

## STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 716

By: Paxton

AS INTRODUCED

An Act relating to the Oklahoma Police Pension and Retirement System; amending 11 O.S. 2021, Section 50-110, as last amended by Section 4, Chapter 357, O.S.L. 2024 (11 O.S. Supp. 2024, Section 50-110), which relates to contributions by members of the Oklahoma Police Pension and Retirement System; updating statutory references; increasing employer contribution rate; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 11 O.S. 2021, Section 50-110, as last amended by Section 4, Chapter 357, O.S.L. 2024 (11 O.S. Supp. 2024, Section 50-110), is amended to read as follows:

Section 50-110. A. Each member in the Oklahoma Police Pension and Retirement System prior to ~~the effective date of this act~~ July 1, 2025, shall contribute to the System a minimum of eight percent (8%) of the member's actual paid base salary. ~~On or after the effective date of this act, each member shall contribute to the System a minimum of nine percent (9%)~~ On and after July 1, 2025, each member shall contribute to the System a minimum of eleven percent (11%).

1       At the option of the participating municipality, the  
2 participating municipality may pay all or any part of the member's  
3 required contribution. The sums contributed shall be paid online to  
4 the System as provided in this article within ten (10) days  
5 following the payroll period on which the contributions are based.  
6 Amounts deducted from the salary of a member and not paid to the  
7 System after thirty (30) days from each ending payroll date shall be  
8 subject to a monthly late charge of five percent (5%) of the unpaid  
9 balance to be paid by the municipality to the System. All funds  
10 received by a participating municipality for police retirement  
11 purposes shall be forwarded to the Oklahoma Police Pension and  
12 Retirement Board for credit to the Oklahoma Police Pension and  
13 Retirement Fund.

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

1 the member. The member, by the terms of this System, shall not have  
2 any option to choose to receive the contributions so picked up  
3 directly and the picked-up contributions must be paid by the  
4 municipality to the System.

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

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

14 SECTION 2. This act shall become effective July 1, 2025.

15 SECTION 3. It being immediately necessary for the preservation  
16 of the public peace, health or safety, an emergency is hereby  
17 declared to exist, by reason whereof this act shall take effect and  
18 be in full force from and after its passage and approval.

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