



Oklahoma
State
Senate

Legislative Brief

June 2001

Retirement Legislation Affecting Public Employees

Retirement legislation affecting the state retirement systems was enacted during the 1st Session of the 48th 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 401 (Morgan/Stites):** [§1] Increases the limit on how much the System can pay outside of probate from \$5,000 to \$10,000. [§2] Removes deferred compensation from items that a person may receive pursuant to a Qualified Domestic Relations Order. [§3] Allows the System to use its own in-house counsel in interpreting laws and fiduciary responsibilities related to the deferred compensation programs. Effective July 1, 2001.

(OTRS) TEACHERS RETIREMENT SYSTEM OF OKLAHOMA

- **SB 408 (Monson/Nations):** This bill allows the University of Oklahoma and Oklahoma State University to elect to transfer participation of their CLEET certified police force from the Teachers' Retirement System of Oklahoma to the Oklahoma Law Enforcement Retirement System. Current members have the option of transferring while new hires must make the transfer once the university makes the election. Such officers will then have a 20 year and out style of retirement plan. Effective July 1, 2001.
- **HB 1248 (Stites/Morgan):** Allows for a school district to pay for any retirement contributions and interest of an employee when an error in calculating that employee's regular annual compensation has been made. Prior to this amendment, the employee was required to make up any difference when an error had been made in order to receive full retirement credit. Effective July 1, 2001.
- **HB 1754 (Wells/Morgan):** Full-time nonclassified (support) personnel in the System may stop participation in the System. This law will allow such persons to be able to rejoin the System at a later date. This provision hinges upon a favorable private letter ruling by the Internal Revenue Service. Effective July 1, 2001.

(FFPRS) OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM

- **HB 1234 (Askins/Monson):** Adds “infectious disease” to the list of disabilities that raise a presumption of on-the-job injury for disability retirement purposes. “Infectious disease” is defined as hepatitis, human immunodeficiency virus, meningitis and tuberculosis. Effective July 1, 2001.
- **HB 1251 (Stites/Morgan):** [§1] Provides authority for the System to pay to the trustee of a testamentary trust or inter vivos trust pension benefits for the children of a deceased unmarried firefighter. [§2] Allows a beneficiary to disclaim the death benefit so that it may be paid directly to the funeral services provider. Effective April 10, 2001..

(PPRS) OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

- **SB 411 (Capps/Stites):** Allows a person to participate in the System over age 45 if such person was an active police officer employed as of July 1, 2001 and the municipality was in non-compliance with the relevant retirement laws. Some municipalities were not participating in the System, in error. The System prohibits members from joining after age 45 with some exceptions. This section will allow such officers to participate in the System since they should have been participating in the System all along. Effective July 1, 2001.
- **SB 626 (Price/Bonny):** [§2] Provides for municipalities to elect to participate in the PPRS for their municipal police officers even if the city is participating in OPERS for its other employees. The law only provided for a window to join PPRS and now it has been opened. [§3] Expands eligibility for purchase of credited service to include up to 5 years of other municipal retirement system credit. Allows for trustee-to-trustee transfers of amounts to be used in the purchase. [§4] Clarifies language relating to the exemption of a chief of police from participation in the System. This provision allows a police chief to terminate and retire from the System and then be re-employed as chief of police. Emergency.
- **SB 669 (Wilkerson/Plunk):** Amends legislation enacted last year to allow persons employed in certain positions who would otherwise qualify for OLEERS membership to remain in the PPRS. The law applies to a police officer who accepts a position with the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of Investigation, or the Alcoholic Beverage Laws Enforcement Commission. In such positions, the member would otherwise have to switch retirement systems. This law allows the member to remain in the PPRS if they choose to do so. Effective July 1, 2001.

(OLERS) OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

- **SB 408 (Monson/Nations):** Same as above.
- **SB 669 (Wilkerson/Plunk):** Same as above.

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