

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

POLICY COMMITTEE  
RECOMMENDATION

FOR

HOUSE BILL NO. 2193

By: Wolfley

POLICY COMMITTEE RECOMMENDATION

An Act relating to public retirement systems; amending 62 O.S. 2021, Section 3103, as last amended by Section 2, Chapter 361, O.S.L. 2024 (62 O.S. Supp. 2025, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying terms; 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 Oklahoma Teachers' Retirement System, and the Oklahoma Public Employees Retirement System; amending 20 O.S. 2021, Sections 1103, 1104, and 1103.1, which relate to the Uniform Retirement System for Justices and Judges; amending 70 O.S. 2021, Sections 17-101, as last amended by Section 1, Chapter 300, O.S.L. 2024 (70 O.S. Supp. 2025, Section 17-101), 17-108.1, and 17-116.2, which relate to the Teachers' Retirement System of Oklahoma; amending 74 O.S. 2021, Sections 902, as last amended by Section 1, Chapter 280, O.S.L. 2024 (74 O.S. Supp. 2025, Section 902), 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; providing salary guidelines for the calculation of benefits; modifying terms; modifying employee contribution provisions; modifying employer contribution provisions; directing that money not required for purposes of employer contribution be transferred to the Special Cash Fund; directing the Office of Management and Enterprise Services to determine median salary amount of certain retirement systems; providing that salary amount with

1 respect to which employer contributions are to be  
2 made shall be increased in certain circumstances;  
3 providing exception; providing for severability;  
4 providing for noncodification; providing for  
5 codification; providing effective dates; providing  
6 for contingent effective dates based on outcome of  
7 approval of the emergency clause; and declaring an  
8 emergency.

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

9 SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, as  
10 last amended by Section 2, Chapter 361, O.S.L. 2024 (62 O.S. Supp.  
11 2025, Section 3103), is amended to read as follows:

12 Section 3103. As used in the Oklahoma Pension Legislation  
13 Actuarial Analysis Act:

14 1. "Amendment" means any amendment, including a substitute  
15 bill, made to a retirement bill by any committee of the House of  
16 Representatives or Senate, any conference committee of the House or  
17 Senate or by the House or Senate;

18 2. "RB number" means that number preceded by the letters "RB"  
19 assigned to a retirement bill by the respective staffs of the  
20 Oklahoma State Senate and the Oklahoma House of Representatives when  
21 the respective staff office prepares a retirement bill for a member  
22 of the Legislature;

23 3. "Legislative Actuary" means the firm or entity that enters  
24 into a contract with the Legislative Service Bureau pursuant to

1 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the  
2 actuarial services and other duties provided for in the Oklahoma  
3 Pension Legislation Actuarial Analysis Act;

4 4. "Nonfiscal amendment" means an amendment to a retirement  
5 bill having a fiscal impact, which amendment does not change any  
6 factor of an actuarial investigation specified in subsection A of  
7 Section 3109 of this title;

8 5. "Nonfiscal retirement bill" means a retirement bill:

- 9 a. which does not affect the cost or funding factors of a  
10 retirement system,
- 11 b. which affects such factors only in a manner which does  
12 not:
- 13 (1) grant a benefit increase under the retirement  
14 system affected by the bill,
- 15 (2) create an actuarial accrued liability for or  
16 increase the actuarial accrued liability of the  
17 retirement system affected by the bill, or
- 18 (3) increase the normal cost of the retirement system  
19 affected by the bill,
- 20 c. which authorizes the purchase by an active member of  
21 the retirement system, at the actuarial cost for the  
22 purchase as computed pursuant to the statute in effect  
23 on the effective date of the measure allowing such  
24 purchase, of years of service for purposes of reaching

1 a normal retirement date in the applicable retirement  
2 system, but which cannot be used in order to compute  
3 the number of years of service for purposes of  
4 computing the retirement benefit for the member,

5 d. which provides for the computation of a service-  
6 connected disability retirement benefit for members of  
7 the Oklahoma Law Enforcement Retirement System  
8 pursuant to Section 2-305 of Title 47 of the Oklahoma  
9 Statutes if the members were unable to complete twenty  
10 (20) years of service as a result of the disability,

11 e. which requires membership in the defined benefit plan  
12 authorized by Section 901 et seq. of Title 74 of the  
13 Oklahoma Statutes for persons whose first elected or  
14 appointed service occurs on or after November 1, 2018,  
15 if such persons had any prior service in the Oklahoma  
16 Public Employees Retirement System prior to November  
17 1, 2015,

18 f. which provides for a one-time increase in retirement  
19 benefits if the increase in retirement benefits is not  
20 a permanent increase in the gross annual retirement  
21 benefit payable to a member or beneficiary, occurs  
22 only once pursuant to a single statutory authorization  
23 and does not exceed:

24

- 1 (1) the lesser of two percent (2%) of the gross  
2 annual retirement benefit of the member or One  
3 Thousand Dollars (\$1,000.00) and requires that  
4 the benefit may only be provided if the funded  
5 ratio of the affected retirement system would not  
6 be less than sixty percent (60%) but not greater  
7 than eighty percent (80%) after the benefit  
8 increase is paid,
- 9 (2) the lesser of two percent (2%) of the gross  
10 annual retirement benefit of the member or One  
11 Thousand Two Hundred Dollars (\$1,200.00) and  
12 requires that the benefit may only be provided if  
13 the funded ratio of the affected retirement  
14 system would be greater than eighty percent (80%)  
15 but not greater than one hundred percent (100%)  
16 after the benefit increase is paid,
- 17 (3) the lesser of two percent (2%) of the gross  
18 annual retirement benefit of the member or One  
19 Thousand Four Hundred Dollars (\$1,400.00) and  
20 requires that the benefit may only be provided if  
21 the funded ratio of the affected retirement  
22 system would be greater than one hundred percent  
23 (100%) after the benefit increase is paid, or  
24

1 (4) the greater of two percent (2%) of the gross  
2 annual retirement benefit of the volunteer  
3 firefighter or One Hundred Dollars (\$100.00) for  
4 persons who retired from the Oklahoma  
5 Firefighters Pension and Retirement System as  
6 volunteer firefighters and who did not retire  
7 from the Oklahoma Firefighters Pension and  
8 Retirement System as a paid firefighter.

9 As used in this subparagraph, "funded ratio" means the  
10 figure derived by dividing the actuarial value of  
11 assets of the applicable retirement system by the  
12 actuarial accrued liability of the applicable  
13 retirement system,

14 g. which modifies the disability pension standard for  
15 police officers who are members of the Oklahoma Police  
16 Pension and Retirement System as provided by Section  
17 50-115 of Title 11 of the Oklahoma Statutes,

18 h. which provides a cost-of-living benefit increase  
19 pursuant to the provisions of:

20 (1) Section 49-143.7 of Title 11 of the Oklahoma  
21 Statutes,

22 (2) Section 50-136.9 of Title 11 of the Oklahoma  
23 Statutes,

24

1 (3) Section 1104K of Title 20 of the Oklahoma  
 2 Statutes,

3 (4) Section 2-305.12 of Title 47 of the Oklahoma  
 4 Statutes,

5 (5) Section 17-116.22 of Title 70 of the Oklahoma  
 6 Statutes,

7 (6) Section 930.11 of Title 74 of the Oklahoma  
 8 Statutes,

9 i. which modifies the computation of the line-of-duty  
 10 disability benefit pursuant to the provisions of this  
 11 section and Sections 50-101 and 50-115 of Title 11 of  
 12 the Oklahoma Statutes, ~~or~~

13 j. which authorizes membership in the Oklahoma Law  
 14 Enforcement Retirement System for active commissioned  
 15 or CLEET-certified agents of the Office of the  
 16 Attorney General or the Military Department of the  
 17 State of Oklahoma pursuant to Sections ~~3~~ 2-309.9 and 4  
 18 2-309.10 of ~~this act~~ Title 47 of the Oklahoma  
 19 Statutes, or

20 k. which provides a cost-of-living benefit increase  
 21 pursuant to Sections 2 through 7 of this act.

22 A nonfiscal retirement bill shall include any retirement bill that  
 23 has as its sole purpose the appropriation or distribution or  
 24 redistribution of monies in some manner to a retirement system for

1 purposes of reducing the unfunded liability of such system or the  
2 earmarking of a portion of the revenue from a tax to a retirement  
3 system or increasing the percentage of the revenue earmarked from a  
4 tax to a retirement system;

5 6. "Reduction-in-cost amendment" means an amendment to a  
6 retirement bill having a fiscal impact which reduces the cost of the  
7 bill as such cost is determined by the actuarial investigation for  
8 the bill prepared pursuant to Section 3109 of this title;

9 7. "Retirement bill" means any bill or joint resolution  
10 introduced or any bill or joint resolution amended by a member of  
11 the Legislature which creates or amends any law directly affecting a  
12 retirement system. A retirement bill shall not mean a bill or  
13 resolution that impacts the revenue of any state tax in which a  
14 portion of the revenue generated from such tax is earmarked for the  
15 benefit of a retirement system;

16 8. "Retirement bill having a fiscal impact" means any  
17 retirement bill creating or establishing a retirement system and any  
18 other retirement bill other than a nonfiscal retirement bill; and

19 9. "Retirement system" means the Teachers' Retirement System of  
20 Oklahoma, the Oklahoma Public Employees Retirement System, the  
21 Uniform Retirement System for Justices and Judges, the Oklahoma  
22 Firefighters Pension and Retirement System, the Oklahoma Police  
23 Pension and Retirement System, the Oklahoma Law Enforcement  
24

1 Retirement System, or a retirement system established after January  
2 1, 2006.

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

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

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

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

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

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

23

24

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

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

5 2. Two percent (2%) for the first Sixty Thousand Dollars  
6 (\$60,000.00) of the member's gross annual retirement benefit if the  
7 member retired after June 30, 2018, but before July 1, 2023; and

8 3. Four percent (4%) for the first Sixty Thousand Dollars  
9 (\$60,000.00) of the member's gross annual retirement benefit if the  
10 member retired before July 1, 2018.

11 SECTION 3. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 50-136.10 of Title 11, unless  
13 there is created a duplication in numbering, reads as follows:

14 A. Except as provided in subsection B of this section, any  
15 member receiving benefits from the Oklahoma Police Pension and  
16 Retirement System 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           B. Any increase in benefits a person is eligible to receive  
5 pursuant to repealed Section 50-120 of Title 11 of the Oklahoma  
6 Statutes, after June 30, 2020, shall be offset by the increase in  
7 benefits, if any, provided by this section.

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

11           Any member receiving benefits from the Uniform Retirement System  
12 for Justices and Judges as of June 30, 2026, who continues to  
13 receive benefits on or after July 1, 2026, shall receive an increase  
14 in 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           SECTION 5.       NEW LAW       A new section of law to be codified  
23 in the Oklahoma Statutes as Section 2-305.13 of Title 47, unless  
24 there is created a duplication in numbering, reads as follows:

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

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

7           2. Two percent (2%) for the first Sixty Thousand Dollars  
8 (\$60,000.00) of the member's gross annual retirement benefit if the  
9 member retired after June 30, 2018, but before July 1, 2023; and

10          3. Four percent (4%) for the first Sixty Thousand Dollars  
11 (\$60,000.00) of the member's gross annual retirement benefit if the  
12 member retired before July 1, 2018.

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

17       SECTION 6.       NEW LAW       A new section of law to be codified  
18 in the Oklahoma Statutes as Section 17-116.23 of Title 70, unless  
19 there is created a duplication in numbering, reads as follows:

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

24           1. Zero percent (0%) 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 7.        NEW LAW        A new section of law to be codified  
8 in the Oklahoma Statutes as Section 930.12 of Title 74, unless there  
9 is created a duplication in numbering, reads as follows:

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

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

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

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

21        SECTION 8.        AMENDATORY        20 O.S. 2021, Section 1103, is  
22 amended to read as follows:

23        Section 1103. A. ~~Effective September 1, 2005~~ On or after the  
24 effective date of this act, each Justice or judge who is a member of

1 The Uniform Retirement System for Justices and Judges shall have  
2 eight percent (8%) of the first Ninety Thousand Dollars (\$90,000.00)  
3 of his or her current monthly salary or, for a member who is a  
4 participating member of The Uniform Retirement System for Justices  
5 and Judges on the effective date of this act, a minimum of eight  
6 percent (8%) of his or her current monthly salary on the effective  
7 date of this act, whichever is greater, withheld by the State of  
8 Oklahoma and deposited in a fund in the State Treasury which is  
9 hereby created and shall be known as the Oklahoma Judicial  
10 Retirement Fund. If a Justice or judge shall cease to be a Justice  
11 or judge of the above-mentioned courts, for any reason, before he or  
12 she has accumulated eight (8) years of accredited service, or dies  
13 after he or she has accumulated eight (8) years' service and having  
14 no survivor benefit, then all the contributions retained from his or  
15 her salary shall be paid to him or her or his or her named  
16 beneficiary, or his or her estate in case of no named beneficiary,  
17 and he or she shall have no further claim against the State of  
18 Oklahoma for retirement pay for his or her services to date.

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

1 C. Upon death of a retired judge who has no survivor benefits,  
 2 there shall be paid to his or her named beneficiary, or his or her  
 3 estate in case of no named beneficiary, an amount equal to the  
 4 excess, if any, of his or her accumulated contributions over the sum  
 5 of all retirement benefit payments made.

