and Technology Education,
20 Oklahoma School of Science and Mathematics, Oklahoma Center for the
21 Advancement of Science and Technology, State Department of
22 Rehabilitation Services, Oklahoma State Regents for Higher
23 Education, Department of Corrections, State Department of Education,
24 Oklahoma Board of Private Vocational Schools, Board of Regents of

Oklahoma Colleges, Oklahoma Student Loan Authority, or the Teachers' Retirement System of Oklahoma, may elect to receive credit in the Teachers' Retirement System of Oklahoma for those years of service accumulated by the member in the Oklahoma Public Employees Retirement System pursuant to this subsection. A member shall be eligible to elect to receive credit for such years of service if:

- a. the member is an active member of the Teachers' Retirement System of Oklahoma,
- b. the member provides notice to the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System of the member's election to transfer such retirement credit. The notice shall include a list of the years to be transferred, and
- c. the member is not receiving or eligible to receive retirement credit or benefits from such service in any other public retirement system, notwithstanding the years of service sought to be transferred under this subsection.

Members electing to take advantage of the transfer authorized by this subsection shall have all service credit with the Oklahoma Public Employees Retirement System canceled which is transferred to the Teachers' Retirement System of Oklahoma.

2. For purposes of this subsection, the "sending system" shall mean the Oklahoma Public Employees Retirement System. The

1 "receiving system" shall mean the Teachers' Retirement System of
2 Oklahoma. Within thirty (30) days after notification of an intent
3 to transfer is received by the sending system, the sending system
4 shall, according to its own rules, send to the receiving system all
5 employer and employee contributions made on behalf of the member
6 which were made to the sending system plus an additional amount of
7 earnings based on the actuarial assumed rate of the sending system.
8 Upon receipt of these contributions by the receiving system, the
9 receiving system shall give credit to the transferring member in an
10 amount equal to the years of service accrued in the sending system.

11 3. If the transferring member's normal retirement date
12 calculation is based upon the sum of the member's age and number of
13 years of credited service totaling eighty (80) in the sending
14 system, then the member shall retain such calculation in the
15 receiving system.

16 4. The Board of Trustees shall promulgate such rules as are
17 necessary to implement the provisions of this subsection.

18 Q. A former member of the Teachers' Retirement System of
19 Oklahoma who withdrew his or her contributions from the System prior
20 to January 1, 1983, and who had at least ten (10) years of service
21 in the System and purchased that service in the Oklahoma Public
22 Employees Retirement System, may elect to revoke that purchase from
23 the Oklahoma Public Employees Retirement System and to repay the
24 withdrawn contributions to the System in order to be eligible, once

1 such member reaches the normal retirement age, to receive a
2 retirement benefit that is based upon years of service and
3 compensation at the time such member terminated employment. In
4 addition, such former member may elect to transfer service credit
5 accrued in the Oklahoma Public Employees Retirement System to the
6 Teachers' Retirement System of Oklahoma pursuant to subsection K of
7 this section. The election, pursuant to this subsection, shall be
8 made prior to September 1, 2000. The election and the repayment
9 shall be made according to rules promulgated by the Board.

10 SECTION 11. AMENDATORY 74 O.S. 2021, Section 919.1, as
11 amended by Section 4, Chapter 280, O.S.L. 2024 (74 O.S. Supp. 2024,
12 Section 919.1), is amended to read as follows:

13 Section 919.1. (1) Employee contributions to the System shall
14 be:

- 15 (a) for employees except as otherwise provided in
16 paragraphs (b), (c), (d), (e), (f) and (g) of this
17 subsection: beginning July 1, 2006 on the effective
18 date of this act, and thereafter, three and one-half
19 percent (3.5%) for the first Ninety Thousand Dollars
20 (\$90,000.00) of allowable annual compensation or, for
21 a member who is a participating member of the System
22 on the effective date of this act, three and one-half
23 percent (3.5%) of the allowable annual compensation of
24

