

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 4152

By: Hasenbeck

AS INTRODUCED

An Act relating to retirement; amending 62 O.S. 2021, Section 3103, as last amended by Section 2, Chapter 361, O.S.L. 2025 (62 O.S. Supp. 2025, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying terms; amending 70 O.S. 2021, Section 17-105, as amended by Section 4, Chapter 300, O.S.L. 2025 (70 O.S. Supp. 2025, Section 17-105), which relates to the Teachers' Retirement System of Oklahoma; modifying number of years an individual shall be employed before qualifying to receive monthly retirement benefits; and providing effective dates.

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

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

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

1. "Amendment" means any amendment, including a substitute bill, made to a retirement bill by any committee of the House of

1 Representatives or Senate, any conference committee of the House or
2 Senate or by the House or Senate;

3 2. "RB number" means that number preceded by the letters "RB"
4 assigned to a retirement bill by the respective staffs of the
5 Oklahoma State Senate and the Oklahoma House of Representatives when
6 the respective staff office prepares a retirement bill for a member
7 of the Legislature;

8 3. "Legislative Actuary" means the firm or entity that enters
9 into a contract with the Legislative Service Bureau pursuant to
10 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
11 actuarial services and other duties provided for in the Oklahoma
12 Pension Legislation Actuarial Analysis Act;

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

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

18 a. which does not affect the cost or funding factors of a
19 retirement system,

20 b. which affects such factors only in a manner which does
21 not:

22 (1) grant a benefit increase under the retirement
23 system affected by the bill,
24

- 1 (2) create an actuarial accrued liability for or
2 increase the actuarial accrued liability of the
3 retirement system affected by the bill, or
4 (3) increase the normal cost of the retirement system
5 affected by the bill,

- 6 c. which authorizes the purchase by an active member of
7 the retirement system, at the actuarial cost for the
8 purchase as computed pursuant to the statute in effect
9 on the effective date of the measure allowing such
10 purchase, of years of service for purposes of reaching
11 a normal retirement date in the applicable retirement
12 system, but which cannot be used in order to compute
13 the number of years of service for purposes of
14 computing the retirement benefit for the member,
- 15 d. which provides for the computation of a service-
16 connected disability retirement benefit for members of
17 the Oklahoma Law Enforcement Retirement System
18 pursuant to Section 2-305 of Title 47 of the Oklahoma
19 Statutes if the members were unable to complete twenty
20 (20) years of service as a result of the disability,
- 21 e. which requires membership in the defined benefit plan
22 authorized by Section 901 et seq. of Title 74 of the
23 Oklahoma Statutes for persons whose first elected or
24 appointed service occurs on or after November 1, 2018,

1 if such persons had any prior service in the Oklahoma
2 Public Employees Retirement System prior to November
3 1, 2015,

4 f. which provides for a one-time increase in retirement
5 benefits if the increase in retirement benefits is not
6 a permanent increase in the gross annual retirement
7 benefit payable to a member or beneficiary, occurs
8 only once pursuant to a single statutory authorization
9 and does not exceed:

10 (1) the lesser of two percent (2%) of the gross
11 annual retirement benefit of the member or One
12 Thousand Dollars (\$1,000.00) and requires that
13 the benefit may only be provided if the funded
14 ratio of the affected retirement system would not
15 be less than sixty percent (60%) but not greater
16 than eighty percent (80%) after the benefit
17 increase is paid,

18 (2) the lesser of two percent (2%) of the gross
19 annual retirement benefit of the member or One
20 Thousand Two Hundred Dollars (\$1,200.00) and
21 requires that the benefit may only be provided if
22 the funded ratio of the affected retirement
23 system would be greater than eighty percent (80%)
24

1 but not greater than one hundred percent (100%)
2 after the benefit increase is paid,

3 (3) the lesser of two percent (2%) of the gross
4 annual retirement benefit of the member or One
5 Thousand Four Hundred Dollars (\$1,400.00) and
6 requires that the benefit may only be provided if
7 the funded ratio of the affected retirement
8 system would be greater than one hundred percent
9 (100%) after the benefit increase is paid, or

10 (4) the greater of two percent (2%) of the gross
11 annual retirement benefit of the volunteer
12 firefighter or One Hundred Dollars (\$100.00) for
13 persons who retired from the Oklahoma
14 Firefighters Pension and Retirement System as
15 volunteer firefighters and who did not retire
16 from the Oklahoma Firefighters Pension and
17 Retirement System as a paid firefighter.