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

12 SECTION 9. AMENDATORY 20 O.S. 2021, Section 1103.1, is  
 13 amended to read as follows:

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

Fiscal Year Ending	Percentage of Contribution
June 30, 2006	3.0%

1	June 30, 2007	4.0%
2	June 30, 2008	5.5%
3	June 30, 2009	7.0%
4	June 30, 2010	8.5%
5	June 30, 2011	10.0%
6	June 30, 2012	11.5%
7	June 30, 2013	13.0%
8	June 30, 2014	14.5%
9	June 30, 2015	16.0%
10	June 30, 2016	17.5%
11	June 30, 2017	19.0%
12	June 30, 2018	20.5%
13	June 30, 2019 and thereafter	22.0%

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

18 B. The State Judicial Retirement Fund should have a funded  
 19 ratio at or near ninety percent (90%) or be receiving sufficient  
 20 contributions to amortize any unfunded liability of the fund  
 21 according to the amortization schedule adopted by the Board of  
 22 Trustees of the Oklahoma Public Employees Retirement System. The  
 23 Board of Trustees shall provide a copy of the annual actuarial  
 24 report to the Governor, the Chief Justice of the Supreme Court, the

1 Speaker of the House of Representatives and the President Pro  
2 Tempore of the Senate. In addition to this report, the Board shall  
3 provide a letter setting forth the amount of the actuarially  
4 required contributions for the System and any other recommendations  
5 that the Board may deem necessary.

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

16 D. On or after the effective date of this act, any amount of  
17 money not required for purposes of the employer contribution  
18 otherwise provided by this section shall be transferred to the  
19 Special Cash Fund to be used for such purposes as may be provided by  
20 law including, but not limited to, any purpose prescribed by an  
21 appropriation measure enacted during any regular or extraordinary  
22 session of the Legislature.

23 SECTION 10. AMENDATORY 20 O.S. 2021, Section 1104, is  
24 amended to read as follows:

1 Section 1104. A. For purposes of this section, salary for the  
2 calculation of benefits shall be:

3 1. For participating members of The Uniform Retirement System  
4 for Justices and Judges on or after the effective date of this act,  
5 the first Ninety Thousand Dollars (\$90,000.00) of the member's  
6 annual compensation or the member's annual compensation on the  
7 effective date of this act, whichever is greater; or

8 2. For members who join the System on or after the effective  
9 date of this act, the first Ninety Thousand Dollars (\$90,000.00) of  
10 the member's annual compensation.

11 B. Each justice or judge who is a member of The Uniform  
12 Retirement System for Justices and Judges upon retirement after June  
13 30, 2004, shall be entitled to receive as retirement compensation,  
14 until changed by the Legislature, an annual amount, each monthly  
15 payment of which shall be in an amount equal to four percent (4%) of  
16 the average monthly salary received by him or her as a justice or  
17 judge based on the highest three (3) years of active service  
18 multiplied by the number of total years of service and reduced  
19 according to the elected survivor option, if any. The amounts of  
20 compensation reported to the Oklahoma Public Employees Retirement  
21 System for the Uniform Retirement System for Justices and Judges, by  
22 the Office of Management and Enterprise Services prior to June 30,  
23 2004, may be conclusively presumed as valid regarding the source of  
24 the compensation reported as salary for purposes of the accuracy of

1 the employees' contributions and the computation of salary for the  
2 calculation of benefits. This presumption shall not include any  
3 computation error made by the Office of Management and Enterprise  
4 Services or the Oklahoma Public Employees Retirement System on  
5 behalf of the Uniform Retirement System for Justices and Judges.  
6 Provided, however, that no justice or judge retiring after June 30,  
7 2004, may receive a monthly retirement benefit in excess of one  
8 hundred percent (100%) of the average monthly salary based on the  
9 highest three (3) years of active service and found applicable to  
10 such justice or judge at the time of retirement. Retirement  
11 compensation shall be payable monthly out of the State Judicial  
12 Retirement Fund by warrants prepared by the Executive Director of  
13 the Public Employees Retirement System and issued by the State  
14 Treasurer.

15 SECTION 11. AMENDATORY 70 O.S. 2021, Section 17-101, as  
16 last amended by Section 1, Chapter 300, O.S.L. 2024 (70 O.S. Supp.  
17 2025, Section 17-101), is amended to read as follows:

18 Section 17-101. The following words and phrases as used in  
19 Section 17-101 et seq. of this title, unless a different meaning is  
20 clearly required by the context, shall have the following meanings:

21 1. "Retirement system" shall mean the Teachers' Retirement  
22 System of Oklahoma, as defined in Section 17-102 of this title;

23 2. "Public school" shall mean a school district, a state  
24 college or university, the State Board of Education, the State Board

1 of Career and Technology Education, and any other state educational  
2 entity conducted within the state supported wholly or partly by  
3 public funds and operating under the authority and supervision of a  
4 legally constituted board or agency having authority and  
5 responsibility for any function of public education. Public school  
6 shall also mean a tuition-free, nonprofit alternative school of  
7 choice that provides education, therapeutic counseling, and outreach  
8 programs which is aligned with a school district and which receives  
9 grant funds from governmental sources;

10 3. "Classified personnel" shall mean any teacher, principal,  
11 superintendent, supervisor, administrator, librarian, certified or  
12 registered nurse, college professor, or college president whose  
13 salary is paid wholly or in part from public funds. An employee of  
14 any state department, board, board of regents, or board of trustees,  
15 who is in a supervisory or an administrative position, the function  
16 of which is primarily devoted to public education, shall be  
17 considered classified personnel under the meaning of Section 17-101  
18 et seq. of this title, at the discretion of the Board of Trustees of  
19 the Teachers' Retirement System of Oklahoma. The term "teacher"  
20 shall also include instructors and counselors employed by the  
21 Department of Corrections and holding valid teaching certificates  
22 issued by the State Department of Education. Provided, that a  
23 person employed by the Department of Corrections as an instructor or  
24 counselor shall have been actively engaged in the teaching

1 profession for a period not less than three (3) years prior to  
2 employment to be eligible to participate in the Teachers' Retirement  
3 System of Oklahoma. The Department of Corrections shall contribute  
4 the employer's share to the Teachers' Retirement System of Oklahoma;

5 4. "Nonclassified optional personnel" shall include persons  
6 hired as adjunct teachers pursuant to subsection G of Section 6-  
7 122.3 of this title, cooks, janitors, maintenance personnel not in a  
8 supervisory capacity, bus drivers, noncertified or nonregistered  
9 nurses, noncertified librarians, and clerical employees of the  
10 public schools, state colleges, universities, or any state  
11 department, board, board of regents, or board of trustees, the  
12 functions of which are primarily devoted to public education and  
13 whose salaries are paid wholly or in part from public funds;

14 5. "Employer" shall mean the state and any of its designated  
15 agents or agencies with responsibility and authority for public  
16 education, such as boards of education of elementary and independent  
17 school districts, boards of regents, boards of control, or any other  
18 agency of and within the state by which a person may be employed for  
19 service in public education. Employer shall also mean the board of  
20 directors of a tuition-free, nonprofit alternative school of choice  
21 that provides education, therapeutic counseling, and outreach  
22 programs which is aligned with a school district and which receives  
23 grant funds from governmental sources;

1       6. "Member" shall mean any teacher or other employee included  
2 in the membership of the system as provided in Section 17-103 of  
3 this title;

4       7. "Board of Trustees" shall mean the board provided for in  
5 Section 17-106 of this title to administer the retirement system;

6       8. "Prior service" shall mean withdrawn service, provided:

7           a. before July 1, 2021, prior service shall exclude  
8 service attributable to any membership period during  
9 which nonclassified optional members voluntarily  
10 ceased contributions while remaining employed in  
11 public education or voluntarily withdrew from  
12 membership in the System, and

13           b. on and after July 1, 2021, prior service shall exclude  
14 service attributable to any period of time during  
15 which nonclassified optional members opted out of  
16 membership in the System;

17       9. "Membership service" shall mean service as a member of the  
18 classified or nonclassified optional personnel as defined in  
19 paragraphs 3 and 4 of this section;

20       10. "Creditable service" shall mean membership service plus any  
21 other service authorized under this title;

22       11. "Annuitant" shall mean any person in receipt of an annuity  
23 as defined in paragraph 15 of this section;

24

1       12. "Accumulated contributions" shall mean the sum of all  
2 amounts deducted from the compensation of a member and credited to  
3 the member's individual account in the Teachers' Savings Fund,  
4 together with applicable interest as of June 30, 1968;

5       13. "Earnable compensation" shall mean the full rate of the  
6 compensation that would be payable to a member who worked the full  
7 normal working time;

8       14. "Average salary":

- 9       a. for those members who joined the System prior to July  
10       1, 1992, shall mean the average of the salaries for  
11       the three (3) years on which the highest contributions  
12       to the Teachers' Retirement System of Oklahoma were  
13       paid not to exceed the maximum contribution level  
14       specified in Section 17-116.2 of this title or the  
15       maximum compensation level specified in paragraph 25  
16       of this section. Provided, no member shall retire  
17       with an average salary in excess of Twenty-five  
18       Thousand Dollars (\$25,000.00) unless the member has  
19       made the required election and paid the required  
20       contributions on such salary in excess of Twenty-five  
21       Thousand Dollars (\$25,000.00), or unless an eligible  
22       member fulfills the requirements of Section 17-116.2C  
23       of this title in order to have pre-cap removal service  
24       included in the retirement benefit computation of the

1 member using the regular annual compensation of the  
2 member for any pre-cap removal year of service so  
3 included subject to the maximum average salary amount,  
4 and

5 b. for those members who join the System after June 30,  
6 1992, shall mean the average of the salaries for five  
7 (5) consecutive years on which the highest  
8 contributions to the Teachers' Retirement System of  
9 Oklahoma were paid. Only salary on which required  
10 contributions have been made may be used in computing  
11 average salary,

12 c. for participating members of the System on or after  
13 the effective date of this act, means the first Ninety  
14 Thousand Dollars (\$90,000.00) of the regular annual  
15 compensation of the member or the regular annual  
16 compensation of the member on the effective date of  
17 this act, whichever is greater, and

18 d. for members who join the System on or after the  
19 effective date of this act, means the first Ninety  
20 Thousand Dollars (\$90,000.00) of the regular annual  
21 compensation of the member;

22 15. "Annuity" shall mean a lifetime benefit payable in fixed  
23 monthly installments;

1       16. "Retirement allowance" is one-twelfth (1/12) of the annual  
2 retirement benefit which shall be payable monthly;

3       17. "Retirement Benefit Fund" shall mean the fund from which  
4 all retirement benefits shall be paid based on such mortality tables  
5 as shall be adopted by the Board of Trustees;

6       18. "Actuary" shall mean a person or firm especially skilled  
7 through training and experience in financial calculation respecting  
8 the expectancy and duration of life;

9       19. "Actuarial equivalent" shall mean a benefit of equal value  
10 when computed upon the basis of such mortality and other tables as  
11 shall be adopted by the Board of Trustees;

12       20. The masculine pronoun, whenever used, shall include the  
13 feminine;

14       21. "Actuarially determined cost" shall mean the single sum  
15 which is actuarially equivalent in value to a specified annuity  
16 amount as determined on the basis of mortality and interest  
17 assumptions adopted by the Board of Trustees;

18       22. "Normal retirement age" means the earliest date upon which:

- 19           a. a member reaches the age sixty-two (62) with respect  
20               to a member whose first creditable service occurs  
21               prior to November 1, 2011, unless the member reaches a  
22               normal retirement date pursuant to subparagraph c or  
23               subparagraph d of this paragraph,

24

- 1           b. a member reaches the age of sixty-five (65) with  
2           respect to a member whose first creditable service  
3           occurs on or after November 1, 2011, or with respect  
4           to a member whose first creditable service occurs on  
5           or after November 1, 2011, reaches a normal retirement  
6           date pursuant to subparagraph d of this paragraph  
7           having attained a minimum age of sixty (60) years,  
8           c. the age at which the sum of a member's age and number  
9           of years of creditable service total eighty (80), with  
10           respect to a member whose first creditable service  
11           occurred prior to July 1, 1992, and who does not reach  
12           a normal retirement age pursuant to subparagraph a of  
13           this paragraph, or  
14           d. the age at which the sum of a member's age and number  
15           of years of creditable service total ninety (90), with  
16           respect to a member whose first creditable service  
17           occurred on or after July 1, 1992, but prior to  
18           November 1, 2011, if the member does not reach a  
19           normal retirement age pursuant to subparagraph a of  
20           this paragraph;

21           23. "Regular annual compensation" means salary plus fringe  
22           benefits, excluding the flexible benefit allowance pursuant to  
23           Section 26-105 of this title. For purposes of this definition,  
24           regular annual compensation shall include:

- 1 a. salary which accrues on a regular basis in proportion  
2 to the service performed including payments for staff  
3 development,
- 4 b. amounts that would otherwise qualify as salary under  
5 subparagraph a of this paragraph but are not received  
6 directly by the member pursuant to a good-faith,  
7 voluntary written salary reduction agreement in order  
8 to finance payments to a deferred compensation or tax-  
9 sheltered annuity program or to finance benefit  
10 options under a cafeteria plan qualifying under the  
11 United States Internal Revenue Code, 26 U.S.C.,  
12 Section 101 et seq.,
- 13 c. group health and disability insurance, group term life  
14 insurance, annuities, and pension plans, provided on a  
15 periodic basis to all qualified employees of the  
16 employer, which qualify as fringe benefits under the  
17 United States Internal Revenue Code, and
- 18 d. excluded from regular annual compensation are:
- 19 (1) expense reimbursement payments,  
20 (2) office, vehicle, housing, or other maintenance  
21 allowances,  
22 (3) the flexible benefit allowance provided pursuant  
23 to Section 26-105 of this title,  
24 (4) payment for unused vacation and sick leave,

- 1 (5) any payment made for reason of termination or
- 2 retirement not specifically provided for in
- 3 divisions (1) through (3) of this subparagraph,
- 4 (6) maintenance or other nonmonetary compensation,
- 5 (7) payment received as an independent contractor or
- 6 consultant, pursuant to a lawful contract which
- 7 complies with the requirements of subsection B of
- 8 Section 6-101.2 of this title,
- 9 (8) any benefit payments not made pursuant to a valid
- 10 employment agreement,
- 11 (9) compensation for clinical related activity
- 12 performed in the University of Oklahoma Health
- 13 Sciences Center (OUHSC) Professional Practice
- 14 Plan or Oklahoma State University Center for
- 15 Health Sciences (OSU-CHS) Professional Practice
- 16 Plan, and
- 17 (10) any other compensation not described in
- 18 subparagraphs a through c of this paragraph;

19 24. "Active classroom teacher" means a person employed by a  
 20 school district to teach students specifically identified classes  
 21 for specifically identified subjects during the course of a  
 22 semester, and who holds a valid certificate or license issued by and  
 23 in accordance with the rules and regulations of the State Board of  
 24 Education;

1       25. "Maximum compensation level" shall, except as otherwise  
2 authorized pursuant to the provisions of Section 17-116.2C of this  
3 title, mean:

- 4           a. Twenty-five Thousand Dollars (\$25,000.00) for  
5           creditable service authorized and performed prior to  
6           July 1, 1995, for members not electing a higher  
7           maximum compensation level,
- 8           b. Forty Thousand Dollars (\$40,000.00) for creditable  
9           service authorized and performed prior to July 1,  
10           1995, for members electing a maximum compensation  
11           level in excess of Twenty-five Thousand Dollars  
12           (\$25,000.00),
- 13           c. Twenty-seven Thousand Five Hundred Dollars  
14           (\$27,500.00) for members who, as of June 30, 1995, had  
15           elected to have a maximum compensation level not in  
16           excess of Twenty-five Thousand Dollars (\$25,000.00),  
17           and who were employed by an entity or institution  
18           within The Oklahoma State System of Higher Education  
19           for creditable service authorized and performed on or  
20           after July 1, 1995, but not later than June 30, 1996,  
21           if such member does not elect a higher maximum  
22           compensation level for this period as authorized by  
23           Section 17-116.2A of this title,
- 24

- 1           d.   Thirty-two Thousand Five Hundred Dollars (\$32,500.00)  
2           for members employed by a comprehensive university if  
3           the member meets the requirements imposed by Section  
4           17-116.2A of this title and the member elects to  
5           impose a higher maximum compensation level for service  
6           performed on or after July 1, 1995, but not later than  
7           June 30, 1996,
- 8           e.   Forty-four Thousand Dollars (\$44,000.00) for members  
9           who, as of June 30, 1995, had elected to have a  
10           maximum compensation level in excess of Twenty-five  
11           Thousand Dollars (\$25,000.00), and who were employed  
12           by an entity or institution within The Oklahoma State  
13           System of Higher Education for creditable service  
14           authorized and performed on or after July 1, 1995, but  
15           not later than June 30, 1996, if such member does not  
16           elect a higher maximum compensation level for this  
17           period as authorized by Section 17-116.2A of this  
18           title,
- 19           f.   Forty-nine Thousand Dollars (\$49,000.00) for members  
20           employed by a comprehensive university if the member  
21           meets the requirements imposed by Section 17-116.2A of  
22           this title and the member elects to impose a higher  
23           maximum compensation level for service performed on or  
24           after July 1, 1995, but not later than June 30, 1996,

1 g. the following amounts for creditable service  
2 authorized and performed by members employed by a  
3 comprehensive university, based upon the election of  
4 the member in effect as of June 30, 1995:

5 (1) for members who elected a maximum compensation  
6 level not in excess of Twenty-five Thousand  
7 Dollars (\$25,000.00):

8 (a) Thirty-two Thousand Five Hundred Dollars  
9 (\$32,500.00) for service authorized and  
10 performed on or after July 1, 1996, but not  
11 later than June 30, 1997,

12 (b) Thirty-seven Thousand Five Hundred Dollars  
13 (\$37,500.00) for service authorized and  
14 performed on or after July 1, 1997, but not  
15 later than June 30, 1998,

16 (c) Forty-two Thousand Five Hundred Dollars  
17 (\$42,500.00) for service authorized and  
18 performed on or after July 1, 1998, but not  
19 later than June 30, 2000,

20 (d) Forty-seven Thousand Five Hundred Dollars  
21 (\$47,500.00) for service authorized and  
22 performed on or after July 1, 2000, but not  
23 later than June 30, 2001,  
24

- 1 (e) Fifty-two Thousand Five Hundred Dollars  
2 (\$52,500.00) for service authorized and  
3 performed on or after July 1, 2001, but not  
4 later than June 30, 2002,
- 5 (f) Fifty-seven Thousand Five Hundred Dollars  
6 (\$57,500.00) for service authorized and  
7 performed on or after July 1, 2002, but not  
8 later than June 30, 2003,
- 9 (g) Sixty-two Thousand Five Hundred Dollars  
10 (\$62,500.00) for service authorized and  
11 performed on or after July 1, 2003, but not  
12 later than June 30, 2004,
- 13 (h) Sixty-seven Thousand Five Hundred Dollars  
14 (\$67,500.00) for service authorized and  
15 performed on or after July 1, 2004, but not  
16 later than June 30, 2005,
- 17 (i) Seventy-two Thousand Five Hundred Dollars  
18 (\$72,500.00) for service authorized and  
19 performed on or after July 1, 2005, but not  
20 later than June 30, 2006,
- 21 (j) Seventy-seven Thousand Five Hundred Dollars  
22 (\$77,500.00) for service authorized and  
23 performed on or after July 1, 2006, but not  
24 later than June 30, 2007, and

1                   (k) ~~the full amount of regular annual~~  
 2                    compensation Ninety Thousand Dollars  
 3                    (\$90,000.00) for service authorized and  
 4                    performed on or after ~~July 1, 2007~~ the  
 5                    effective date of this act, and

6                   (2) for members who elected a maximum compensation  
 7                    level in excess of Twenty-five Thousand Dollars  
 8                    (\$25,000.00):

9                   (a) Forty-nine Thousand Dollars (\$49,000.00) for  
 10                    service authorized and performed on or after  
 11                    July 1, 1996, but not later than June 30,  
 12                    1997,

13                   (b) Fifty-four Thousand Dollars (\$54,000.00) for  
 14                    service authorized and performed on or after  
 15                    July 1, 1997, but not later than June 30,  
 16                    1998,

17                   (c) Fifty-nine Thousand Dollars (\$59,000.00) for  
 18                    service authorized and performed on or after  
 19                    July 1, 1998, but not later than June 30,  
 20                    2000,

21                   (d) Sixty-four Thousand Dollars (\$64,000.00) for  
 22                    service authorized and performed on or after  
 23                    July 1, 2000, but not later than June 30,  
 24                    2001,

- 1 (e) Sixty-nine Thousand Dollars (\$69,000.00) for  
2 service authorized and performed on or after  
3 July 1, 2001, but not later than June 30,  
4 2002,
- 5 (f) Seventy-four Thousand Dollars (\$74,000.00)  
6 for service authorized and performed on or  
7 after July 1, 2002, but not later than June  
8 30, 2003,
- 9 (g) Seventy-nine Thousand Dollars (\$79,000.00)  
10 for service authorized and performed on or  
11 after July 1, 2003, but not later than June  
12 30, 2004,
- 13 (h) Eighty-four Thousand Dollars (\$84,000.00)  
14 for service authorized and performed on or  
15 after July 1, 2004, but not later than June  
16 30, 2005,
- 17 (i) Eighty-nine Thousand Dollars (\$89,000.00)  
18 for service authorized and performed on or  
19 after July 1, 2005, but not later than June  
20 30, 2006,
- 21 (j) Ninety-four Thousand Dollars (\$94,000.00)  
22 for service authorized and performed on or  
23 after July 1, 2006, but not later than June  
24 30, 2007, and

1                   (k) ~~the full amount of regular annual~~  
2                   ~~compensation~~ Ninety Thousand Dollars  
3                   (\$90,000.00) for service authorized and  
4                   performed on or after ~~July 1, 2007~~ the  
5                   effective date of this act, and

6           h.    the full amount of regular annual compensation of:

7                   (1) a member of the retirement system not employed by  
8                   an entity or institution within The Oklahoma  
9                   State System of Higher Education for all  
10                  creditable service authorized and performed on or  
11                  after July 1, 1995,

12                  (2) a member of the retirement system first employed  
13                  on or after July 1, 1995, by an entity or  
14                  institution within The Oklahoma State System of  
15                  Higher Education for all creditable service  
16                  authorized and performed on or after July 1,  
17                  1995, but not later than June 30, 1996,

18                  (3) a member of the retirement system employed by an  
19                  entity or institution within The Oklahoma State  
20                  System of Higher Education, other than a  
21                  comprehensive university, if the member elects to  
22                  impose a higher maximum compensation level for  
23                  service performed on or after July 1, 1995, but  
24

- 1 not later than June 30, 1996, pursuant to  
2 subsection B of Section 17-116.2A of this title,  
3 (4) a member of the retirement system who is first  
4 employed on or after July 1, 1996, by any entity  
5 or institution within The Oklahoma State System  
6 of Higher Education including a comprehensive  
7 university, for creditable service authorized and  
8 performed on or after July 1, 1996,  
9 (5) a member of the retirement system who, as of July  
10 1, 1996, is subject to a maximum compensation  
11 level pursuant to subparagraph g of this  
12 paragraph if the member terminates service with a  
13 comprehensive university and is subsequently  
14 reemployed by a comprehensive university,  
15 (6) a member of the retirement system employed by a  
16 comprehensive university for all service  
17 performed on and after July 1, 2007, or  
18 (7) an eligible member of the retirement system who  
19 fulfills the requirements of Section 17-116.2C of  
20 this title with respect to pre-cap removal  
21 service included in the retirement benefit  
22 computation of the member at the average salary  
23 of the member subject to the maximum average  
24 salary amount; and

1 26. "Comprehensive university" shall mean:

- 2 a. the University of Oklahoma and all of its constituent  
3 agencies including the University of Oklahoma Health  
4 Sciences Center, the University of Oklahoma Law  
5 Center, and the Oklahoma Geological Survey, and  
6 b. Oklahoma State University and all of its constituent  
7 agencies including the Oklahoma State University  
8 Agricultural Experiment Station, the Oklahoma State  
9 University Agricultural Extension Division, the  
10 Oklahoma State University College of Veterinary  
11 Medicine, the Oklahoma State University Center for  
12 Health Sciences, the Technical Branch at OSU-Oklahoma  
13 City, the Oklahoma State University Institute of  
14 Technology-Okmulgee, and Oklahoma State University-  
15 Tulsa.

16 SECTION 12. AMENDATORY 70 O.S. 2021, Section 17-108.1,  
17 is amended to read as follows:

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

- 22 a. beginning July 1, 1998, through June 30, 1999, eleven  
23 and one-half percent (11 1/2%) of the regular annual  
24

- 1 compensation of the member not in excess of any  
2 applicable maximum compensation level of the member,  
3 b. beginning July 1, 1999, through June 30, 2000, four  
4 and eight-tenths percent (4.8%) of the regular annual  
5 compensation of the member not in excess of any  
6 applicable maximum compensation level of the member,  
7 c. beginning July 1, 2000, through June 30, 2001, five  
8 and eight-tenths percent (5.8%) of the regular annual  
9 compensation of the member not in excess of any  
10 applicable maximum compensation level of the member,  
11 d. beginning July 1, 2001, through June 30, 2002, six and  
12 eight-tenths percent (6.8%) of the regular annual  
13 compensation of the member not in excess of any  
14 applicable maximum compensation level of the member,  
15 e. beginning July 1, 2002, through December 31, 2006,  
16 seven and five-hundredths percent (7.05%) of the  
17 regular annual compensation of the member not in  
18 excess of any applicable maximum compensation level of  
19 the member,  
20 f. beginning January 1, 2007, through June 30, 2007,  
21 seven and six-tenths percent (7.6%) of the regular  
22 annual compensation of the member not in excess of any  
23 applicable maximum compensation level of the member,  
24

- 1 g. beginning July 1, 2007, through December 31, 2007,  
2 seven and eighty-five hundredths percent (7.85%) of  
3 the regular annual compensation of the member not in  
4 excess of any applicable maximum compensation level of  
5 the member,
- 6 h. beginning January 1, 2008, through June 30, 2008,  
7 eight and thirty-five hundredths percent (8.35%) of  
8 the regular annual compensation of the member not in  
9 excess of any applicable maximum compensation level of  
10 the member,
- 11 i. beginning July 1, 2008, through December 31, 2008,  
12 eight and five-tenths percent (8.5%) of the regular  
13 annual compensation of the member not in excess of any  
14 applicable maximum compensation level of the member,
- 15 j. beginning January 1, 2009, through December 31, 2009,  
16 nine percent (9%) of the regular annual compensation  
17 of the member not in excess of any applicable maximum  
18 compensation level of the member,
- 19 k. beginning January 1, 2010, through June 30, 2010, nine  
20 and five-tenths percent (9.5%) of the regular annual  
21 compensation of the member not in excess of any  
22 applicable maximum compensation level of the member,  
23 and  
24

1           1.    ~~beginning July 1, 2010, through June 30, 2011, and for~~  
2                    ~~each fiscal year thereafter~~ on the effective date of  
3                    this act, nine and five-tenths percent (9.5%) for the  
4                    first Ninety Thousand Dollars (\$90,000.00) of the  
5                    regular annual compensation of the member not in  
6                    excess of any applicable maximum compensation level of  
7                    the member or, for a member who is a participating  
8                    member of the System on the effective date of this  
9                    act, nine and five-tenths percent (9.5%) of the  
10                   regular annual compensation of the member on the  
11                   effective date of this act, whichever is greater, not  
12                   in excess of any applicable maximum compensation level  
13                   of the member.