1 the employee on the effective date of this act,
2 whichever is greater;

3 (b) for correctional officers and probation and parole
4 officers employed by the Department of Corrections:
5 beginning July 1, 1998, and thereafter, and for
6 correctional officers or probation and parole officers
7 who are in such position on June 30, 2004, or who are
8 hired after June 30, 2004, and who receive a promotion
9 or change in job classification after June 30, 2004,
10 to another position in the Department of Corrections,
11 so long as such officers have at least five (5) years
12 of service as a correctional officer or probation and
13 parole officer, eight percent (8%), beginning on the
14 effective date of this act, for the first Ninety
15 Thousand Dollars (\$90,000.00) of allowable
16 compensation as provided in paragraph (9) of Section
17 902 of this title or, for correctional officers and
18 probation and parole officers who are participating
19 members of the System on the effective date of this
20 act, eight percent (8%) of allowable compensation the
21 member is receiving on the effective date of this act,
22 whichever is greater, as provided in paragraph (9) of
23 Section 902 of this title;

- (c) for fugitive apprehension agents who are employed with the Department of Corrections on or after July 1, 2002, and for fugitive apprehension agents who are in such position on June 30, 2004, or who are hired after June 30, 2004, and who receive a promotion or change in job classification after June 30, 2004, to another position in the Department of Corrections, so long as such agents have at least five (5) years of service as a fugitive apprehension agent, eight percent (8%), beginning on the effective date of this act, for the first Ninety Thousand Dollars (\$90,000.00) of allowable compensation as provided in paragraph (9) of Section 902 of this title or, for fugitive apprehension agents who are participating members of the System on the effective date of this act, eight percent (8%) of allowable compensation the member is receiving on the effective date of this act, whichever is greater, as provided in paragraph (9) of Section 902 of this title;
- (d) for firefighters of the Oklahoma Military Department first employed beginning July 1, 2002, and thereafter, and such firefighters who performed service prior to July 1, 2002, for the Oklahoma Military Department and who make the election authorized by division (1) of

1 subparagraph b of paragraph (9) of subsection A of
2 Section 915 of this title who perform service on or
3 after July 1, 2002, in such capacity, eight percent
4 (8%), beginning on the effective date of this act, for
5 the first Ninety Thousand Dollars (\$90,000.00) of
6 allowable compensation as provided in subsection (9)
7 of Section 902 of this title or, for firefighters of
8 the Oklahoma Military Department who are participating
9 members of the System on the effective date of this
10 act, eight percent (8%) of allowable compensation the
11 member is receiving on the effective date of this act,
12 whichever is greater, as provided in paragraph (9) of
13 Section 902 of this title;

- 14 (e) beginning on the effective date of this act, for all
15 public safety officers of the Grand River Dam
16 Authority as defined by paragraph (37) of Section 902
17 of this title, eight percent (8%) for the first Ninety
18 Thousand Dollars (\$90,000.00) of allowable
19 compensation as provided in paragraph (9) of Section
20 902 of this title or, for public safety officers of
21 the Grand River Dam Authority who are participating
22 members of the System on the effective date of this
23 act, eight percent (8%) of allowable compensation the
24 member is receiving on the effective date of this act,

1 whichever is greater, as provided in paragraph (9) of
2 Section 902 of this title;

3 (f) for deputy sheriffs and county jailers employed by any
4 county that is a participating employer in the System
5 for the first time as a deputy sheriff or jailer on or
6 after November 1, 2020, or beginning November 1, 2024,
7 those deputy sheriffs and county jailers employed by
8 any county that is a participating employer in the
9 System for the first time as a deputy sheriff or
10 county jailer before November 1, 2020, eight percent
11 (8%), beginning on the effective date of this act, for
12 the first Ninety Thousand Dollars (\$90,000.00) of
13 allowable compensation as provided in paragraph (9) of
14 Section 902 of this title or, for deputy sheriffs and
15 county jailers who are participating members of the
16 System on the effective date of this act, eight
17 percent (8%) of allowable compensation the member is
18 receiving on the effective date of this act, whichever
19 is greater, as provided in paragraph (9) of Section
20 902 of this title; and

