

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 2189

By: Johns

AS INTRODUCED

An Act relating to public retirement systems; amending 70 O.S. 2011, Section 17-105, as last amended by Section 1, Chapter 268, O.S.L. 2019 (70 O.S. Supp. 2020, Section 17-105), which relates to the Teachers' Retirement System of Oklahoma; modifying period of service required for retirement benefit eligibility; providing for applicability of provisions related to retirement eligibility for persons becoming members of the retirement system between specified dates; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 17-105, as last amended by Section 1, Chapter 268, O.S.L. 2019 (70 O.S. Supp. 2020, Section 17-105), is amended to read as follows:

Section 17-105. (1) (a) Any member who has attained age fifty-five (55) or who has completed thirty (30) years of creditable service, as defined in Section 17-101 of this title, or for any person who initially became a member prior to July 1, 1992, regardless of whether there were breaks in service after July 1, 1992, whose age and number of years of creditable service total

1 eighty (80) may be retired upon proper application for retirement on
2 forms established by the System and executing a retirement contract.
3 Such a retirement date will also apply to any person who became a
4 member of the sending system as defined in this act, prior to July
5 1, 1992, regardless of whether there were breaks in service after
6 July 1, 1992. Any person who became a member after June 30, 1992,
7 but prior to November 1, 2011, whose age and number of years of
8 creditable service total ninety (90) may be retired upon proper
9 application for retirement and executing a retirement contract. Any
10 person who becomes a member on or after November 1, 2011, who
11 attains the age of sixty-five (65) years or who reaches a normal
12 retirement date pursuant to subparagraph (d) of paragraph (24) of
13 Section 17-101 of this title having attained a minimum age of sixty
14 (60) years may be retired upon proper application for retirement and
15 executing a retirement contract. The application shall be filed on
16 the form provided by the Board of Trustees for this purpose, not
17 less than sixty (60) days before the date of retirement, provided
18 that the Executive Director may waive the sixty-day deadline for
19 good cause shown as defined by the Board.

- 20 1. The employer shall provide the System with the
21 following information for a retiring member, no later
22 than the fifteenth day of the month of retirement:
23 last day physically on the job; last day on payroll;

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1 any regular compensation not already reported to the
2 System; and final unused sick leave balance.

- 3 2. Failure to submit this information by the deadline, or
4 errors in submitted information that result in a
5 disqualification of retirement eligibility shall be
6 the responsibility of the employer. In cases where
7 the error results in disqualification of retirement
8 eligibility, it is the employer's responsibility to
9 reemploy the member, or retain the member on the
10 payroll, for the time period required to reach
11 eligibility, not exceeding two (2) months.

12 (b) An individual who becomes a member of the Teachers'
13 Retirement System ~~on or after November 1, 2017,~~ shall be employed by
14 the public schools, state colleges or universities of Oklahoma for a
15 minimum of ~~seven (7)~~ five (5) years and be a contributing member of
16 the Teachers' Retirement System of Oklahoma for a minimum of ~~seven~~
17 ~~(7)~~ five (5) years to qualify for monthly retirement benefits from
18 the Teachers' Retirement System of Oklahoma. Any person who became
19 a member of the System on or after November 1, 2017, and not later
20 than October 31, 2021, shall be subject to the five-year period of
21 required contributory membership prescribed by this subsection.

22 (c) Any member with seven (7) or more years of Oklahoma
23 teaching service and whose accumulated contributions during such
24 period have not been withdrawn shall be given an indefinite

1 extension of membership beginning with the sixth year following his
2 or her last contributing membership and shall become eligible to
3 apply for retirement and be retired upon attaining age fifty-five
4 (55).

5 (2) An unclassified optional member who has retired or who
6 retires at sixty-two (62) years of age or older or whose retirement
7 is because of disability shall have his or her minimum retirement
8 benefits calculated on an average salary of Five Thousand Three
9 Hundred Fifty Dollars (\$5,350.00) or, if a larger monthly allowance
10 would result, an amount arrived at pursuant to application of the
11 formula prescribed herein.