14           The employer contribution rate increase that would otherwise be  
15 effective, as provided by subparagraphs f, g, h, i, j, k and l of  
16 this paragraph, shall not become effective as law unless funding  
17 levels to each of the affected participating employers within the  
18 System are increased so that the additional employer contribution  
19 obligation is funded through an appropriation or transfer of monies  
20 instead of requiring the additional employer contribution to be paid  
21 for from existing budgetary resources of such participating  
22 employers. The participating employers shall use any monies  
23 specifically made available for purposes of making employer  
24

1 contributions for such purpose and to the extent of the funds made  
2 available for that purpose.

3       2.    a.   Beginning January 1, 2007, through December 31, 2007,  
4            a 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 seven and  
10           five-hundredths percent (7.05%) of the regular annual  
11           compensation of the member not in excess of any  
12           applicable maximum compensation level.

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

23        c.   Beginning January 1, 2009, through December 31, 2009,  
24            a participating employer that employs an employee of a

1 comprehensive university or a regional institution  
2 offering a four-year degree program as designated or  
3 authorized by the Oklahoma State Regents for Higher  
4 Education shall make contributions to the System with  
5 respect to such employees at the rate of eight and  
6 five hundredths percent (8.05%) of the regular annual  
7 compensation of the member not in excess of any  
8 applicable maximum compensation level of the member.

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

19 e. Beginning July 1, 2010, through June 30, 2011, and for  
20 each fiscal year thereafter, a participating employer  
21 that employs an employee of a comprehensive university  
22 or a regional institution offering a four-year degree  
23 program as designated or authorized by the Oklahoma  
24 State Regents for Higher Education shall make

1 contributions to the System with respect to such  
2 employees at the rate of eight and fifty-five  
3 hundredths percent (8.55%) of the regular annual  
4 compensation of the member not in excess of any  
5 applicable maximum compensation level of the member.

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

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

21 B. For entities or institutions within The Oklahoma State  
22 System of Higher Education, the contributions to the System shall be  
23 made on regular annual compensation of a member who is an employee  
24

1 of such entity or institution not to exceed the maximum compensation  
2 level in effect for the member as prescribed by law.

3 C. Employers paying contributions to the System pursuant to  
4 subsection A or B of this section shall receive credit for that  
5 portion of the gross production tax on natural gas and/or casinghead  
6 gas apportioned to the System pursuant to subsection 2 of Section  
7 1004 of Title 68 of the Oklahoma Statutes in meeting the total  
8 required employer contribution. On an annual basis, the Board of  
9 Trustees of the Teachers' Retirement System of Oklahoma shall  
10 estimate the net additional cost required to be paid by the  
11 contributing employers in order to meet the total employer  
12 contribution as provided in subsection A or B of this section. The  
13 Board of Trustees shall approve the amount of the additional  
14 contribution required to be paid by contributing employers as a  
15 percentage of total member salaries and fringe benefits for each  
16 fiscal year ending June 30, no later than April 1 of the previous  
17 fiscal year. In no event shall the additional contribution required  
18 to be paid by the contributing employer under this subsection be  
19 less than the contribution required under this subsection in the  
20 prior year. In the event actual contributions do not equal the  
21 required total contribution as provided in subsection A or B of this  
22 section, the net difference between the actual contributions and the  
23 required total contributions shall be determined and shall be  
24 included in the amount of the additional contribution required to be

1 paid by contributing employers for the next fiscal year. All  
2 contributing employers shall pay the same percentage of total member  
3 salaries and fringe benefits during each fiscal year. The  
4 provisions of this subsection shall terminate June 30, 1999.

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

18 E. All participating employers shall provide a complete record  
19 of the total compensation paid to each employee, including any  
20 person who is a retired member of the System, whether or not  
21 employer and employee contributions are made with respect to such  
22 compensation. The employer shall provide the report required by  
23 this subsection on a monthly basis on a form or using such method as  
24 the Teachers' Retirement System of Oklahoma may require and shall

1 provide a comprehensive annual report showing the correct  
2 compensation, service credit and contributions for the prior fiscal  
3 year. Each participating employer shall provide reasonable access  
4 to its payroll records, records of contribution payments to the  
5 System and all other records relevant to the participation of its  
6 employees in the System, to the System, its employees or authorized  
7 agents. A participating employer shall cooperate with auditors  
8 retained by the System to audit its financial statements or  
9 otherwise audit the financial operations of the System.

10 F. On or after the effective date of this act, any amount of  
11 money not required for purposes of the employer contribution  
12 otherwise provided by this section shall be transferred to the  
13 Special Cash Fund to be used for such purposes as may be provided by  
14 law including, but not limited to, any purpose prescribed by an  
15 appropriation measure enacted during any regular or extraordinary  
16 session of the Legislature.

17 SECTION 13. AMENDATORY 70 O.S. 2021, Section 17-116.2,  
18 is amended to read as follows:

19 Section 17-116.2. A. 1. Beginning July 1, 1987, and prior to  
20 July 1, 1995, a member who retires on or after the member's normal  
21 retirement age or whose retirement is because of disability shall  
22 receive an annual allowance for life, payable monthly, in an amount  
23 equal to two percent (2%) of the member's highest three-year average  
24

1 salary upon which member contributions were made, multiplied by the  
2 number of the member's years of creditable service.

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

11 An unclassified member who retired prior to July 1, 1986, shall have  
12 the member's retirement allowance calculated on a minimum average  
13 salary of Nine Thousand Five Hundred Dollars (\$9,500.00) or on the  
14 member's current minimum average salary plus One Thousand Dollars  
15 (\$1,000.00), whichever is greater. Beginning July 1, 1994, an  
16 unclassified member who retired prior to July 1, 1993, shall have  
17 the member's retirement allowance calculated on the member's current  
18 minimum average salary plus Two Hundred Seventy-five Dollars  
19 (\$275.00). Those individuals receiving benefits pursuant to  
20 subsection (3) of Section 17-105 of this title whose benefits  
21 commenced prior to July 1, 1993, shall receive an increase in  
22 benefits of two and one-half percent (2 1/2%). No retirement  
23 benefit payments shall be made retroactively.

24

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

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

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

1 (\$25,000.00) prior to July 1, 1995, in an amount equal  
2 to:

3 (1) two percent (2%) of the member's average salary  
4 upon which member contributions were made not to  
5 exceed Forty Thousand Dollars (\$40,000.00),  
6 multiplied by the number of the member's years of  
7 credited service authorized and performed prior  
8 to July 1, 1995, plus any years of prior service  
9 authorized under this title, plus

10 (2) two percent (2%) of the member's average salary  
11 upon which member contributions were made,  
12 multiplied by the number of the member's years of  
13 credited service authorized and performed after  
14 June 30, 1995, or

15 c. if the member became a member or is eligible to become  
16 a member prior to July 1, 1995, and was eligible to  
17 elect to have a maximum compensation level in excess  
18 of Twenty-five Thousand Dollars (\$25,000.00) and did  
19 not elect or elected not to have a maximum  
20 compensation level of Forty Thousand Dollars  
21 (\$40,000.00) pursuant to paragraph 1 of subsection C  
22 of this section or pursuant to subsection E of this  
23 section, in an amount equal to:  
24

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

8           (2) two percent (2%) of the member's average salary  
9           upon which member contributions were made,  
10          multiplied by the number of the member's years of  
11          credited service authorized and performed after  
12          June 30, 1995.

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

15           1. Beginning July 1, 1992, through June 30, 1996, six percent  
16           (6%) of the regular annual compensation of such member not in excess  
17           of Twenty-five Thousand Dollars (\$25,000.00) and beginning July 1,  
18           1995, through June 30, 1996, six percent (6%) of the maximum  
19           compensation level;

20           2. Beginning July 1, 1996, through June 30, 1997, six and one-  
21           half percent (6 1/2%) of the regular annual compensation of members,  
22           who are not employed by an entity or institution within The Oklahoma  
23           State System of Higher Education not in excess of Twenty-five  
24           Thousand Dollars (\$25,000.00) and beginning July 1, 1996, through

1 June 30, 1997, six and one-half percent (6 1/2%) of the regular  
2 annual compensation of members, who are employed by an entity or  
3 institution within The Oklahoma State System of Higher Education,  
4 not in excess of Twenty-five Thousand Dollars (\$25,000.00);

5 3. Beginning ~~July 1, 1997~~ on the effective date of this act,  
6 seven percent (7%) for the first Ninety Thousand Dollars  
7 (\$90,000.00) of the regular annual compensation of the member not in  
8 excess of any applicable maximum compensation level of the member  
9 or, for a member who is a participating member of the System on the  
10 effective date of this act, seven percent (7%) of the regular annual  
11 compensation of the member on the effective date of this act,  
12 whichever is greater, not in excess of any applicable maximum  
13 compensation level of the member; and

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

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

23 C. 1. Prior to July 1, 1995, an active member of the System  
24 may elect to have a maximum compensation level of Forty Thousand

1 Dollars (\$40,000.00). Such an election shall be made in writing and  
2 filed with the System. Members whose salaries are in excess of  
3 Twenty-five Thousand Dollars (\$25,000.00) on July 20, 1987, shall  
4 file the election with the System prior to January 1, 1988. Members  
5 whose salaries exceed Twenty-five Thousand Dollars (\$25,000.00)  
6 after July 20, 1987, shall file the election when the salary exceeds  
7 Twenty-five Thousand Dollars (\$25,000.00). If a member makes such  
8 an election, the member shall contribute the following amounts:

- 9 a. beginning July 1, 1992, through June 30, 1993, eleven  
10 percent (11%) of the regular annual compensation of  
11 such member that is in excess of Twenty-five Thousand  
12 Dollars (\$25,000.00) and is not in excess of Forty  
13 Thousand Dollars (\$40,000.00),
- 14 b. beginning July 1, 1993, through June 30, 1994, nine  
15 percent (9%) of the regular annual compensation of  
16 such member that is in excess of Twenty-five Thousand  
17 Dollars (\$25,000.00) and is not in excess of Forty  
18 Thousand Dollars (\$40,000.00), and
- 19 c. beginning July 1, 1994, through June 30, 1995, eight  
20 percent (8%) of the regular annual compensation of  
21 such member that is in excess of Twenty-five Thousand  
22 Dollars (\$25,000.00) and is not in excess of Forty  
23 Thousand Dollars (\$40,000.00). Except as provided in  
24

1 subsection E of this section, any such election shall  
2 be irrevocable.

3 2. After June 30, 1995, in addition to the amount contributed  
4 by each member to the retirement system pursuant to subsection B of  
5 this section, the total amount contributed by each member to the  
6 retirement system shall include, beginning July 1, 1995, through  
7 June 30, 1997, seven percent (7%) of the regular annual compensation  
8 of each member, who is not employed by an entity or institution  
9 within The Oklahoma State System of Higher Education, that is in  
10 excess of Twenty-five Thousand Dollars (\$25,000.00) and beginning  
11 July 1, 1996, through June 30, 1997, seven percent (7%) of the  
12 regular annual compensation of each member who is employed by an  
13 entity or institution within The Oklahoma State System of Higher  
14 Education in excess of Twenty-five Thousand Dollars (\$25,000.00),  
15 but not in excess of any applicable maximum compensation level of  
16 the member.

17 D. 1. Any member who was a contributing member of the  
18 Retirement System between July 1, 1987, and June 30, 1995, who at  
19 the time the member was eligible to make an election to increase the  
20 maximum compensation level of the member, failed to make an election  
21 or chose not to increase the maximum compensation level of the  
22 member to Forty Thousand Dollars (\$40,000.00), may elect to make  
23 back contributions to the Retirement System. The member shall  
24 complete a new election form and file with the Board of Trustees,

1 the form and a payment equaling the difference between the amount  
2 contributed at the twenty-five-thousand-dollar level and the  
3 appropriate contribution on compensation in excess of Twenty-five  
4 Thousand Dollars (\$25,000.00) up to a maximum of Forty Thousand  
5 Dollars (\$40,000.00) shall be made prior to the official retirement  
6 date of the member. The required payment shall include any  
7 contribution required by the employing school district, and shall  
8 include interest compounded annually at ten percent (10%) per annum  
9 of both employer and employee contributions.