18 As used in this subparagraph, "funded ratio" means the
19 figure derived by dividing the actuarial value of
20 assets of the applicable retirement system by the
21 actuarial accrued liability of the applicable
22 retirement system,

23 g. which modifies the disability pension standard for
24 police officers who are members of the Oklahoma Police

1 Pension and Retirement System as provided by Section
2 50-115 of Title 11 of the Oklahoma Statutes,

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

5 (1) Section 49-143.7 of Title 11 of the Oklahoma
6 Statutes,

7 (2) Section 50-136.9 of Title 11 of the Oklahoma
8 Statutes,

9 (3) Section 1104K of Title 20 of the Oklahoma
10 Statutes,

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

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

15 (6) Section 930.11 of Title 74 of the Oklahoma
16 Statutes,

17 i. which modifies the computation of the line-of-duty
18 disability benefit pursuant to the provisions of this
19 section and Sections 50-101 and 50-115 of Title 11 of
20 the Oklahoma Statutes, or

21 j. which authorizes membership in the Oklahoma Law
22 Enforcement Retirement System for active commissioned
23 or CLEET-certified agents of the Office of the
24 Attorney General or the Military Department of the

1 State of Oklahoma pursuant to Sections ~~3 and 4 of this~~
2 ~~act~~ 2-309.9 and 2-309.10 of Title 47 of the Oklahoma
3 Statutes; or

4 k. which modifies the number of years an individual shall
5 be employed before qualifying to receive monthly
6 retirement benefits pursuant to Section 2 of this act.

7 A nonfiscal retirement bill shall include any retirement bill that
8 has as its sole purpose the appropriation or distribution or
9 redistribution of monies in some manner to a retirement system for
10 purposes of reducing the unfunded liability of such system or the
11 earmarking of a portion of the revenue from a tax to a retirement
12 system or increasing the percentage of the revenue earmarked from a
13 tax to a retirement system;

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

18 7. "Retirement bill" means any bill or joint resolution
19 introduced or any bill or joint resolution amended by a member of
20 the Legislature which creates or amends any law directly affecting a
21 retirement system. A retirement bill shall not mean a bill or
22 resolution that impacts the revenue of any state tax in which a
23 portion of the revenue generated from such tax is earmarked for the
24 benefit of a retirement system;

1 8. "Retirement bill having a fiscal impact" means any
2 retirement bill creating or establishing a retirement system and any
3 other retirement bill other than a nonfiscal retirement bill; and

4 9. "Retirement system" means the Teachers' Retirement System of
5 Oklahoma, the Oklahoma Public Employees Retirement System, the
6 Uniform Retirement System for Justices and Judges, the Oklahoma
7 Firefighters Pension and Retirement System, the Oklahoma Police
8 Pension and Retirement System, the Oklahoma Law Enforcement
9 Retirement System, or a retirement system established after January
10 1, 2006.

11 SECTION 2. AMENDATORY 70 O.S. 2021, Section 17-105, as
12 amended by Section 4, Chapter 300, O.S.L. 2025 (70 O.S. Supp. 2025,
13 Section 17-105), is amended to read as follows:

14 Section 17-105. A. 1. Any member who has attained age fifty-
15 five (55) or who has completed thirty (30) years of creditable
16 service, as defined in Section 17-101 of this title, or for any
17 person who initially became a member prior to July 1, 1992,
18 regardless of whether there were breaks in service after July 1,
19 1992, whose age and number of years of creditable service total
20 eighty (80) may be retired upon proper application for retirement as
21 established by the Teachers' Retirement System of Oklahoma. Such a
22 retirement date will also apply to any person who became a member of
23 the sending system as defined in Section 17-116.2 of this title,
24 prior to July 1, 1992, regardless of whether there were breaks in

1 service after July 1, 1992. Any person who became a member after
2 June 30, 1992, but prior to November 1, 2011, whose age and number
3 of years of creditable service total ninety (90) may be retired upon
4 proper application for retirement as established by the System. Any
5 person who becomes a member on or after November 1, 2011, who
6 attains the age of sixty-five (65) years or who reaches a normal
7 retirement date pursuant to subparagraph d of paragraph 22 of
8 Section 17-101 of this title having attained a minimum age of sixty
9 (60) years may be retired upon proper application for retirement as
10 established by the System. The application shall be filed with the
11 System in a manner required by the Board of Trustees.