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

19 Any individual regardless of residence, who has a minimum of ten
20 (10) years of teaching in Oklahoma schools prior to July 1, 1943, or
21 who taught in Oklahoma schools prior to 1934 and thereafter taught a
22 minimum of ten (10) years and who does not qualify under the present
23 retirement System, or who has a minimum of thirty (30) years of
24 teaching in Oklahoma schools and has reached seventy (70) years of

1 age prior to July 1, 1984, and is not otherwise eligible to receive
2 any benefits from the retirement system shall receive a minimum of
3 One Hundred Fifty Dollars (\$150.00) per month in retirement benefits
4 from the Teachers' Retirement System of Oklahoma plus any general
5 increase in benefits for annuitants as may be provided hereafter by
6 the Legislature. Each individual must apply to the Teachers'
7 Retirement System for such benefit and provide evidence to the
8 Teachers' Retirement System that the service was actually rendered.
9 The surviving spouse of any person who made application for the
10 benefit provided for by this paragraph during his or her lifetime
11 but did not receive the benefit may submit an application to the
12 System for payment of the benefit for those months during the
13 lifetime of the deceased person that he or she was eligible for but
14 did not receive the benefit. Upon approval of the application by
15 the Board of Trustees, the benefit shall be paid to the surviving
16 spouse in one lump sum.

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

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

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

23 (6) (a) A member who at the time of retirement has been found
24 to be permanently physically or mentally incapacitated to perform

1 the necessary duties to continue in his or her current position
2 shall receive a minimum monthly retirement payment for life or until
3 such time as the member may be found to be recovered to the point
4 where he or she may return to teaching. Any member retired before
5 July 1, 1992, shall be eligible to receive the monthly retirement
6 allowance herein provided, but such payment shall not begin until
7 the first payment due him or her after July 1, 1992, and shall not
8 be retroactive. The Board of Trustees is empowered to make such
9 rules 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 (b) A member who has qualified for retirement benefits under
13 disability retirement shall have the total monthly payment deducted
14 from his or her 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 subsection (8) of this section in lieu of the death

1 benefit provided for in this subsection and in subsection (12) of
2 this section.

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

13 (d) 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 his or her retirement allowance and the average final
17 compensation, and should the Board of Trustees concur in such report
18 then the amount of his or her pension shall be reduced to an amount
19 which, together with his or her retirement allowance and that amount
20 earnable by him or her, shall equal the amount of his or her average
21 final compensation. Should his or her earning capacity be later
22 increased, the amount of his or her pension may be further modified,
23 provided the new pension shall not exceed that amount of the pension
24 originally granted nor an amount, which when added to the amount

1 | earnable by the member, together with his or her annuity, equals the
2 | amount of his or her average final compensation.

3 | (e) Should a disabled annuitant be restored to active service,
4 | his or her disability retirement allowance shall cease and he or she
5 | shall again become a member of the Teachers' Retirement System and
6 | shall make regular contributions as required under this article.

7 | The unused portion of his or her accumulated contributions shall be
8 | reestablished to his or her credit in the Teachers' Savings Fund.

9 | Any such prior service certificates on the basis of which his or her
10 | service was computed at the time of his or her retirement shall be
11 | restored to full force and effect.

12 | (7) Should a member before retirement under Section 1-101 et
13 | seq. of this title make application for withdrawal duly filed with
14 | the System, not earlier than four (4) months after the date of
15 | termination of such service as a teacher, the contribution standing
16 | to the credit of his or her individual account in the Teachers'
17 | Savings Fund shall be paid to him or her or, in the event of his or
18 | her death before retirement, shall be paid to such person or persons
19 | as he or she shall have nominated by written designation, duly
20 | executed and filed with the System; provided, however, if there be
21 | no designated beneficiary surviving upon such death, such
22 | contributions shall be paid to his or her administrators, executors,
23 | or assigns, together with interest as hereinafter provided. In lieu
24 | of a lump-sum settlement at the death of the member, the amount of

1 money the member has on deposit in the Teachers' Savings Fund and
2 the money the member has on deposit in the Teachers' Deposit Fund
3 may be paid in monthly payments to a designated beneficiary, who
4 must be the spouse, under the Maximum or Option 1 Plan of Retirement
5 providing the monthly payment shall be not less than Twenty-five
6 Dollars (\$25.00) per month. The monthly payment shall be the
7 actuarial equivalent of the amount becoming due at the member's
8 death based on the sex of the spouse and the age the spouse has
9 attained at the last birthday prior to the member's death. Provided
10 further, if there be no designated beneficiary surviving upon such
11 death, and the contributions standing to the credit of such member
12 do not exceed Two Hundred Dollars (\$200.00), no part of such
13 contributions shall be subject to the payment of any expense of the
14 last illness or funeral of the deceased member or any expense of
15 administration of the estate of such deceased and the System, upon
16 satisfactory proof of the death of such member and of the name or
17 names of the person or persons who would be entitled to receive such
18 contributions under the laws of descent and distribution of the
19 state, may authorize the payment of accumulated contributions to
20 such person or persons. A member terminating his or her membership
21 by withdrawal after June 30, 2003, shall have the interest computed
22 at a rate of interest determined by the Board of Trustees and paid
23 to him or her subject to the following schedule:

24

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

4 (b) With at least sixteen (16) but less than twenty-one (21)
5 years of membership, sixty percent (60%) of such interest
6 accumulations shall be paid.