10 2. Any changes made pursuant to this subsection shall be  
11 irrevocable.

12 E. 1. An individual who withdrew from the Teachers' Retirement  
13 System and whose salary was in excess of Seven Thousand Eight  
14 Hundred Dollars (\$7,800.00) and had elected to contribute only on  
15 Seven Thousand Eight Hundred Dollars (\$7,800.00) before his or her  
16 withdrawal shall contribute on the earning ceiling as provided for  
17 in this section on his or her reentry into membership in the  
18 Teachers' Retirement System.

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

23 3. Any member who elected to contribute on Seven Thousand Eight  
24 Hundred Dollars (\$7,800.00) prior to January 1, 1978, and whose

1 salary was more than Seven Thousand Eight Hundred Dollars  
2 (\$7,800.00) during the school years 1974-75 through 1978-79 may  
3 elect to make back contributions to the retirement system by paying  
4 the five percent (5%) contributions on the difference between Seven  
5 Thousand Eight Hundred Dollars (\$7,800.00) and the actual salary of  
6 the member, not to exceed Ten Thousand Dollars (\$10,000.00) for each  
7 applicable school year, plus interest compounded annually at ten  
8 percent (10%) per annum. Such payment shall be made prior to the  
9 official retirement date of the member.

10 F. Each employer shall cause to be deducted from the salary of  
11 each member on each and every payroll of such employer for each and  
12 every payroll period, the proper percentage of his or her earnable  
13 compensation as provided for in subsection B or subsection C of this  
14 section.

15 1. Deductions shall begin with the first payroll period of the  
16 school year. In determining the amount earnable by a member in a  
17 payroll period, the Board of Trustees shall consider the rate of  
18 annual compensation payable to such member on the first day of the  
19 payroll period as continuing throughout such payroll period, and it  
20 may omit deductions from compensation for any period less than a  
21 full period, and to facilitate the making of deductions, it may  
22 modify the deduction required of any member by such an amount as  
23 shall not exceed one-tenth of one percent (1/10 of 1%) of the annual  
24 compensation upon the basis of which such deduction is to be made.

1 Prior to January 1, 1991, any active contributing member who joined  
2 the System subsequent to July 1, 1943, may pay the normal cost,  
3 which shall mean the single sum which would have been paid under  
4 existing statutes at the time the service was performed, plus  
5 interest, for years of teaching service in Oklahoma from the date of  
6 establishment of the System in 1943 to date of membership, in a lump  
7 sum, or in installments equal to establishing one (1) year of  
8 creditable service. Effective January 1, 1991, any active  
9 contributing member who joined the System subsequent to July 1,  
10 1943, may pay the amount determined by the Board of Trustees  
11 pursuant to Section 17-116.8 of this title for years of teaching  
12 service in Oklahoma from the date of establishment of the System in  
13 1943 to date of membership, in a lump sum, or in installments equal  
14 to establishing one (1) year of creditable service. For purposes of  
15 this option, teaching service in Oklahoma shall include the teaching  
16 of vocational agricultural courses within Oklahoma for the federal  
17 government. Years for which contributions are paid shall count as  
18 membership service under this plan. A member may receive credit for  
19 not more than five (5) years of teaching service rendered while in  
20 the Peace Corps or in the public schools of a territory of the  
21 United States or the public schools, American Military Dependent  
22 Schools or state colleges or state universities outside this state  
23 by paying his or her contributions, plus interest, and membership  
24 fees to the retirement system, subject to the regulations of the

1 Board of Trustees, providing he or she is not receiving and is not  
2 eligible to receive retirement credit or benefits from said service  
3 in any other public retirement system of this state, or any other  
4 state or territory of the United States subject to the following  
5 provisions:

6 a. the member is required to have two (2) years of  
7 employed service teaching earned in Oklahoma for each  
8 year of Peace Corps, territorial, out-of-state,  
9 noncovered in-state or military membership credit  
10 granted.

11 b. prior to January 1, 1991, the out-of-state or  
12 noncovered in-state payment shall be the normal cost,  
13 which means the single sum which would have been paid  
14 under existing law at the time the service was  
15 performed, plus interest, on the basis of what his or  
16 her annual salary would have been in Oklahoma or out  
17 of state, whichever is greater, had he or she been  
18 employed as a teacher. Effective January 1, 1991, the  
19 Peace Corps, territorial, out-of-state or noncovered  
20 in-state payment shall be the amount determined by the  
21 Board of Trustees pursuant to Section 17-116.8 of this  
22 title.

23 2. In addition to the deductions hereinabove provided for, any  
24 member who becomes a member of the Armed Forces of the United States

1 of America during any period of national emergency, including World  
2 War II, the Korean conflict, the Vietnam conflict or others as may  
3 be determined by the Board of Trustees, or whose entrance into or  
4 training for the teaching profession was interrupted by his or her  
5 entrance into the Armed Forces, and who was or shall have become a  
6 member of the Teachers' Retirement System shall be granted the  
7 privilege of making up his or her five percent (5%) contributions as  
8 provided for in this section until January 1, 1991, for not to  
9 exceed five (5) years of service in the Armed Forces by electing to  
10 pay said contributions on the basis of the rate of pay in his or her  
11 contract as a teacher at the time his or her service in the Armed  
12 Forces commenced or in the case of a teacher who was not teaching  
13 prior to entering the Armed Forces, on the basis of the salary of  
14 the first year of teaching after being honorably discharged from the  
15 Armed Forces. Effective January 1, 1991, the member will receive  
16 such service upon payment of the amount determined by the Board of  
17 Trustees pursuant to Section 17-116.8 of this title. Such  
18 contributions shall be credited in the regular manner, and the  
19 period for which said contributions were paid shall be counted as  
20 creditable years of service and allocated to the period during which  
21 the military service was rendered, except that the period for which  
22 contributions were paid must have been continuous and shall be  
23 credited in the aggregate, regardless of fiscal year limitations.  
24 Notwithstanding any provision herein to the contrary, contributions,

1 benefits and service credit with respect to qualified military  
2 service as defined by Section 414(u) of the Internal Revenue Code of  
3 1986 shall be provided in accordance with Section 414(u) of the  
4 Internal Revenue Code.

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

8 G. Effective July 1, 2004, the total creditable service of a  
9 member who retires or terminates employment and elects a vested  
10 benefit shall include not to exceed one hundred twenty (120) days of  
11 unused sick leave accumulated subsequent to August 1, 1959. Twenty  
12 (20) days of unused sick leave shall equal one (1) month for  
13 purposes of creditable service credit. If the member becomes a  
14 member or was eligible to become a member prior to July 1, 1995, the  
15 year of credit received in this section shall be treated as service  
16 earned prior to July 1, 1995. This subsection shall apply to  
17 members retiring or vesting on or after the effective date of this  
18 act and shall not be retroactive.

19 H. Any member who:

20 1. Shall be absent from the teaching service because of  
21 election to the State Legislature or appointment to the executive  
22 branch in an education-related capacity shall be allowed thirty (30)  
23 days from the date as of which the person is officially elected or  
24 appointed to file an election with the Teachers' Retirement System

1 to retain his or her membership in the Teachers' Retirement System  
2 upon payment of the contribution required of other members and  
3 employers of said members as provided for in this section and his or  
4 her service credits shall continue to be accumulated during such  
5 absence, provided he or she is not receiving retirement credits or  
6 benefits from said service beginning after July 1, 1992, in other  
7 public retirement systems; or

8       2. Became an employee of the Oklahoma Commission for Teacher  
9 Preparation on or subsequent to June 1, 2001, but prior to July 1,  
10 2002, who was previously employed by a participating employer within  
11 the Teachers' Retirement System of Oklahoma, may elect to cancel any  
12 accumulated service credit accrued within the Oklahoma Public  
13 Employees Retirement System on or after June 1, 2001, but prior to  
14 July 1, 2002, by filing an election with the Oklahoma Public  
15 Employees Retirement System for the cancellation of such service  
16 credit. The election shall be irrevocable and shall require the  
17 Oklahoma Public Employees Retirement System to transfer all  
18 accumulated employer and employee contributions made on behalf of or  
19 by the person making such election to the Teachers' Retirement  
20 System for such period of time. The Teachers' Retirement System  
21 shall compute the employee contributions that would have been made  
22 to the System by such employee if the contributions had been  
23 computed pursuant to this section. In order to receive the full  
24 amount of creditable service for the period of time on or after June

1 1, 2001, but not later than June 30, 2002, the employee shall be  
2 required to pay any difference between the transferred employee  
3 contributions and the amount computed by the Teachers' Retirement  
4 System. The employee may make payment of any required amount in the  
5 manner provided by and subject to the requirements of Section 17-  
6 116.8 of this title. After payment of all required employee  
7 contributions, the Teachers' Retirement System shall credit the  
8 period of time represented by the transferred employee contributions  
9 as creditable service within the meaning of Section 17-101 of this  
10 title. After the transfer of the employee contributions, the  
11 Oklahoma Public Employees Retirement System shall cancel any service  
12 credit previously accumulated for the period of time represented by  
13 such transferred employee contributions. Any person who makes the  
14 election provided for by this paragraph, and who continues  
15 employment with the Oklahoma Commission for Teacher Preparation on  
16 or after July 1, 2002, shall continue to accrue service credit in  
17 the Teachers' Retirement System of Oklahoma. The employer shall  
18 make employer contributions according to the requirements of Section  
19 17-108.1 of this title and shall provide for the deduction of  
20 employee contributions as required by this section.

21 I. Any member who shall be absent from the teaching service  
22 because of election or appointment as a local, state or national  
23 education association officer, prior to January 1, 2011, shall be  
24 allowed to retain his or her membership in the Teachers' Retirement

1 System upon payment of the contribution required of other members  
2 and employers of said members as provided for in this section and  
3 his or her service credits shall continue to be accumulated during  
4 such absence. Provided, however, any one such absence shall not  
5 exceed twelve (12) continuous years. No member who has less than  
6 ten (10) years of contributory service on July 1, 1994, may make  
7 this election after June 30, 1994. Members contributing to the  
8 System on July 1, 1994, may continue to contribute under this  
9 subsection until they have completed eight (8) years allowed by this  
10 subsection. The member may file for retirement when otherwise  
11 eligible for retirement as provided by Section 17-105 of this title.

12 J. A member may receive credit for those years of service  
13 accumulated by the member while employed by an entity which is a  
14 participating employer in the Oklahoma Firefighters Pension and  
15 Retirement System, the Oklahoma Police Pension and Retirement  
16 System, the Uniform Retirement System for Justices and Judges, the  
17 Oklahoma Law Enforcement Retirement System, or the Oklahoma Public  
18 Employees Retirement System, if the member is not receiving or  
19 eligible to receive retirement credit or benefits from said service  
20 in any other public retirement system. A member also may receive  
21 credit for those years of service with the Department of Wildlife  
22 Conservation or with an employer that is a participating employer  
23 within one of the state retirement systems specifically referred to  
24 in this section when at the time of such service by the member the

1 employer was not such a participating employer, if the member is not  
2 receiving or eligible to receive retirement credit or benefits from  
3 said service in any other public retirement system. To receive the  
4 service credit provided in this subsection, the member shall pay the  
5 amount determined by the Board of Trustees pursuant to Section 17-  
6 116.8 of this title. For purposes of this subsection, creditable  
7 service transferred from the Oklahoma Public Employees Retirement  
8 System shall include service authorized under paragraph (f) of  
9 subsection (2) of Section 913 of Title 74 of the Oklahoma Statutes  
10 as amended from time to time. Members who retire prior to July 1,  
11 1993, shall have their monthly benefit adjusted to include all  
12 services accrued under paragraph (f) of subsection (2) of Section  
13 913 of Title 74 of the Oklahoma Statutes. Provided however, any  
14 adjustment of existing retirement benefits caused by reason of  
15 inclusion of such service authorized under paragraph (f) of  
16 subsection (2) of Section 913 of Title 74 of the Oklahoma Statutes  
17 shall not affect any retirement benefit paid prior to July 1, 1993.

18 K. 1. An active member of the Teachers' Retirement System of  
19 Oklahoma may receive credit for those years of service accumulated  
20 by the member while a member of the Oklahoma Public Employees  
21 Retirement System if:

22 a. the member is an active member of the Teachers'  
23 Retirement System of Oklahoma, and  
24

- 1           b.    the member provides notice to the Oklahoma Public  
2                Employees Retirement System and the Teachers'  
3                Retirement System of Oklahoma of the member's election  
4                to transfer said service credit.  The notice shall  
5                include a list of the years to be transferred, and
- 6           c.    the member is not receiving or eligible to receive  
7                retirement credit or benefits from said service in any  
8                other public retirement system, notwithstanding the  
9                years of service sought to be transferred under this  
10              subsection.