12 2. The employer shall provide the System with the following
13 information for a retiring member, no later than the fifteenth day
14 of the month of retirement: last day physically on the job; last
15 day on payroll; any regular compensation not already reported to the
16 System; and final unused sick leave balance.

17 3. Failure to submit this information by the deadline, or
18 errors in submitted information that result in a disqualification of
19 retirement eligibility, shall be the responsibility of the employer.
20 In cases where the error results in disqualification of retirement
21 eligibility, it is the employer's responsibility to reemploy the
22 member, or retain the member on the payroll, for the time period
23 required to reach eligibility, not exceeding two (2) months.

1 B. An individual who becomes a member of the Teachers'
2 Retirement System of Oklahoma after July 1, 1967, through October
3 31, 2017, shall be employed by the public schools, state colleges,
4 or universities of Oklahoma for a minimum of five (5) years and be a
5 contributing member of the Teachers' Retirement System of Oklahoma
6 for a minimum of five (5) years to qualify for monthly retirement
7 benefits from the Teachers' Retirement System of Oklahoma.

8 An individual who becomes a member of the Teachers' Retirement
9 System of Oklahoma on or after November 1, 2017, shall be employed
10 by the public schools, state colleges or universities of Oklahoma
11 for a minimum of ~~seven (7)~~ five (5) years and be a contributing
12 member of the Teachers' Retirement System of Oklahoma for a minimum
13 of ~~seven (7)~~ five (5) years to qualify for monthly retirement
14 benefits from the Teachers' Retirement System of Oklahoma.

15 C. Individuals becoming members after July 1, 1967, through
16 October 31, 2017, with five (5) or more years of Oklahoma service
17 and whose accumulated contributions during such period have not been
18 withdrawn shall be given an indefinite extension of membership
19 beginning with the sixth year following the member's last
20 contributing membership.

21 Individuals becoming members on or after November 1, 2017, with
22 seven (7) or more years of Oklahoma service and whose accumulated
23 contributions during such period have not been withdrawn shall be
24

1 given an indefinite extension of membership beginning with the
2 eighth year following the member's last contributing membership.

3 D. Nonclassified optional personnel who have retired or who
4 retire at sixty-two (62) years of age or older or whose retirement
5 is because of disability shall have minimum retirement benefits
6 calculated on an average salary of Five Thousand Three Hundred Fifty
7 Dollars (\$5,350.00) or, if a larger monthly allowance would result,
8 an amount arrived at pursuant to application of the formula
9 prescribed herein.

10 E. No member shall receive a lesser retirement benefit than the
11 member would have received under the law in effect at the time the
12 member retired. Any individual under the Teachers' Retirement
13 System of Oklahoma, who through error in stating the title of the
14 position which the member held, may, at the discretion of the Board
15 of Trustees, be changed from the nonclassified optional group to the
16 classified group for the purpose of calculating retirement benefits.

17 F. The value of each year of prior service is the total monthly
18 retirement benefit divided by the number of years of creditable
19 service.

20 G. Upon application of a member who is actively engaged in
21 teaching in Oklahoma or upon application of the member's employer,
22 any member who has been a contributing member for ten (10) years may
23 be retired by the System subsequent to the execution and filing
24 thereof, on a disability retirement allowance, provided that it is

1 found by the Medical Board after medical examination of such member
2 by a duly qualified physician that such member is mentally or
3 physically incapacitated for further performance of duty, that such
4 incapacity is likely to be permanent, and that such member should be
5 retired. The System shall rely on and give full consideration to
6 the conclusions and recommendations in the certified written report
7 of the Medical Board of the Teachers' Retirement System of Oklahoma
8 regarding the disability application of such member. If the Medical
9 Board does not find that a member applying for disability retirement
10 is mentally or physically incapacitated for performance of duty or
11 otherwise eligible for a disability retirement, the application
12 shall then be considered by the Board of Trustees. If a member is
13 determined to be eligible for disability benefits pursuant to the
14 Social Security System, then such determination shall entitle the
15 member to the authorized disability retirement benefits provided by
16 law. For members who are not eligible for disability benefits
17 pursuant to the Social Security Administration, the Board of
18 Trustees and the Medical Board shall apply the same standard for
19 which provision is made in the first two sentences of this
20 subsection for determining the eligibility of a person for such
21 disability benefits in making a determination of eligibility for
22 disability benefits as authorized by this subsection.