7 (c) With at least twenty-one (21) but less than twenty-six (26)
8 years of membership, seventy-five percent (75%) of such interest
9 accumulations shall be paid.

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

12 In case of death of an active member, the interest shall be
13 calculated and restored to the member's account and paid to his or
14 her beneficiary.

15 (8) (a) In lieu of his or her retirement allowance payable
16 throughout life for such an amount as determined under this section,
17 the member may select a retirement allowance for a reduced amount
18 payable under any of the following options the present value of
19 which is the actuarial equivalent thereof.

20 (b) A member may select the option under which he or she
21 desires to retire at the end of the school year in which he or she
22 attains age seventy (70) and the option shall be binding and cannot
23 be changed. Provided further that if a member retires before age
24 seventy (70), no election of an option shall be effective in case an

1 annuitant dies before the first payment due under such option has
2 been received.

3 (c) The first payment of any benefit selected shall be made on
4 the first day of the month following approval of the retirement by
5 the System. If the named designated joint annuitant under Option 2
6 or 3 dies at any time after the member's retirement date, but before
7 the death of the member, the member shall return to the retirement
8 benefit, including any post retirement benefit increases the member
9 would have received had the member not selected Option 2 or 3 of
10 this subsection. The benefit shall be determined at the date of
11 death of the designated joint annuitant. This increase shall become
12 effective the first day of the month following the date of death of
13 the designated joint annuitant, and shall be payable for the
14 member's remaining lifetime. The member shall notify the Teachers'
15 Retirement System of Oklahoma of the death of the designated joint
16 annuitant in writing. In the absence of the written notice being
17 filed by the member notifying the Teachers' Retirement System of
18 Oklahoma of the death of the designated joint annuitant within six
19 (6) months of the date of death, nothing in this subsection shall
20 require the Teachers' Retirement System of Oklahoma to pay more than
21 six (6) months of retrospective benefits increase.

22 Option 1. If he or she dies before he or she has received in
23 annuity payments the present value of his or her annuity as it was
24 at the time of his or her retirement, the balance shall be paid to

1 his or her legal representatives or to such person as he or she
2 shall nominate by written designation duly acknowledged and filed
3 with the System at the time of his or her retirement; or

4 Option 2. A member takes a reduced retirement allowance for
5 life. Upon the death of the member the payments shall continue to
6 the member's designated joint annuitant for the life of the joint
7 annuitant. The written designation of the joint annuitant must be
8 duly acknowledged and filed with the System at the time of the
9 member's retirement and, except as provided in paragraph (e) of this
10 subsection, cannot be changed after the effective date of the
11 member's retirement; or

12 Option 3. A member receives a reduced retirement allowance for
13 life. Upon the death of the member one-half (1/2) of the retirement
14 allowance paid the member shall be continued throughout the life of
15 the designated joint annuitant. A written designation of a joint
16 annuitant must be duly acknowledged and filed with the System at the
17 time of the member's retirement and, except as provided in paragraph
18 (e) of this subsection, cannot be changed after the effective date
19 of the member's retirement; or

20 Option 4. Some other benefit or benefits shall be paid either
21 to the member or to such joint annuitant as he or she shall
22 nominate, provided such other benefit or benefits, together with the
23 reduced retirement allowance, shall be certified by the actuary to
24

1 be of equivalent actuarial value to his or her retirement allowance
2 and shall be approved by the System.

3 (d) Provided that Option 2 and Option 3 shall not be available
4 if the member's expected benefit is less than fifty percent (50%) of
5 the lump-sum actuarial equivalent and the designated joint annuitant
6 is not the spouse of the member.