11           Members electing to take advantage of the transfer authorized by  
12           this subsection who are receiving or eligible to receive retirement  
13           credit or benefits from said service in any other public retirement  
14           system shall have all service credit with the Oklahoma Public  
15           Employees Retirement System canceled which is not transferred to the  
16           Teachers' Retirement System of Oklahoma or used as a cash offset in  
17           such a transfer pursuant to subparagraph d of paragraph 2 of this  
18           subsection.  Service credit transferred to the Teachers' Retirement  
19           System of Oklahoma under this subsection shall also be canceled with  
20           the Oklahoma Public Employees Retirement System.

21           2.    For purposes of this subsection, the "sending system" shall  
22           mean the Oklahoma Public Employees Retirement System.  The  
23           "receiving system" shall mean the Teachers' Retirement System of  
24           Oklahoma.

1 a. Within thirty (30) days notification of an intent to  
2 transfer is received by the sending system, the  
3 sending system shall, according to its own rules and  
4 regulations:

5 (1) for members who have accrued at least eight (8)  
6 years of credited service with the sending  
7 system, determine the present value of the  
8 member's earned benefits attributable to the  
9 years of service sought to be transferred,  
10 discounted according to the member's age at the  
11 time of transfer and computed as of the earliest  
12 age at which the member would be able to retire.  
13 Said computation shall assume an unreduced  
14 benefit and be computed using interest and  
15 mortality assumptions consistent with the  
16 actuarial assumptions adopted by the Board of  
17 Trustees for purposes of preparing the annual  
18 actuarial evaluation, but shall not make any  
19 projections regarding future salary. For  
20 employees who have accrued at least eight (8)  
21 years of credited service, the sending system  
22 shall use the product of this calculation for  
23 purposes of determining the transfer fee to be  
24 paid by the employee under subparagraph c of this

1 paragraph so long as it is greater than the  
2 product of the calculation in division (2) of  
3 this subparagraph, and

4 (2) determine the sum of the employee and employer  
5 contributions applicable to the years of service  
6 sought to be transferred plus interest consistent  
7 with the actuarial assumptions adopted by the  
8 Board of Trustees for purposes of preparing the  
9 annual actuarial evaluation. For all nonvested  
10 members, and for members who have accrued at  
11 least eight (8) years of credited service, if the  
12 product of this calculation is greater than the  
13 product of the calculation in division (1) of  
14 this subparagraph, the sending system shall use  
15 the product of this calculation for purposes of  
16 determining the amount to be transferred by the  
17 sending system under subparagraph c of this  
18 paragraph and any transfer fee to be paid by the  
19 member under subparagraph d of this paragraph.

20 b. Within thirty (30) days notification of an intent to  
21 transfer is received by the receiving system, the  
22 receiving system shall determine, according to the  
23 system's own rules and regulations, the present value  
24 of the member's incremental projected benefits

1           discounted according to the member's age at the time  
2           of the transfer. Incremental projected benefits shall  
3           be the difference between the projected benefit said  
4           member would receive without transferring the service  
5           credit and the projected benefit after transfer of  
6           service credit computed as of the earliest age at  
7           which the member would be able to retire. Said  
8           computation shall assume an unreduced benefit and be  
9           computed using interest, salary projections and  
10          mortality assumptions consistent with the actuarial  
11          assumptions adopted by the Board of Trustees for  
12          purposes of preparing the annual actuarial evaluation.

13          c. The sending system shall, within sixty (60) days from  
14          the date notification of an intent to transfer is  
15          received by the sending system, transfer to the  
16          receiving system the amount determined in subparagraph  
17          a of this paragraph. Except if the cost as calculated  
18          under subparagraph a of this paragraph is greater than  
19          the actuarial value of the incremental benefit in the  
20          receiving system, as established in subparagraph b of  
21          this paragraph, the sending system shall send the  
22          receiving system an amount equal to the actuarial  
23          value of the incremental projected benefit in the  
24          receiving system.

1           d. In order to receive the credit provided for in  
2 paragraph 1 of this subsection, if the cost of the  
3 actuarial value of the incremental benefit to the  
4 receiving system is greater than the cost as  
5 calculated under subparagraph a of this paragraph for  
6 the same years of service to the sending system as  
7 established in subparagraphs a and b of this  
8 paragraph, the employee shall elect to:

- 9           (1) pay any difference to receive full credit for the  
10           years sought to be transferred, or  
11           (2) receive prorated service credit for only the  
12           amount received from the Oklahoma Public  
13           Employees Retirement System pursuant to this  
14           subsection.

15           Such an election shall be made in writing, filed with  
16           the System prior to receiving the credit provided for  
17           in paragraph 1 of this subsection, and shall be  
18           irrevocable.

19           3. Within sixty (60) days of successfully completing all of the  
20 requirements for transfer under this subsection, the sending system  
21 shall pay the receiving system any amount due under this subsection.  
22 Within sixty (60) days of successfully completing all of the  
23 requirements for transfer under this subsection, the member shall  
24 pay the receiving system any amount due under this subsection. In

1 the event that the member is unable to pay the transfer fee provided  
2 for in this subsection by the due date, the Board of Trustees of the  
3 receiving system shall permit the member to amortize the transfer  
4 fee over a period not to exceed sixty (60) months. Said payments  
5 shall be made by payroll deductions unless the Board of Trustees  
6 permits an alternate payment source. The amortization shall include  
7 interest in an amount not to exceed the actuarially assumed interest  
8 rate adopted by the Board of Trustees for investment earnings each  
9 year. Any member who ceases to make payment, terminates, retires or  
10 dies before completing the payments provided for in this section  
11 shall receive prorated service credit for only those payments made,  
12 unless the unpaid balance is paid by said member, his or her estate  
13 or successor in interest within six (6) months after said member's  
14 death, termination of employment or retirement, provided no  
15 retirement benefits shall be payable until the unpaid balance is  
16 paid, unless said member or beneficiary affirmatively waives the  
17 additional six-month period in which to pay the unpaid balance.

18 4. Years of service transferred pursuant to this subsection  
19 shall be used both in determining the member's retirement benefit  
20 and in determining the years of service for retirement and/or  
21 vesting purposes. Years of service rendered as a member of the  
22 Oklahoma Public Employees Retirement System prior to July 1, 1992,  
23 if any, shall be deemed to be years of service rendered as a member  
24 of the Teachers' Retirement System of Oklahoma prior to July 1,

1 1992, and shall qualify such person as a member of the Teachers'  
2 Retirement System of Oklahoma before July 1, 1992.

3 5. Notwithstanding the requirements of subsection (5) of  
4 Section 917 of Title 74 of the Oklahoma Statutes, members electing  
5 to take advantage of the transfer authorized by this subsection who  
6 have withdrawn their contributions from the sending system shall  
7 remit to the sending system the amount of the accumulated  
8 contributions the member has withdrawn plus simple interest of ten  
9 percent (10%) per annum prior to making said election or the  
10 election shall be deemed invalid and the transfer shall be canceled.  
11 If such an election is deemed invalid and the transfer is canceled,  
12 the accumulated contribution remitted to the sending system by the  
13 member who originally withdrew their contributions shall be returned  
14 to the member. The member's rights and obligations regarding any  
15 service credit reestablished in the sending system due to a failure  
16 to satisfy the requirements of this subsection shall be determined  
17 by the sending system in accordance with Section 901 et seq. of  
18 Title 74 of the Oklahoma Statutes.

19 6. If any member fails for any reason to satisfy the  
20 requirements of this subsection, the election to transfer service  
21 credit shall be void and of no effect, and any service credited as a  
22 result of this transfer shall be canceled. If such service is  
23 canceled, the years of canceled service credit which were  
24 unsuccessfully transferred to the receiving system from the sending

1 system shall be reestablished in the sending system. The member's  
2 rights and obligations regarding any service credit reestablished in  
3 the sending system due to a failure to satisfy the requirements of  
4 this subsection shall be determined by the sending system in  
5 accordance with Section 901 et seq. of Title 74 of the Oklahoma  
6 Statutes.

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

9 L. Any member whose regular annual compensation was not  
10 determined as provided for by law may pay the member contribution  
11 required pursuant to subsection B of this section on such amount not  
12 included in the member's regular annual compensation and receive  
13 credit for such amount in the calculation of the member's benefit.  
14 The employees must pay the employer contributions required pursuant  
15 to Section 17-108.1 of this title. Interest at the rate of ten  
16 percent (10%) per annum shall be charged to both employee and  
17 employer contributions. Provided that the employing district may  
18 pay all or any portion of the contributions and interest the member  
19 is required to pay. Any payment by the employing district for a  
20 prior year obligation shall be considered a current obligation of  
21 the employer.

22 M. Any active member who elected during the 1978-79 school year  
23 to pay the difference between five percent (5%) on actual salary not  
24 exceeding Ten Thousand Dollars (\$10,000.00) and six percent (6%) on

1 actual salary not exceeding Fifteen Thousand Dollars (\$15,000.00)  
2 shall receive credit for one (1) year of credited service upon  
3 receipt and approval of a proper request by the Board of Trustees.

4 N. Effective July 1, 1988, any member who is employed by the  
5 Governor, the State Senate, the House of Representatives or the  
6 Legislative Service Bureau shall be allowed to elect to retain  
7 membership in the Retirement System upon payment of the accrued and  
8 current member contributions and employer contributions as provided  
9 in subsection B of this section and Section 17-108.1 of this title.  
10 Such contributions may be paid on behalf of the member by the  
11 employing entity. Upon payment of such contributions, service  
12 credits shall continue to be accumulated during such employment.  
13 Accrued contributions shall be paid to the Retirement System by  
14 August 1, 1989. Current contributions shall be paid to the  
15 Retirement System by the tenth of the following month beginning with  
16 the month of July 1989.

17 O. Notwithstanding any requirements of this title to restrict  
18 the payment of service purchases, the Board of Trustees shall  
19 promulgate such rules as necessary to allow active members of the  
20 System to make installment payments for the redeposit of withdrawn  
21 accounts or other payments due under the provisions of this title.  
22 The rules shall permit the member to amortize the balance due over a  
23 period not to exceed sixty (60) months, and shall include interest  
24 consistent with the actuarial assumptions adopted by the Board of

1 Trustees for purposes of preparing the annual actuarial evaluation.  
2 Further, the rules shall provide that all payments must be completed  
3 prior to the effective retirement date of the member.

4 P. 1. A member of the Oklahoma Public Employees Retirement  
5 System who becomes a member of the Teachers' Retirement System of  
6 Oklahoma because the member has become employed by an entity or  
7 institution within The Oklahoma State System of Higher Education,  
8 State Board of Education, State Board of Career and Technology  
9 Education, Oklahoma Department of Career and Technology Education,  
10 Oklahoma School of Science and Mathematics, Oklahoma Center for the  
11 Advancement of Science and Technology, State Department of  
12 Rehabilitation Services, Oklahoma State Regents for Higher  
13 Education, Department of Corrections, State Department of Education,  
14 Oklahoma Board of Private Vocational Schools, Board of Regents of  
15 Oklahoma Colleges, Oklahoma Student Loan Authority, or the Teachers'  
16 Retirement System of Oklahoma, may elect to receive credit in the  
17 Teachers' Retirement System of Oklahoma for those years of service  
18 accumulated by the member in the Oklahoma Public Employees  
19 Retirement System pursuant to this subsection. A member shall be  
20 eligible to elect to receive credit for such years of service if:

- 21 a. the member is an active member of the Teachers'  
22 Retirement System of Oklahoma,  
23 b. the member provides notice to the Teachers' Retirement  
24 System of Oklahoma and the Oklahoma Public Employees

1 Retirement System of the member's election to transfer  
2 such retirement credit. The notice shall include a  
3 list of the years to be transferred, and

4 c. the member is not receiving or eligible to receive  
5 retirement credit or benefits from such service in any  
6 other public retirement system, notwithstanding the  
7 years of service sought to be transferred under this  
8 subsection.

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

13 2. For purposes of this subsection, the "sending system" shall  
14 mean the Oklahoma Public Employees Retirement System. The  
15 "receiving system" shall mean the Teachers' Retirement System of  
16 Oklahoma. Within thirty (30) days after notification of an intent  
17 to transfer is received by the sending system, the sending system  
18 shall, according to its own rules, send to the receiving system all  
19 employer and employee contributions made on behalf of the member  
20 which were made to the sending system plus an additional amount of  
21 earnings based on the actuarial assumed rate of the sending system.  
22 Upon receipt of these contributions by the receiving system, the  
23 receiving system shall give credit to the transferring member in an  
24 amount equal to the years of service accrued in the sending system.

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

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

8        Q. A former member of the Teachers' Retirement System of  
9 Oklahoma who withdrew his or her contributions from the System prior  
10 to January 1, 1983, and who had at least ten (10) years of service  
11 in the System and purchased that service in the Oklahoma Public  
12 Employees Retirement System, may elect to revoke that purchase from  
13 the Oklahoma Public Employees Retirement System and to repay the  
14 withdrawn contributions to the System in order to be eligible, once  
15 such member reaches the normal retirement age, to receive a  
16 retirement benefit that is based upon years of service and  
17 compensation at the time such member terminated employment. In  
18 addition, such former member may elect to transfer service credit  
19 accrued in the Oklahoma Public Employees Retirement System to the  
20 Teachers' Retirement System of Oklahoma pursuant to subsection K of  
21 this section. The election, pursuant to this subsection, shall be  
22 made prior to September 1, 2000. The election and the repayment  
23 shall be made according to rules promulgated by the Board.