23 H. 1. A member who at the time of retirement has been found to
24 be permanently physically or mentally incapacitated to perform the

1 necessary duties to continue in the member's current position shall
2 receive a minimum monthly retirement payment for life or until such
3 time as the member may be found to be recovered to the point where
4 the member may return to teaching. Any member retired before July
5 1, 1992, shall be eligible to receive the monthly retirement benefit
6 herein provided, but such payment shall not begin until the first
7 payment due to the member after July 1, 1992, and shall not be
8 retroactive. The Board of Trustees is empowered to make such rules
9 and regulations as it considers proper to preserve equity in
10 retirements under this provision, which shall include a provision to
11 protect the rights of the member's spouse.

12 2. A member who has qualified for retirement benefits under
13 disability retirement shall have the total monthly payment deducted
14 from the member's accumulated contributions plus interest earned and
15 any money remaining in the member's account after the above
16 deductions at the death of the member shall be paid in a lump sum to
17 the beneficiary or to the estate of the member. Provided, if the
18 deceased disabled member had thirty (30) years or more of creditable
19 service and the death occurred after June 30, 1981, and death
20 occurred prior to the disabled member receiving twelve monthly
21 retirement payments, a surviving spouse may elect to receive the
22 retirement benefit to which the deceased member would have been
23 entitled at the time of death under the Option 2 Plan of Retirement
24 provided for in paragraph 2 of subsection K of this section in lieu

1 of the death benefit provided for in this paragraph and in
2 subsection Q of this section.

3 3. Once each year the System may require any disabled annuitant
4 who has not yet attained the age of sixty (60) years to undergo a
5 medical examination, such examination to be made at the place of
6 residence for the disabled annuitant or other place mutually agreed
7 upon by a physician or physicians designated by the System. Should
8 any disabled annuitant who has not yet attained the age of sixty
9 (60) years refuse to submit to at least one medical examination in
10 any such year by a physician or physicians designated by the System,
11 the member's benefits may be discontinued until the member submits
12 to such examination.

13 4. Should the Medical Board report and certify to the Board of
14 Trustees that such disabled annuitant is engaged in or is able to
15 engage in a gainful occupation paying more than the difference
16 between the member's average final compensation and the annual
17 benefit amount, and should the Board of Trustees concur in such
18 report, then the amount of the member's annual benefit shall be
19 reduced to an amount which, added to the member's earnings from a
20 gainful occupation, shall equal the amount of the member's average
21 final compensation. Should the member's earning capacity be later
22 increased, the amount of the member's annual benefit may be further
23 reduced.

1 5. Should a disabled annuitant be restored to active service,
2 the member's disability retirement benefit shall cease and the
3 member shall again become an active member of the Teachers'
4 Retirement System of Oklahoma and shall make regular contributions
5 as required under this article. The unused portion of the member's
6 accumulated contributions shall be reestablished to the member's
7 credit in the Teachers' Savings Fund. Any such prior service
8 certificates on the basis of which the member's service was computed
9 at the time of the member's retirement shall be restored to full
10 force and effect.

11 I. Should a member before retirement under Section 17-101 et
12 seq. of this title make application for withdrawal duly filed with
13 the System, not earlier than four (4) months after the date of
14 termination of employment with a participating employer within the
15 System, the contribution standing to the credit of the member's
16 individual account in the Teachers' Savings Fund shall be paid to
17 the member or, in the event of the member's death before retirement,
18 shall be paid to such person or persons as the member shall have
19 designated in a manner required by the Board of Trustees and filed
20 with the System; provided, however, if there is no designated
21 beneficiary surviving upon such death, such contributions shall be
22 paid to the member's administrators, executors, or assigns, together
23 with interest as hereinafter provided. Provided further, if there
24 is no designated beneficiary surviving upon such death, and the

