



Oklahoma  
State  
Senate

# Legislative Brief

June 2004

## Retirement Legislation 2004

Retirement legislation affecting the state retirement systems was enacted during the 2nd Session of the 49th Legislature. The following is an outline of the legislation for each of the retirement systems affected:

### SUMMARY OF ACTIONS

#### **(OPERS) OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM**

- **SB 1134 (Corn/Ferguson):** Provides a cost of living adjustment (COLA), to begin in July of 2004, for those retired members of OPERS who are receiving retirement benefits as of June 30, 2003, who continue to receive benefits on or after July 1, 2004, as follows:

<u>Years of Service of the Retired Member</u>	<u>Monthly Benefit as of June 30, 2004</u>	<u>Benefit Increase</u>
20 years or more	Less than \$1,500.00	4.5%
	\$1,500.00 to \$2,500.00	4.0%
	Over \$2,500.00	3.5%
15 to 19 years	Less than \$1,000.00	4.0%
	\$1,000.00 to \$2,000.00	3.5%
	Greater than \$2,000.00	3.0%
Less than 15 years	\$800.00 or less	3.5%
	\$800.01 to \$1,499.99	3.0%
	\$1,500.00 or greater	2.5%

Effective July 1, 2004

- **SB 1203 (Helton/Roberts):** Allows correctional officers, probation and parole officers and fugitive apprehension agents of the Department of Corrections to stay within the 20-and-out retirement plan if they have 5 years of service in such position and are later promoted. It expands certain death benefits to all department employees killed or mortally wounded during the performance of the employee's duties and creates an additional \$400 per month benefit if such person had dependents.

Effective July 1, 2004

- **SB 1226 (Coffee/Ferguson):** Requires OPERS to create a new option prior to January 1, 2005, that will help those members who retire at a pre-Medicare age to pay for their insurance. Such members who elect this option will have an increased benefit prior to being Medicare eligible and a reduced benefit after being Medicare eligible. The reduction in the benefit shall offset that increase in benefit to be actuarially neutral.

Effective July 1, 2004

- **SB 1345 (Corn/Ferguson):** Requires OPERS to study the creation of a new system for state employees who are not in the Oklahoma Law Enforcement Retirement System and who are engaged in public safety services.

Effective July 1, 2004

### (OTRS) TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA

- **SB 1134 (Corn/Ferguson):** Provides a cost of living adjustment (COLA), to begin in July of 2004, for those retired members of OTRS who are receiving retirement benefits as of June 30, 2003, who continue to receive benefits on or after July 1, 2004, as follows:

Years of Service of the Retired Member	Monthly Benefit as of June 30, 2004	Benefit Increase
20 years or more	Less than \$1,500.00	4.5%
	\$1,500.00 to \$2,500.00	4.0%
	Over \$2,500.00	3.5%
15 to 19 years	Less than \$1,000.00	4.0%
	\$1,000.00 to \$2,000.00	3.5%
	Greater than \$2,000.00	3.0%
Less than 15 years	Less than \$801.00	3.5%
	\$801.00 to \$1,499.99	3.0%
	\$1,500.00 or greater	2.5%

Effective July 1, 2004

- **HB 2226 (Ingmire/Morgan):** This bill creates the Alternate Retirement Plan for Comprehensive Universities Act. It allows comprehensive universities to create an alternate retirement plan for their employees. Employees will have an election to participate in such plan or in OTRS. Such comprehensive universities shall also pay the system a stream of payments to reflect their portion of certain unfunded liabilities. It also provides a retirement benefit recalculation for certain retired members of OTRS who retire on or after July 1, 1995.

Effective July 1, 2004

### (FFPRS) OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM

- **SB 1134 (Corn/Ferguson):** Provides a cost of living adjustment (COLA), to begin in July of 2004, for those retired members of FFPRS who are receiving retirement benefits as of June 30, 2003, who continue to receive benefits on or after July 1, 2004, as follows:
  - 4% COLA

- any persons receiving benefits pursuant to Section 49-101 of Title 11 of the Oklahoma Statutes (relating to retired volunteer firefighters) shall each receive a benefit equal to \$6.96 for each year of credited service not to exceed 30 years of service

Effective July 1, 2004

- **SB 1389 (Monson/Erwin):** Allows a spouse of a member of FFPRS who dies with 20 or more years of service to make a deferred retirement option plan election. It also allows a recipient to waive any retirement benefits.

Effective July 1, 2004

### **(PPRS) OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM**

- **SB 1134 (Corn/Ferguson):** Provides a cost of living adjustment (COLA), to begin in July of 2004, for those retired members of PPRS who are receiving retirement benefits as of June 30, 2003, who continue to receive benefits on or after July 1, 2004, as follows:
  - 4% COLA

Effective July 1, 2004

- **SB 1422 (Corn/Ferguson):** Allows interest to be paid on deferred retirement option plan contributions. Allows a spouse of a member of PPRS who dies with 20 or more years of service to make a deferred retirement option plan election.

Effective July 1, 2004

- **HB 2693 (Ferguson/Corn):** Allows police departments that participate in the system and who have 2 or fewer police officers to hire someone over the age of 45 who has never been a member of PPRS. Such police officers shall not participate in PPRS. It also allows a member who terminates employment to work as a police officer for the United States Department of Defense or the State Department of the United States in a war zone to purchase up to one year of service credit in the system upon participating reemployment.

Effective July 1, 2004

### **(URSJJ) UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES**

- **SB 1134 (Corn/Ferguson):** Provides a cost of living adjustment (COLA), to begin in July of 2004, for those retired members of URSJJ who are receiving retirement benefits as of June 30, 2003, who continue to receive benefits on or after July 1, 2004, as follows:
  - 4% COLA
  - Increases the cap on retirement and disability benefits to 100% of the average monthly salary for those retiring or who incur a disability after June 30, 2004.

Effective July 1, 2004

### **(OLERS) OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM**

- **SB 1134 (Corn/Ferguson):** Provides a cost of living adjustment (COLA), to begin in July of 2004, for those retired members of OLERS who are receiving retirement benefits as of June 30, 2003, who continue to receive benefits on or after July 1, 2004, as follows:
  - 4% COLA
  - any persons eligible to receive benefits pursuant to subsection B, C or D of Section 2-305 of Title 47 of the Oklahoma Statutes (relating to certain retired officers who receive an increase in benefits based upon an increase in active officers' salaries), after June 30, 2004, shall be offset by the COLA.

Effective July 1, 2004

- **SB 1261 (Corn/Ferguson):** Allows an eligible member of OLERS who is participating in the deferred retirement option plan to receive a disability pension. Also treats the deferred retirement option plan payments as disability payments if the member suffered a disability incurred in the line of duty.

Effective July 1, 2004

- **HB 2442 (Roan/Corn):** Requires OLERS to pay 100% of the state health insurance premium of a member who retires from a catastrophic injury incurred in the line of duty or of the surviving spouse of a member killed in the line of duty.

Effective July 1, 2004

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