24

1 SECTION 14. AMENDATORY 74 O.S. 2021, Section 902, as  
2 last amended by Section 1, Chapter 280, O.S.L. 2024 (74 O.S. Supp.  
3 2025, Section 902), is amended to read as follows:

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

5 (1) "System" means the Oklahoma Public Employees Retirement  
6 System as established by Section 901 et seq. of this title and as it  
7 may hereafter be amended;

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

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

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

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

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

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

23 (8) "Board" means the Oklahoma Public Employees Retirement  
24 System Board of Trustees;

1 (9) "Compensation" means all salary and wages, as defined by  
2 the Board of Trustees, including amounts deferred under deferred  
3 compensation agreements entered into between a member and a  
4 participating employer, but exclusive of payment for overtime,  
5 payable to a member of the System for personal services performed  
6 for a participating employer but shall not include compensation or  
7 reimbursement for traveling, or moving expenses, or any compensation  
8 in excess of the maximum compensation level, provided:

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

12 For compensation for service on or after January 1,  
13 1988, through June 30, 1994, the maximum compensation  
14 level shall be Forty Thousand Dollars (\$40,000.00) per  
15 annum.

16 For compensation for service on or after July 1, 1994,  
17 through June 30, 1995, the maximum compensation level  
18 shall be Fifty Thousand Dollars (\$50,000.00) per  
19 annum; for compensation for service on or after July  
20 1, 1995, through June 30, 1996, the maximum  
21 compensation level shall be Sixty Thousand Dollars  
22 (\$60,000.00) per annum; for compensation for service  
23 on or after July 1, 1996, through June 30, 1997, the  
24 maximum compensation level shall be Seventy Thousand

1 Dollars (\$70,000.00) per annum; and for compensation  
2 for service on or after July 1, 1997, through June 30,  
3 1998, the maximum compensation level shall be Eighty  
4 Thousand Dollars (\$80,000.00) per annum. For  
5 compensation for services on or after ~~July 1, 1998,~~  
6 ~~there shall be no~~ the effective date of this act, the  
7 maximum compensation level for retirement purposes  
8 shall be as prescribed by subparagraph (e) of this  
9 paragraph.

10 (b) Compensation for retirement purposes shall include any  
11 amount of elective salary reduction under Section 457  
12 of the Internal Revenue Code of 1986 and any amount of  
13 nonelective salary reduction under Section 414(h) of  
14 the Internal Revenue Code of 1986.

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

21 (d) Current appointed members of the Oklahoma Tax  
22 Commission whose salary is constitutionally limited  
23 and is less than the highest salary allowed by law for  
24 his or her position shall be allowed, within ninety

1 (90) days from March 21, 2001, to make an election to  
2 use the highest salary allowed by law for the position  
3 to which the member was appointed for the purposes of  
4 making contributions and determination of retirement  
5 benefits. Such election shall be irrevocable and be  
6 in writing. Reappointment to the same office shall  
7 not permit a new election. Members appointed to the  
8 Oklahoma Tax Commission after the March 21, 2001,  
9 shall make such election, pursuant to this  
10 subparagraph, within ninety (90) days of taking  
11 office.

12 (e) For participating members of the System on or after  
13 the effective date of this act, the maximum  
14 compensation level shall be the first Ninety Thousand  
15 Dollars (\$90,000.00) of the regular annual  
16 compensation of the member or the regular annual  
17 compensation of the member on the effective date of  
18 this act, whichever is greater. For members who join  
19 the System on or after the effective date of this act,  
20 the maximum compensation level shall be the first  
21 Ninety Thousand Dollars (\$90,000.00) of the regular  
22 annual compensation of the member;

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

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

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

6 (13) "Eligible employer" means the state and any county, county  
7 hospital, city or town, conservation districts, circuit engineering  
8 districts and any public or private trust in which a county, city or  
9 town participates and is the primary beneficiary, is to be an  
10 eligible employer for the purpose of Section 901 et seq. of this  
11 title only, whose employees are covered by Social Security and are  
12 not covered by or eligible for another retirement plan authorized  
13 under the laws of this state which is in operation on the initial  
14 entry date. Emergency medical service districts may join the System  
15 upon proper application to the Board. Provided, affiliation by a  
16 county hospital shall be in the form of a resolution adopted by the  
17 board of control.

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

1 or those classes of employees as defined in this  
2 section.

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

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

12 (c) All employees of the George Nigh Rehabilitation  
13 Institute who elected to retain membership in the  
14 System, pursuant to Section 913.7 of this title, shall  
15 continue to be eligible employees for the purposes of  
16 Section 901 et seq. of this title. The George Nigh  
17 Rehabilitation Institute shall be considered a  
18 participating employer only for such employees.

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

1 considered a participating employer only for such  
2 employees.

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

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

19 (14) "Employee" means any officer or employee of a  
20 participating employer, whose employment is not seasonal or  
21 temporary and whose employment requires at least one thousand  
22 (1,000) hours of work per year and whose salary or wage is equal to  
23 the hourly rate of the monthly minimum wage for state employees.  
24 For those eligible employers outlined in Section 910 of this title,

1 the rate shall be equal to the hourly rate of the monthly minimum  
2 wage for that employer. Each employer, whose minimum wage is less  
3 than the state's minimum wage, shall inform the System of the  
4 minimum wage for that employer. This notification shall be by  
5 resolution of the governing body.

6 (a) Any employee of the county extension agents who is not  
7 currently participating in the Teachers' Retirement  
8 System of Oklahoma shall be a member of this System.

9 (b) Eligibility shall not include any employee who is a  
10 contributing member of the United States Civil Service  
11 Retirement System.

12 (c) It shall be mandatory for an officer, appointee or  
13 employee of the office of district attorney to become  
14 a member of this System if he or she is not currently  
15 participating in a county retirement system. Provided  
16 further, that if an officer, appointee or employee of  
17 the office of district attorney is currently  
18 participating in such county retirement system, he or  
19 she is ineligible for this System as long as he or she  
20 is eligible for such county retirement system. Any  
21 eligible officer, appointee or employee of the office  
22 of district attorney shall be given credit for prior  
23 service as defined in this section. The provisions  
24 outlined in Section 917 of this title shall apply to

1 those employees who have previously withdrawn their  
2 contributions.

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

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

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

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

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

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

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

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

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

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

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

20           (18) "Final average compensation" means the average annual  
21 compensation, including amounts deferred under deferred compensation  
22 agreements entered into between a member and a participating  
23 employer, up to, but not exceeding the maximum compensation levels  
24 as provided in paragraph (9) of this section received during the

1 highest three (3) of the last ten (10) years of participating  
2 service immediately preceding retirement or termination of  
3 employment and with respect to members whose first participating  
4 service occurs on or after July 1, 2013, the compensation received  
5 during the highest five (5) of the last ten (10) years of  
6 participating service immediately preceding retirement or  
7 termination of employment. Provided, no member shall retire with a  
8 final average compensation unless the member has made the required  
9 contributions on such compensation, as defined by the Board of  
10 Trustees;

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

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

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

22 (22) "Member" means an eligible employee or elected official  
23 who is in the System and is making the required employee or elected  
24 official contributions, or any former employee or elected official

1 who shall have made the required contributions to the System and  
2 shall have not received a refund or withdrawal;

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

8 (a) during the following periods, including the beginning  
9 and ending dates, and only for the periods served,  
10 from:

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

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

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

17 (iv) June 27, 1950, to January 31, 1955, commonly  
18 referred to as the Korean Conflict or the Korean  
19 War,

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

22 a. for the period from February 28, 1961, to  
23 August 4, 1964, military service shall only  
24

1 include service in the Republic of Vietnam  
2 during that period, and

3 b. for purposes of determining eligibility for  
4 education and training benefits, such period  
5 shall end on December 31, 1976, or

6 (vi) August 1, 1990, to December 31, 1991, commonly  
7 referred to as the Gulf War, the Persian Gulf  
8 War, or Operation Desert Storm, but excluding any  
9 person who served on active duty for training  
10 only, unless discharged from such active duty for  
11 a service-connected disability;

12 (b) during a period of war or combat military operation  
13 other than a conflict, war or era listed in  
14 subparagraph (a) of this paragraph, beginning on the  
15 date of Congressional authorization, Congressional  
16 resolution, or Executive Order of the President of the  
17 United States, for the use of the Armed Forces of the  
18 United States in a war or combat military operation,  
19 if such war or combat military operation lasted for a  
20 period of ninety (90) days or more, for a person who  
21 served, and only for the period served, in the area of  
22 responsibility of the war or combat military  
23 operation, but excluding a person who served on active  
24 duty for training only, unless discharged from such

1 active duty for a service-connected disability, and  
2 provided that the burden of proof of military service  
3 during this period shall be with the member, who must  
4 present appropriate documentation establishing such  
5 service.

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

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

19 (a) the first day of the month coinciding with or  
20 following a member's:

21 (1) sixty-second birthday with respect to members  
22 whose first participating service occurs prior to  
23 November 1, 2011, or  
24

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

9 (b) for any person who initially became a member prior to  
10 July 1, 1992, and who does not reach a normal  
11 retirement date pursuant to division (1) of  
12 subparagraph (a) of this paragraph, the first day of  
13 the month coinciding with or following the date at  
14 which the sum of a member's age and number of years of  
15 credited service total eighty (80); such a normal  
16 retirement date will also apply to any person who  
17 became a member of the sending system as defined in  
18 Section 901 et seq. of this title, prior to July 1,  
19 1992, regardless of whether there were breaks in  
20 service after July 1, 1992,

21 (c) for any person who became a member after June 30,  
22 1992, but prior to November 1, 2011, and who does not  
23 reach a normal retirement date pursuant to division  
24 (1) of subparagraph (a) of this paragraph, the first

1 day of the month coinciding with or following the date  
2 at which the sum of a member's age and number of years  
3 of credited service total ninety (90),

4 (d) in addition to subparagraphs (a), (b) and (c) of this  
5 paragraph, the first day of the month coinciding with  
6 or following a member's completion of at least twenty  
7 (20) years of full-time-equivalent employment as:

8 (i) a correctional or probation and parole officer  
9 with the Department of Corrections and at the  
10 time of retirement, the member was a correctional  
11 or probation and parole officer with the  
12 Department of Corrections,

13 (ii) a correctional officer, probation and parole  
14 officer or fugitive apprehension agent with the  
15 Department of Corrections who is in such position  
16 on June 30, 2004, or who is hired after June 30,  
17 2004, and who receives a promotion or change in  
18 job classification after June 30, 2004, to  
19 another position in the Department of  
20 Corrections, so long as such officer or agent has  
21 at least five (5) years of service as a  
22 correctional officer, probation and parole  
23 officer or fugitive apprehension agent with the  
24 Department, has twenty (20) years of full-time-

1 equivalent employment with the Department and was  
2 employed by the Department at the time of  
3 retirement,

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

18 (iv) a public safety officer employed by the Grand  
19 River Dam Authority for the first time on or  
20 after July 1, 2016,

21 (v) a deputy sheriff or jailer employed by any county  
22 that is a participating employer in the System  
23 for the first time as a deputy sheriff or jailer  
24 on or after November 1, 2020, or

1 (vi) beginning November 1, 2024, a deputy sheriff or  
2 jailer employed by any county that is a  
3 participating employer in the System for the  
4 first time as a deputy sheriff or jailer before  
5 November 1, 2020, including those who make the  
6 election authorized by division (2) of  
7 subparagraph b of paragraph (10) of subsection A  
8 of Section 915 of this title, and at the time of  
9 retirement, if the member was a deputy sheriff or  
10 jailer employed by the participating county, and  
11 such member has at least twenty (20) years of  
12 credited service upon which the two and one-half  
13 percent (2 1/2%) multiplier will be used in  
14 calculating the retirement benefit,

15 (e) for those fugitive apprehension agents who retire on  
16 or after July 1, 2002, the first day of the month  
17 coinciding with or following a member's completion of  
18 at least twenty (20) years of full-time-equivalent  
19 employment as a fugitive apprehension agent with the  
20 Department of Corrections and at the time of  
21 retirement, the member was a fugitive apprehension  
22 agent with the Department of Corrections, or

23 (f) for any member who was continuously employed by an  
24 entity or institution within The Oklahoma State System

1 of Higher Education and whose initial employment with  
2 such entity or institution was prior to July 1, 1992,  
3 and who without a break in service of more than thirty  
4 (30) days became employed by an employer participating  
5 in the Oklahoma Public Employees Retirement System,  
6 the first day of the month coinciding with or  
7 following the date at which the sum of the member's  
8 age and number of years of credited service total  
9 eighty (80);

10 (25) "Participating employer" means an eligible employer who  
11 has agreed to make contributions to the System on behalf of its  
12 employees;

13 (26) "Participating service" means the period of employment  
14 after the entry date for which credit is granted a member.  
15 Provided, on or after the effective date of this act, military  
16 service credit purchased under Section 913.8 of this title shall  
17 only be considered "participating service" if such service is  
18 immediately preceded by a period of employment with a participating  
19 employer and followed by a return to service as an employee with the  
20 same or another participating employer within ninety (90) days  
21 immediately following discharge from such military service;

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

1 Provided, on or after the effective date of this act, "prior  
2 service" shall also include service purchased under Section 913.8 of  
3 this title which does not meet the requirements of paragraph 26 of  
4 this section;

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

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

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

17 (31) "Social Security" means the old-age survivors and  
18 disability section of the federal Social Security Act;

19 (32) "Total disability" means a physical or mental disability  
20 accepted for disability benefits by the federal Social Security  
21 System;

22 (33) "Service-connected disability benefits" means military  
23 service benefits which are for a service-connected disability rated  
24

1 at twenty percent (20%) or more by the Veterans Administration or  
2 the Armed Forces of the United States;

3 (34) "Elected official" means a person elected to a state  
4 office in the legislative or executive branch of state government or  
5 a person elected to a county office for a definite number of years  
6 and shall include an individual who is appointed to fill the  
7 unexpired term of an elected state official;

8 (35) "Elected service" means the period of service as an  
9 elected official;

10 (36) "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; and

13 (37) "Public safety officers of the Grand River Dam Authority"  
14 means those persons hired by the Grand River Dam Authority on or  
15 after March 21, 2001, who are certified by the Council on Law  
16 Enforcement Education and Training or an equivalent certifying  
17 entity for law enforcement personnel training and who perform law  
18 enforcement functions as part of their regularly assigned duties and  
19 responsibilities on a full-time basis. With respect to any public  
20 safety officer hired by the Grand River Dam Authority on or after  
21 March 21, 2001, any earned benefits or credits toward retirement  
22 benefits from previous participation within the Oklahoma Public  
23 Employees Retirement System or the Oklahoma Law Enforcement  
24 Retirement System shall remain within that system.