1 contributions standing to the credit of such member do not exceed
2 Two Hundred Dollars (\$200.00), no part of such contributions shall
3 be subject to the payment of any expense of the last illness or
4 funeral of the deceased member or any expense of administration of
5 the estate of such deceased and the System, upon satisfactory proof
6 of the death of such member and of the name or names of the person
7 or persons who would be entitled to receive such contributions under
8 the laws of descent and distribution of the state, may authorize the
9 payment of accumulated contributions to such person or persons. A
10 member terminating membership by withdrawal after June 30, 2003,
11 shall have the interest computed at a rate of interest determined by
12 the Board of Trustees and paid to the member subject to the
13 following schedule:

14 1. If termination occurs within sixteen (16) years from the
15 date membership began, fifty percent (50%) of such interest
16 accumulations shall be paid;

17 2. With at least sixteen (16) but less than twenty-one (21)
18 years of membership, sixty percent (60%) of such interest
19 accumulations shall be paid;

20 3. With at least twenty-one (21) but less than twenty-six (26)
21 years of membership, seventy-five percent (75%) of such interest
22 accumulations shall be paid; and

23 4. With at least twenty-six (26) years of membership, ninety
24 percent (90%) of such interest accumulations shall be paid.

1 In case of death of an active member, the interest shall be
2 calculated and restored to the member's account and paid to the
3 member's beneficiary.

4 J. 1. In lieu of the Maximum Retirement Allowance payable
5 throughout life for such an amount as determined under this section,
6 the member may select a retirement allowance for a reduced amount
7 payable under any of the options listed in subsection K of this
8 section the present value of which is the actuarial equivalent
9 thereof.

10 2. The first payment of any benefit selected shall be made on
11 the first day of the month following approval of the retirement by
12 the System. If the named joint annuitant under Option 2 or 3 dies
13 at any time after the member's retirement date, but before the death
14 of the member, the member shall return to the Maximum Plan of
15 Retirement, including any post-retirement benefit increases the
16 member would have received had the member not selected Option 2 or 3
17 pursuant to paragraph 2 or 3 of subsection K of this section. The
18 retirement allowance shall be determined at the date of death of the
19 joint annuitant. This increase shall become effective the first day
20 of the month following the date of death of the joint annuitant, and
21 shall be payable for the member's remaining lifetime. The member
22 shall notify the Teachers' Retirement System of Oklahoma of the
23 death of the joint annuitant by providing a copy of the joint
24 annuitant's death certificate. In the absence of the death

1 certificate being filed by the member notifying the Teachers'
2 Retirement System of Oklahoma of the death of the joint annuitant
3 within six (6) months of the date of death, nothing in this
4 subsection shall require the Teachers' Retirement System of Oklahoma
5 to pay more than six (6) months of retrospective benefits increase.

6 K. 1. Option 1. A member takes a slightly reduced retirement
7 allowance for life. If the member dies before receiving in annuity
8 payments the present value of the member's annuity as it was at the
9 time of retirement, the balance shall be paid to the member's
10 beneficiary by designation filed with the System prior to the
11 member's death.

12 2. Option 2. A member takes a reduced retirement allowance for
13 life. Upon the death of the member the payments shall continue to
14 the member's joint annuitant for the life of the joint annuitant.
15 The designation of the joint annuitant must be filed with the System
16 at the time of the member's retirement and, except as provided in
17 paragraph 2 of subsection J of this section, cannot be changed after
18 the effective date of the member's retirement.

19 3. Option 3. A member receives a reduced retirement allowance
20 for life. Upon the death of the member one-half (1/2) of the
21 retirement allowance paid the member shall be continued throughout
22 the life of the member's joint annuitant. A designation of a joint
23 annuitant must be filed with the System at the time of the member's
24 retirement and, except as provided in paragraph 2 of subsection J of

1 this section, cannot be changed after the effective date of the
2 member's retirement.

3 4. Option 4. Provided, the System may establish other
4 retirement options if certified by the actuary to be of equivalent
5 actuarial value to the member's retirement allowance. Other
6 retirement options shall be presented to the Board of Trustees for
7 approval at its discretion. Such other benefit or benefits shall be
8 paid either to the member or, if applicable, to such joint annuitant
9 as the member shall nominate.

10 L. Provided, the options listed in paragraphs 2 and 3 of
11 subsection K of this section shall not be available if the member's
12 expected benefit is less than fifty percent (50%) of the lump-sum
13 actuarial equivalent and the joint annuitant is not the spouse of
14 the member.