21 (g) beginning on the effective date of this act, for all
22 employees except those who make contributions pursuant
23 to paragraphs (b), (c), (d), (e) and (f) of this
24 subsection who make an irrevocable written election

1 pursuant to paragraph (2) of subsection A of Section
2 915 of this title: six and forty-one one-hundredths
3 percent (6.41%) for the first Ninety Thousand Dollars
4 (\$90,000.00) of allowable annual compensation or, for
5 employees who are participating members of the System
6 on the effective date of this act, except those who
7 make contributions pursuant to paragraphs (b), (c),
8 (d), (e) and (f) of this subsection who make an
9 irrevocable written election pursuant to paragraph (2)
10 of subsection A of Section 915 of this title: six and
11 forty-one one-hundredths percent (6.41%) of allowable
12 annual compensation the member is receiving on the
13 effective date of this act, whichever is greater.

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

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

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

16 Member contributions which are picked up shall be treated in the
17 same manner and to the same extent as member contributions made
18 prior to the date on which member contributions were picked up by
19 the participating employer. Member contributions so picked up shall
20 be included in gross salary for purposes of determining benefits and
21 contributions under the System.

22 The participating employer shall pay the member contributions
23 from the same source of funds used in paying salary to the member,
24 by effecting an equal cash reduction in gross salary of the member.

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

8 SECTION 12. AMENDATORY 74 O.S. 2021, Section 920, is
9 amended to read as follows:

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

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

21 (3) Effective July 1, 1996, every state agency which is a
22 participating employer shall contribute to the System an amount
23 equal to twelve percent (12%) of the monthly compensation of each
24

member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title.

(4) Effective July 1, 1999, and through the fiscal year ending June 30, 2005, every state agency which is a participating employer shall contribute to the System an amount equal to ten percent (10%) of the monthly compensation of each member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title.

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

July 1, 2005 - June 30, 2006 11 1/2%

July 1, 2006 - June 30, 2007 12 1/2%

July 1, 2007 - June 30, 2008 13 1/2%

July 1, 2008 - June 30, 2009 14 1/2%

July 1, 2009 - June 30, 2011 15 1/2%

July 1, 2011 - June 30, 2012

and each year thereafter 16 1/2%

for the first Ninety Thousand Dollars (\$90,000.00) or, for a member

who is a participating member of the System on the effective date of

1 this act, for his or her current monthly salary on the effective
2 date of this act, whichever is greater.

3 (6) The Board shall certify, on or before November 1 of each
4 year, to the Office of Management and Enterprise Services an
5 actuarially determined estimate of the rate of contribution which
6 will be required, together with all accumulated contributions and
7 other assets of the System, to be paid by each participating
8 employer to pay all liabilities which shall exist or accrue under
9 the System, including amortization of the past service cost over a
10 period of not to exceed forty (40) years from June 30, 1987, and the
11 cost of administration of the System, as determined by the Board,
12 upon recommendation of the actuary.

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

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

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

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

5 (11) Effective November 1, 2015, an employer shall be required
6 to make payment to the Oklahoma Public Employees Retirement System
7 of the amount described by subsection A of Section 10 of this act
8 with respect to any employee who is a participant in the defined
9 contribution system created pursuant to the provisions of Sections 1
10 through 11 of this act. The employer shall be required to make the
11 required matching contribution amount for all employees that
12 participate in the defined contribution system and to remit the
13 difference between such amount and the amount the employer would
14 otherwise have paid pursuant to the provisions of this section to
15 the Oklahoma Public Employees Retirement System.

16 SECTION 13. This act shall become effective July 1, 2026.

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