1 SECTION 15. AMENDATORY 74 O.S. 2021, Section 919.1, as  
2 amended by Section 4, Chapter 280, O.S.L. 2024 (74 O.S. Supp. 2024,  
3 Section 919.1), is amended to read as follows:

4 Section 919.1. (1) Employee contributions to the System shall  
5 be:

6 (a) for employees except as otherwise provided in  
7 paragraphs (b), (c), (d), (e), (f) and (g) of this  
8 subsection: beginning ~~July 1, 2006~~ on the effective  
9 date of this act, and thereafter, three and one-half  
10 percent (3.5%) for the first Ninety Thousand Dollars  
11 (\$90,000.00) of allowable annual compensation or, for  
12 a member who is a participating member of the System  
13 on the effective date of this act, three and one-half  
14 percent (3.5%) of the allowable annual compensation of  
15 the employee on the effective date of this act,  
16 whichever is greater;

17 (b) for correctional officers and probation and parole  
18 officers employed by the Department of Corrections:  
19 beginning July 1, 1998, and thereafter, and for  
20 correctional officers or probation and parole officers  
21 who are in such position on June 30, 2004, or who are  
22 hired after June 30, 2004, and who receive a promotion  
23 or change in job classification after June 30, 2004,  
24 to another position in the Department of Corrections,

1 so long as such officers have at least five (5) years  
2 of service as a correctional officer or probation and  
3 parole officer, eight percent (8%), beginning on the  
4 effective date of this act, for the first Ninety  
5 Thousand Dollars (\$90,000.00) of allowable  
6 compensation as provided in paragraph (9) of Section  
7 902 of this title or, for correctional officers and  
8 probation and parole officers 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 (c) for fugitive apprehension agents who are employed with  
15 the Department of Corrections on or after July 1,  
16 2002, and for fugitive apprehension agents who are in  
17 such position on June 30, 2004, or who are hired after  
18 June 30, 2004, and who receive a promotion or change  
19 in job classification after June 30, 2004, to another  
20 position in the Department of Corrections, so long as  
21 such agents have at least five (5) years of service as  
22 a fugitive apprehension agent, eight percent (8%),  
23 beginning on the effective date of this act, for the  
24 first Ninety Thousand Dollars (\$90,000.00) of

1 allowable compensation as provided in paragraph (9) of  
2 Section 902 of this title or, for fugitive  
3 apprehension agents who are participating members of  
4 the System on the effective date of this act, eight  
5 percent (8%) of allowable compensation the member is  
6 receiving on the effective date of this act, whichever  
7 is greater, as provided in paragraph (9) of Section  
8 902 of this title;

9 (d) for firefighters of the Oklahoma Military Department  
10 first employed beginning July 1, 2002, and thereafter,  
11 and such firefighters who performed service prior to  
12 July 1, 2002, for the Oklahoma Military Department and  
13 who make the election authorized by division (1) of  
14 subparagraph b of paragraph (9) of subsection A of  
15 Section 915 of this title who perform service on or  
16 after July 1, 2002, in such capacity, eight percent  
17 (8%), beginning on the effective date of this act, for  
18 the first Ninety Thousand Dollars (\$90,000.00) of  
19 allowable compensation as provided in subsection (9)  
20 of Section 902 of this title or, for firefighters of  
21 the Oklahoma Military Department 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 (e) beginning on the effective date of this act, for all  
4 public safety officers of the Grand River Dam  
5 Authority as defined by paragraph (37) of Section 902  
6 of this title, eight percent (8%) for the first Ninety  
7 Thousand Dollars (\$90,000.00) of allowable  
8 compensation as provided in paragraph (9) of Section  
9 902 of this title or, for public safety officers of  
10 the Grand River Dam Authority who are participating  
11 members of the System on the effective date of this  
12 act, eight percent (8%) of allowable compensation the  
13 member is receiving on the effective date of this act,  
14 whichever is greater, as provided in paragraph (9) of  
15 Section 902 of this title;

16 (f) for deputy sheriffs and county jailers employed by any  
17 county that is a participating employer in the System  
18 for the first time as a deputy sheriff or jailer on or  
19 after November 1, 2020, or beginning November 1, 2024,  
20 those deputy sheriffs and county jailers employed by  
21 any county that is a participating employer in the  
22 System for the first time as a deputy sheriff or  
23 county jailer before November 1, 2020, eight percent  
24 (8%), beginning on the effective date of this act, for

1 the first Ninety Thousand Dollars (\$90,000.00) of  
2 allowable compensation as provided in paragraph (9) of  
3 Section 902 of this title or, for deputy sheriffs and  
4 county jailers who are participating members of the  
5 System on the effective date of this act, eight  
6 percent (8%) of allowable compensation the member is  
7 receiving on the effective date of this act, whichever  
8 is greater, as provided in paragraph (9) of Section  
9 902 of this title; and

- 10 (g) beginning on the effective date of this act, for all  
11 employees except those who make contributions pursuant  
12 to paragraphs (b), (c), (d), (e), and (f) of this  
13 subsection who make an irrevocable written election  
14 pursuant to paragraph (2) of subsection A of Section  
15 915 of this title: six and forty-one one-hundredths  
16 percent (6.41%) for the first Ninety Thousand Dollars  
17 (\$90,000.00) of allowable annual compensation or, for  
18 employees who are participating members of the System  
19 on the effective date of this act, except those who  
20 make contributions pursuant to paragraphs (b), (c),  
21 (d), (e), and (f) of this subsection who make an  
22 irrevocable written election pursuant to paragraph (2)  
23 of subsection A of Section 915 of this title: six and  
24 forty-one one-hundredths percent (6.41%) of allowable

1           annual compensation the member is receiving on the  
2           effective date of this act, whichever is greater.

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

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

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

1 any option to choose to receive the contributions so picked up  
2 directly and the picked up contributions must be paid by the  
3 participating employer to the System.

4 Member contributions which are picked up shall be treated in the  
5 same manner and to the same extent as member contributions made  
6 prior to the date on which member contributions were picked up by  
7 the participating employer. Member contributions so picked up shall  
8 be included in gross salary for purposes of determining benefits and  
9 contributions under the System.

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

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

20 SECTION 16. AMENDATORY 74 O.S. 2021, Section 920, is  
21 amended to read as follows:

22 Section 920. (1) Effective July 1, 1994, every state agency  
23 which is a participating employer shall contribute to the System an  
24 amount equal to eleven and one-half percent (11 1/2%) of the monthly

1 compensation of each member, but not in excess of Forty Thousand  
2 Dollars (\$40,000.00).

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

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

14 (4) Effective July 1, 1999, and through the fiscal year ending  
15 June 30, 2005, every state agency which is a participating employer  
16 shall contribute to the System an amount equal to ten percent (10%)  
17 of the monthly compensation of each member, not to exceed the  
18 allowable annual compensation defined in paragraph (9) of Section  
19 902 of this title.

20 (5) ~~Effective July 1, 2005~~ Beginning on the effective date of  
21 this act, except as otherwise provided by subsection (11) of this  
22 section, every state agency which is a participating employer shall  
23 contribute an amount to the System equal to a percentage of monthly  
24 compensation of each member, not to exceed the allowable annual

1 compensation defined in paragraph (9) of Section 902 of this title  
 2 as follows:

3	July 1, 2005 - June 30, 2006	11 1/2%
4	July 1, 2006 - June 30, 2007	12 1/2%
5	July 1, 2007 - June 30, 2008	13 1/2%
6	July 1, 2008 - June 30, 2009	14 1/2%
7	July 1, 2009 - June 30, 2011	15 1/2%
8	July 1, 2011 - June 30, 2012	
9	and each year thereafter	16 1/2%

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

14 (6) The Board shall certify, on or before November 1 of each  
 15 year, to the Office of Management and Enterprise Services an  
 16 actuarially determined estimate of the rate of contribution which  
 17 will be required, together with all accumulated contributions and  
 18 other assets of the System, to be paid by each participating  
 19 employer to pay all liabilities which shall exist or accrue under  
 20 the System, including amortization of the past service cost over a  
 21 period of not to exceed forty (40) years from June 30, 1987, and the  
 22 cost of administration of the System, as determined by the Board,  
 23 upon recommendation of the actuary.

24

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

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

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

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

17 (11) Effective November 1, 2015, an employer shall be required  
18 to make payment to the Oklahoma Public Employees Retirement System  
19 of the amount described by subsection A of Section 10 of this act  
20 with respect to any employee who is a participant in the defined  
21 contribution system created pursuant to the provisions of Sections 1  
22 through 11 of this act. The employer shall be required to make the  
23 required matching contribution amount for all employees that  
24 participate in the defined contribution system and to remit the

1 difference between such amount and the amount the employer would  
2 otherwise have paid pursuant to the provisions of this section to  
3 the Oklahoma Public Employees Retirement System.

4 (12) On or after the effective date of this act, any amount of  
5 money not required for purposes of the employer contribution  
6 otherwise provided by this section, whether for purposes of the  
7 defined benefit plan created pursuant to Sections 901 et seq. of  
8 this title or for matching employer contributions as provided for in  
9 the Retirement Freedom Act pursuant to Section 935.1 et seq. of this  
10 title, shall be transferred to the Special Cash Fund to be used for  
11 such purposes as may be provided by law including, but not limited  
12 to, any purpose prescribed by an appropriation measure enacted  
13 during any regular or extraordinary session of the Legislature.

14 SECTION 17. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 3801 of Title 62, unless there  
16 is created a duplication in numbering, reads as follows:

17 Each year the Office of Management and Enterprise Services shall  
18 determine the median salary amount for all of the participating  
19 members of the Uniform Retirement System for Justices and Judges,  
20 the Oklahoma Teachers' Retirement System, and Oklahoma Public  
21 Employees Retirement System. The salary amount with respect to  
22 which employer contributions are to be made, pursuant to Sections 9,  
23 12, and 16 of this act, shall be increased to equal the median  
24 salary amount for the participating members of that System. The

1 revised salary amount shall become effective on the July 1 date  
2 immediately following the date as of which the Office of Management  
3 and Enterprise Services makes its official determination of the  
4 increase, if any, in the salary amount. No modifications shall be  
5 made to the salary amount if the median salary amount for  
6 participating members of that System is less than Ninety Thousand  
7 Dollars (\$90,000.00).

8 SECTION 18. NEW LAW A new section of law not to be  
9 codified in the Oklahoma Statutes reads as follows:

10 The provisions of this act are severable, and if any part or  
11 provision hereof shall be void, invalid, or unconstitutional, the  
12 decision of the court so holding shall not affect or impair any of  
13 the remaining parts or provisions hereof, and the remaining  
14 provisions hereof shall continue in full force and effect.

15 SECTION 19. If the Emergency Clause is not approved pursuant to  
16 the requirements of the Oklahoma Constitution as part of this  
17 measure, the effective date of Section 1 of this act shall be  
18 October 1, 2026.

19 SECTION 20. If the Emergency Clause is not approved pursuant to  
20 the requirements of the Oklahoma Constitution as part of this  
21 measure, the effective date of Sections 2 through 18 of this act  
22 shall be November 1, 2026.

23 SECTION 21. Except as otherwise provided by Section 19 of this  
24 act, Section 1 of this act shall become effective immediately upon

1 signature by the Governor or as otherwise provided by Section 58 of  
2 Article V of the Oklahoma Constitution.

3 SECTION 22. Except as otherwise provided by Section 20 of this  
4 act, Sections 2 through 18 of this act shall become effective July  
5 1, 2026.

6 SECTION 23. It being immediately necessary for the preservation  
7 of the public peace, health or safety, an emergency is hereby  
8 declared to exist, by reason whereof this act shall take effect and  
9 be in full force from and after its passage and approval.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

60-2-16491 CMA 02/18/26