15 M. 1. A member who chose the Maximum Plan of Retirement at the
16 time of retirement may make a one-time election to choose either
17 Option 2 or 3 as prescribed in paragraph 2 or 3 of subsection K of
18 this section and name the member's spouse as joint annuitant if the
19 member marries after making the initial election. Such an election
20 shall be made within one (1) year of the date of marriage. The
21 member shall provide proof of a member's good health before the
22 System will permit a change to either Option 2 or 3 as prescribed in
23 paragraphs 2 and 3 of subsection K of this section and the naming of
24 a joint annuitant. A medical examination conducted by a licensed

1 physician is required for purposes of determining good health. Such
2 examination must be approved by the Medical Board. The member shall
3 be required to provide proof of age for the new joint annuitant.
4 The System shall adjust the retirement allowance to the actuarially
5 equivalent amount based on the new joint annuitant's age. The Board
6 of Trustees shall promulgate rules to implement the provisions of
7 this subsection.

8 2. A member who retires after July 1, 2010, and has selected a
9 retirement allowance for a reduced amount payable under one of the
10 options provided for in subsection K of this section may make a one-
11 time irrevocable election to select a different option within sixty
12 (60) days of the member's retirement date. The beneficiary or joint
13 annuitant designated by the member at the time of retirement shall
14 not be changed if the member makes the election provided for in this
15 paragraph.

16 3. Any individual who is eligible to be a beneficiary or joint
17 annuitant of a member under subsection J of this section, and who is
18 also a beneficiary of a trust created under the Oklahoma
19 Discretionary and Special Needs Trust Act, Section 175.81 et seq. of
20 Title 60 of the Oklahoma Statutes, or a comparable Trust Act created
21 under the laws of another state, hereinafter collectively referred
22 to as "Trust Acts", may be a beneficiary or joint annuitant under
23 subsection J of this section by having the trustee of the trust
24 established for the benefit of that individual named as the legal

1 beneficiary or joint annuitant under subsection J of this section.

2 The age of that beneficiary shall be used for calculating any
3 benefit payable to the trust under subsection J of this section.

4 The beneficiary of such a trust shall be treated as the beneficiary
5 or joint annuitant under subsection J of this section except that
6 payments of any benefits due under subsection J of this section
7 shall be payable to the lawfully appointed trustee of the trust.

8 The obligation of the System to pay the beneficiary or joint
9 annuitant under subsection J of this section shall be satisfied by
10 payment to the trustee whom the System, in good faith, believes to
11 be the lawfully appointed trustee. Any conflict between the
12 statutes creating and governing the Teachers' Retirement System of
13 Oklahoma in Section 17-101 et seq. of this title and the provisions
14 of any Trust Act referred to above shall be resolved in favor of the
15 statutes governing the System. If an eligible beneficiary or joint
16 annuitant is named at the time of retirement, and becomes a
17 beneficiary of a trust under one of the Trust Acts described herein
18 after that time, the System will acknowledge the trust as the
19 beneficiary upon the submission of adequate documentation of the
20 existence of the trust. All other provisions of subsection J of
21 this section shall apply to these subsequently created trusts.

22 4. The Board of Trustees of the System may recognize other
23 trusts set up for the benefit of individuals otherwise eligible to
24 be named as a beneficiary or joint annuitant under subsection J of

1 this section by administrative rule if it can be done without undue
2 additional administrative expense of the System.

3 N. The governing board of any public school, as that term is
4 defined in Section 17-101 of this title, is hereby authorized and
5 empowered to pay additional retirement allowances or compensation to
6 any person who was in the employ of such public school for not less
7 than seven (7) school years preceding the date of the member's
8 retirement. Payments so made shall be a proper charge against the
9 current appropriation or appropriations of any such public school
10 for salaries for the fiscal year in which such payments are made.
11 Such payments shall be made in regular monthly installments in such
12 amounts as the governing board of any such public school, in its
13 judgment, shall determine to be reasonable and appropriate in view
14 of the length and type of service rendered by any such person to
15 such public school by which such person was employed at the time of
16 retirement. All such additional payments shall be uniform, based
17 upon the length of service and the type of services performed, to
18 persons formerly employed by such public school who have retired or
19 been retired in accordance with the provisions of Section 17-101 et
20 seq. of this title.