7 (e) A member who chose the maximum retirement benefit plan at
8 the time of retirement may make a one-time election to choose either
9 Option 2 or 3 and name the member's spouse as designated joint
10 annuitant if the member marries after making the initial election.
11 Such an election shall be made within one (1) year of the date of
12 marriage. The member shall provide proof of a member's good health
13 before the System will permit a change to either Option 2 or 3 and
14 the naming of a designated joint annuitant. A medical examination
15 conducted by a licensed physician is required for purposes of
16 determining good health. Such examination must be approved by the
17 Medical Board. The member shall be required to provide proof of age
18 for the new joint annuitant. The System shall adjust the monthly
19 benefit to the actuarially equivalent amount based on the new
20 designated joint annuitant's age. The Board of Trustees shall
21 promulgate rules to implement the provisions of this subsection.

22 (f) A member who retires after the effective date of this act
23 and has selected a retirement allowance for a reduced amount payable
24 under one of the options provided for in this subsection may make a

1 one-time irrevocable election to select a different option within
2 sixty (60) days of the member's retirement date. The beneficiary or
3 joint annuitant designated by the member at the time of retirement
4 shall not be changed if the member makes the election provided for
5 in this paragraph.

6 (g) Any individual who is eligible to be a beneficiary or joint
7 annuitant of a member under this subsection, and who is also a
8 beneficiary of a trust created under the Oklahoma Discretionary and
9 Special Needs Trust Act, Section 175.81 et seq. of Title 60 of the
10 Oklahoma Statutes, or a comparable Trust Act created under the laws
11 of another state, hereinafter collectively referred to as "Trust
12 Acts", may be a beneficiary or joint annuitant under this subsection
13 by having the trustee of the trust established for the benefit of
14 that individual named as the legal beneficiary or joint annuitant
15 under this subsection. The age of that beneficiary shall be used
16 for calculating any benefit payable to the trust under this
17 subsection. The beneficiary of such a trust shall be treated as the
18 beneficiary or joint annuitant under this subsection except that
19 payments of any benefits due under this subsection shall be payable
20 to the lawfully appointed trustee of the trust. The obligation of
21 the System to pay the beneficiary or joint annuitant under this
22 subsection shall be satisfied by payment to the trustee whom the
23 System, in good faith, believes to be the lawfully appointed
24 trustee. Any conflict between the statutes creating and governing

1 the Teachers' Retirement System in Section 17-101 et seq. of this
2 title and the provisions of any Trust Act referred to above shall be
3 resolved in favor of the statutes governing the System. If an
4 eligible beneficiary or joint annuitant is named at the time of
5 retirement, and becomes a beneficiary of a trust under one of the
6 Trust Acts described herein after that time, the System will
7 acknowledge the trust as the beneficiary upon the submission of
8 adequate documentation of the existence of the trust. All other
9 provisions of this subsection shall apply to these subsequently
10 created trusts.

11 (h) The Board of Trustees of the System may recognize other
12 trusts set up for the benefit of individuals otherwise eligible to
13 be named as a beneficiary or joint annuitant under this subsection
14 by administrative rule if it can be done without undue additional
15 administrative expense of the System.

16 (9) The governing board of any "public school", as that term is
17 defined in Section 17-101 of this title, is hereby authorized and
18 empowered to pay additional retirement allowances or compensation to
19 any person who was in the employ of such public school for not less
20 than seven (7) school years preceding the date of his or her
21 retirement. Payments so made shall be a proper charge against the
22 current appropriation or appropriations of any such public school
23 for salaries for the fiscal year in which such payments are made.
24 Such payments shall be made in regular monthly installments in such

1 amounts as the governing board of any such public school, in its
2 judgment, shall determine to be reasonable and appropriate in view
3 of the length and type of service rendered by any such person to
4 such public school by which such person was employed at the time of
5 retirement. All such additional payments shall be uniform, based
6 upon the length of service and the type of services performed, to
7 persons formerly employed by such public school who have retired or
8 been retired in accordance with the provisions of Section 17-101 et
9 seq. of this title.

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

14 (10) In addition to the teachers' retirement herein provided,
15 teachers may voluntarily avail themselves of the Federal Social
16 Security Program upon a district basis.