21 The governing board of any such public school may adopt rules
22 and regulations of general application outlining the terms and
23 conditions under which such additional retirement benefits shall be
24 paid, and all decisions of such board shall be final.

1 O. In addition to the teachers' retirement herein provided,
2 teachers may voluntarily avail themselves of the federal Social
3 Security program upon a district basis.

4 P. Upon the death of an in-service member, the System shall pay
5 to the designated beneficiary of the member or, if there is no
6 designated beneficiary or if the designated beneficiary predeceases
7 the member, to the estate of the member, the sum of Eighteen
8 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the
9 deceased member had ten (10) years or more of creditable service,
10 the member's designated beneficiary may elect to receive the
11 retirement benefit to which the deceased member would have been
12 entitled at the time of death under the Option 2 plan of retirement
13 in lieu of the death benefit provided for in this subsection.
14 Provided further, the option provided in this subsection is only
15 available when the member has designated one individual as the
16 designated beneficiary. The beneficiary or beneficiaries of death
17 benefits in the amount not to exceed Eighteen Thousand Dollars
18 (\$18,000.00), but exclusive of any retirement benefit received by an
19 electing beneficiary based upon creditable service performed by the
20 deceased member, which are provided pursuant to this subsection, may
21 elect to disclaim such death benefits in which case such benefits
22 will be transferred to a person licensed as a funeral director or to
23 a lawfully recognized business entity licensed as required by law to
24 provide funeral services for the deceased member. The qualified

1 disclaimer must be in writing and will be an irrevocable and an
2 unqualified refusal to accept all or a portion of the death benefit.
3 It must be received by the transferor no more than nine (9) months
4 after the later of the day the transfer creating the interest in the
5 disclaiming person is made or the day the disclaiming person attains
6 age twenty-one (21). The interest in the death benefits must pass
7 without direction by the disclaiming person to another person.
8 After paying death benefits to any beneficiary or the member's
9 estate pursuant to this subsection, the System is discharged and
10 released from any and all liability, obligation, and costs. The
11 System is not required to inquire into the truth of any matter
12 specified in this subsection or into the payment of any estate tax
13 liability.

14 Q. Upon the death of a retired member who has contributed to
15 the System, the retirement system shall pay to the designated
16 beneficiary of the member or, if there is no designated beneficiary
17 or if the designated beneficiary predeceases the member, to the
18 estate of the member, the sum of Five Thousand Dollars (\$5,000.00)
19 as a death benefit. The beneficiary or beneficiaries of benefits
20 provided pursuant to this subsection may elect to disclaim such
21 death benefits in which case such benefits will be transferred to a
22 person licensed as a funeral director or to a lawfully recognized
23 business entity licensed as required by law to provide funeral
24 services for the deceased member. The qualified disclaimer must be

1 in writing and will be an irrevocable and an unqualified refusal to
2 accept all or a portion of the death benefit. It must be received
3 by the transferor no more than nine (9) months after the later of
4 the day the transfer creating the interest in the disclaiming person
5 is made or the day the disclaiming person attains age twenty-one
6 (21). The interest in the death benefits must pass without
7 direction by the disclaiming person to another person. The benefit
8 payable pursuant to this subsection shall be deemed, for purposes of
9 federal income taxation, as life insurance proceeds and not as a
10 death benefit if the Internal Revenue Service approves this
11 provision pursuant to a private letter ruling request which shall be
12 submitted by the Board of Trustees of the System for that purpose.
13 After paying death benefits to any beneficiary or the member's
14 estate pursuant to this subsection, the System is discharged and
15 released from any and all liability, obligation, and costs. The
16 System is not required to inquire into the truth of any matter
17 specified in this subsection or into the payment of any estate tax
18 liability.

19 R. Upon the death of a member who dies leaving no living
20 beneficiary or having designated the member's estate as beneficiary,
21 or upon the death of any individual who may be entitled to a benefit
22 from the System, the System may pay any applicable death benefit,
23 unpaid contributions, or unpaid benefit which may be subject to
24 probate, in an amount of Twenty-five Thousand Dollars (\$25,000.00)

1 or less, without the intervention of the probate court or probate
2 procedure pursuant to Section 1 et seq. of Title 58 of the Oklahoma
3 Statutes.