17 (11) Upon the death of an in-service member, the System shall
18 pay to the designated beneficiary of the member or, if there is no
19 designated beneficiary or if the designated beneficiary predeceases
20 the member, to the estate of the member, the sum of Eighteen
21 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the
22 deceased member had ten (10) years or more of creditable service,
23 the member's designated beneficiary may elect to receive the
24 retirement benefit to which the deceased member would have been

1 entitled at the time of death under the Option 2 plan of retirement
2 in lieu of the death benefit provided for in this subsection.
3 Provided further, the option provided in this subsection is only
4 available when the member has designated one individual as the
5 designated beneficiary. The beneficiary or beneficiaries of death
6 benefits in the amount not to exceed Eighteen Thousand Dollars
7 (\$18,000.00), but exclusive of any retirement benefit received by an
8 electing beneficiary based upon creditable service performed by the
9 deceased member, which are provided pursuant to this subsection may
10 elect to disclaim such death benefits in which case such benefits
11 will be transferred to a person licensed as a funeral director or to
12 a lawfully recognized business entity licensed as required by law to
13 provide funeral services for the deceased member. The qualified
14 disclaimer must be in writing and will be an irrevocable and an
15 unqualified refusal to accept all or a portion of the death benefit.
16 It must be received by the transferor no more than nine (9) months
17 after the later of the day the transfer creating the interest in the
18 disclaiming person is made or the day the disclaiming person attains
19 age twenty-one (21). The interest in the death benefits must pass
20 without direction by the disclaiming person to another person.

21 (12) Upon the death of a retired member who has contributed to
22 the System, the retirement system shall pay to the designated
23 beneficiary of the member or, if there is no designated beneficiary
24 or if the designated beneficiary predeceases the member, to the

1 estate of the member, the sum of Five Thousand Dollars (\$5,000.00)
2 as a death benefit. The beneficiary or beneficiaries of benefits
3 provided pursuant to this subsection may elect to disclaim such
4 death benefits in which case such benefits will be transferred to a
5 person licensed as a funeral director or to a lawfully recognized
6 business entity licensed as required by law to provide funeral
7 services for the deceased member. The qualified disclaimer must be
8 in writing and will be an irrevocable and an unqualified refusal to
9 accept all or a portion of the death benefit. It must be received
10 by the transferor no more than nine (9) months after the later of
11 the day the transfer creating the interest in the disclaiming person
12 is made or the day the disclaiming person attains age twenty-one
13 (21). The interest in the death benefits must pass without
14 direction by the disclaiming person to another person. The benefit
15 payable pursuant to this subsection shall be deemed, for purposes of
16 federal income taxation, as life insurance proceeds and not as a
17 death benefit if the Internal Revenue Service approves this
18 provision pursuant to a private letter ruling request which shall be
19 submitted by the Board of Trustees of the System for that purpose.

20 (13) Upon the death of a member who dies leaving no living
21 beneficiary or having designated his or her estate as beneficiary,
22 the System may pay any applicable death benefit, unpaid
23 contributions, or unpaid benefit which may be subject to probate, in
24 an amount of Twenty-five Thousand Dollars (\$25,000.00) or less,

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

3 (a) Before any applicable probate procedure may be waived, the
4 System must be in receipt of the member's proof of death and the
5 following documents from those persons claiming to be the legal
6 heirs of the deceased member:

7 1. The member's valid last will and testament, trust
8 documents or affidavit that a will does not exist;

9 2. An affidavit or affidavits of heirship which must
10 state:

11 a. the names and signatures of all claiming heirs to
12 the deceased member's estate including the
13 claiming heirs' names, relationship to the
14 deceased, current addresses, tax I.D. numbers if
15 known and current telephone numbers,

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

20 c. a description of the personal property claimed,
21 (i.e., death benefit or unpaid contributions or
22 both) together with a statement that such
23 personal property is subject to probate,
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1 d. 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 deceased member
7 pending with the System;

8 3. A written agreement or agreements signed by all
9 claiming heirs of the deceased member which provides
10 that the claiming heirs release, discharge and hold
11 harmless the System from any and all liability,
12 obligations and costs which it may incur as a result
13 of making a payment to any of the deceased member's
14 heirs;

15 4. A corroborating affidavit from an individual other
16 than a claiming heir, who was familiar with the
17 affairs of the deceased member;

18 5. Proof that all debts of the deceased member, including
19 payment of last sickness, hospital, medical, death,
20 funeral and burial expenses have been paid or provided
21 for.

22 (b) 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 (c) 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 deceased member. The System
10 is not required to inquire into the truth of any matter specified in
11 this subsection or into the payment of any estate tax liability.

12 (14) Upon the death of a retired member, the benefit payment
13 for the month in which the retired member died, if not previously
14 paid, 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.

20 SECTION 2. This act shall become effective July 1, 2021.

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

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THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

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January 18, 2021

Representative Ronny Johns
Room 243.2

Re: RBH No. 6409

RBH No. 6409 reduces the vesting service requirement to 5 years from 7 years for members of Oklahoma Teachers Retirement System.

RBH No. 6409 is a fiscal bill as defined by OPLAAA.

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