4 1. Before any applicable probate procedure may be waived, the
5 System must be in receipt of the decedent's death certificate and
6 the following documents from those persons claiming to be the legal
7 heirs of the deceased member:

8 a. the decedent's valid last will and testament, trust
9 documents or affidavit that a will does not exist,

10 b. an affidavit or affidavits of heirship which must
11 state:

12 (1) the names and signatures of all claiming heirs to
13 the decedent's estate including the claiming
14 heirs' names, relationship to the deceased,
15 current addresses, tax ID numbers if known and
16 current telephone numbers,

17 (2) a statement or statements by the claiming heirs
18 that no application or petition for the
19 appointment of a personal representative is
20 pending or has been granted in any jurisdiction,

21 (3) a description of the personal property claimed,
22 (i.e., death benefit or unpaid contributions or
23 both) together with a statement that such
24 personal property is subject to probate,

1 (4) a statement by each individual claiming heir
2 identifying the amount of personal property that
3 the heir is claiming from the System, and that
4 the heir has been notified of, is aware of and
5 consents to the identified claims of all the
6 other claiming heirs of the decedent pending with
7 the System, and

8 (5) a statement by each individual claiming heir
9 affirming that all debts of the decedent,
10 including payment of last sickness, hospital,
11 medical, death, funeral, and burial expenses have
12 been paid or provided for,

13 c. a written agreement or agreements signed by all
14 claiming heirs of the decedent which provide that the
15 claiming heirs release, discharge and hold harmless
16 the System from any and all liability, obligations and
17 costs which it may incur as a result of making a
18 payment to any of the decedent's heirs, and

19 d. a corroborating affidavit from an individual other
20 than a claiming heir, who was familiar with the
21 affairs of the decedent.

22 2. The Executive Director of the System shall retain complete
23 discretion in determining which requests for probate waiver may be
24 granted or denied, for any reason. Should the System have any

1 question as to the validity of any document presented by the
2 claiming heirs, or as to any statement or assertion contained
3 therein, the probate requirement provided for in Section 1 et seq.
4 of Title 58 of the Oklahoma Statutes shall not be waived.

5 3. After paying any death benefits or unpaid contributions to
6 any claiming heirs as provided pursuant to this subsection, the
7 System is discharged and released from any and all liability,
8 obligation and costs to the same extent as if the System had dealt
9 with a personal representative of the decedent. The System is not
10 required to inquire into the truth of any matter specified in this
11 subsection or into the payment of any estate tax liability.

12 S. Upon the death of a retired member, the benefit payment for
13 the month in which the retired member died, if not previously paid,
14 shall be made to the joint annuitant if still living, to the
15 beneficiary of the member if the joint annuitant is deceased, or to
16 the member's estate if there is no surviving joint annuitant or
17 beneficiary. Such benefit payment shall be made in an amount equal
18 to a full monthly benefit payment regardless of the day of the month
19 in which the retired member died. Upon the death of a joint
20 annuitant receiving monthly benefit payments as prescribed herein,
21 the benefit payment for the month in which the joint annuitant died,
22 if not previously paid, shall be made to the joint annuitant's
23 estate in an amount equal to the full monthly benefit payment

1 regardless of the day of the month on which the joint annuitant
2 died.

3 T. The Board of Trustees may adopt such other rules and
4 regulations as are necessary to administer the benefits enumerated
5 herein.

6 SECTION 3. Section 1 of this act shall become effective October
7 1, 2026.

8 SECTION 4. Section 2 of this act shall become effective
9 November 1, 2026.

10

11 60-2-14443 CMA 12/19/25

12

13

14

15

16

17

18

19

20

21

22

23

24

THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

2512 E. 71st Street , Suite D • Tulsa, Oklahoma 74136
(918) 492-9658 • (918) 492- 9659

January 13, 2026

Representative Hasenbeck
Room 244

Re: RBH No. 14443

RBH No. 14443 reduces the service requirement for vesting to 5 years from 7 years in Oklahoma Teachers Retirement System.

RBH No. 14443 also amends OPLAAA to define the above change to non fiscal.

RBH No. 14443 is a non fiscal bill as defined by OPLAAA as amended.

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

Thomas E. Cummins

Thomas E. Cummins, MAAA