

## STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 2686

By: Hasenbeck

AS INTRODUCED

An Act relating to the Teachers' Retirement System of Oklahoma; 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 retirement eligibility; modifying required period of employment for participation in retirement benefits; and providing an effective date.

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) years of age 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 eighty (80) may be retired upon proper application for retirement on forms established by the System and executing a retirement contract.

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

18           1. The employer shall provide the System with the  
19           following information for a retiring member, no later  
20           than the fifteenth day of the month of retirement:  
21           last day physically on the job; last day on payroll;  
22           any regular compensation not already reported to the  
23           System; and final unused sick leave balance.

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

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

17           (c) Any member with ~~seven (7)~~ five (5) or more years of  
18 Oklahoma teaching service and whose accumulated contributions during  
19 such period have not been withdrawn shall be given an indefinite  
20 extension of membership beginning with the sixth year following his  
21 or her last contributing membership and shall become eligible to  
22 apply for retirement and be retired upon attaining ~~age~~ fifty-five  
23 (55) years of age.

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

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

15 Any individual regardless of residence, who has a minimum of ten  
16 (10) years of teaching in Oklahoma schools prior to July 1, 1943, or  
17 who taught in Oklahoma schools prior to 1934 and thereafter taught a  
18 minimum of ten (10) years and who does not qualify under the present  
19 retirement System, or who has a minimum of thirty (30) years of  
20 teaching in Oklahoma schools and has reached seventy (70) years of  
21 age prior to July 1, 1984, and is not otherwise eligible to receive  
22 any benefits from the retirement system shall receive a minimum of  
23 One Hundred Fifty Dollars (\$150.00) per month in retirement benefits  
24 from the Teachers' Retirement System of Oklahoma plus any general

1 increase in benefits for annuitants as may be provided hereafter by  
2 the Legislature. Each individual must apply to the Teachers'  
3 Retirement System for such benefit and provide evidence to the  
4 Teachers' Retirement System that the service was actually rendered.  
5 The surviving spouse of any person who made application for the  
6 benefit provided for by this paragraph during his or her lifetime  
7 but did not receive the benefit may submit an application to the  
8 System for payment of the benefit for those months during the  
9 lifetime of the deceased person that he or she was eligible for but  
10 did not receive the benefit. Upon approval of the application by  
11 the Board of Trustees, the benefit shall be paid to the surviving  
12 spouse in one lump sum.

13 (4) The value of each year of prior service is the total  
14 monthly retirement benefit divided by the number of years of  
15 creditable service.

16 (5) Upon application of a member who is actively engaged in  
17 teaching in Oklahoma or his or her employer, any member who has been  
18 a contributing member for ten (10) years may be retired by the  
19 System subsequent to the execution and filing thereof, on a  
20 disability retirement allowance, provided that it is found by the  
21 Medical Board after medical examination of such member by a duly  
22 qualified physician that such member is mentally or physically  
23 incapacitated for further performance of duty, that such incapacity  
24 is likely to be permanent, and that such member should be retired.

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

19 (6) (a) A member who at the time of retirement has been found  
20 to be permanently physically or mentally incapacitated to perform  
21 the necessary duties to continue in his or her current position  
22 shall receive a minimum monthly retirement payment for life or until  
23 such time as the member may be found to be recovered to the point  
24 where he or she may return to teaching. Any member retired before

1 July 1, 1992, shall be eligible to receive the monthly retirement  
2 allowance herein provided, but such payment shall not begin until  
3 the first payment due him or her after July 1, 1992, and shall not  
4 be retroactive. The Board of Trustees is empowered to make such  
5 rules and regulations as it considers proper to preserve equity in  
6 retirements under this provision, which shall include a provision to  
7 protect the rights of the member's spouse.

8 (b) A member who has qualified for retirement benefits under  
9 disability retirement shall have the total monthly payment deducted  
10 from his or her accumulated contributions plus interest earned and  
11 any money remaining in the member's account after the above  
12 deductions at the death of the member shall be paid in a lump sum to  
13 the beneficiary or to the estate of the member. Provided, if the  
14 deceased disabled member had thirty (30) years or more of creditable  
15 service and the death occurred after June 30, 1981, and death  
16 occurred prior to the disabled member receiving twelve monthly  
17 retirement payments, a surviving spouse may elect to receive the  
18 retirement benefit to which the deceased member would have been  
19 entitled at the time of death under the Option 2 Plan of Retirement  
20 provided for in subsection (8) of this section in lieu of the death  
21 benefit provided for in this subsection and in subsection (12) of  
22 this section.

23 (c) Once each year the System may require any disabled  
24 annuitant who has not yet attained the age of sixty (60) years to

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

9 (d) Should the Medical Board report and certify to the Board of  
10 Trustees that such disabled annuitant is engaged in or is able to  
11 engage in a gainful occupation paying more than the difference  
12 between his or her retirement allowance and the average final  
13 compensation, and should the Board of Trustees concur in such report  
14 then the amount of his or her pension shall be reduced to an amount  
15 which, together with his or her retirement allowance and that amount  
16 earnable by him or her, shall equal the amount of his or her average  
17 final compensation. Should his or her earning capacity be later  
18 increased, the amount of his or her pension may be further modified,  
19 provided the new pension shall not exceed that amount of the pension  
20 originally granted nor an amount, which when added to the amount  
21 earnable by the member, together with his or her annuity, equals the  
22 amount of his or her average final compensation.

23 (e) Should a disabled annuitant be restored to active service,  
24 his or her disability retirement allowance shall cease and he or she



1 shall again become a member of the Teachers' Retirement System and  
2 shall make regular contributions as required under this article.

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

5 Any such prior service certificates on the basis of which his or her  
6 service was computed at the time of his or her retirement shall be  
7 restored to full force and effect.

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

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

20 (a) If termination occurs within sixteen (16) years from the  
21 date membership began, fifty percent (50%) of such interest  
22 accumulations shall be paid.  
23  
24

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

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

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

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

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

17 (b) A member may select the option under which he or she  
18 desires to retire at the end of the school year in which he or she  
19 attains ~~age~~ seventy (70) years of age and the option shall be  
20 binding and cannot be changed. Provided further that if a member  
21 retires before ~~age~~ seventy (70) years of age, no election of an  
22 option shall be effective in case an annuitant dies before the first  
23 payment due under such option has been received.

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

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

1 shall nominate by written designation duly acknowledged and filed  
2 with the System at the time of his or her retirement; or

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

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

19       Option 4. Some other benefit or benefits shall be paid either  
20 to the member or to such joint annuitant as he or she shall  
21 nominate, provided such other benefit or benefits, together with the  
22 reduced retirement allowance, shall be certified by the actuary to  
23 be of equivalent actuarial value to his or her retirement allowance  
24 and shall be approved by the System.

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

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

20 (f) A member who retires after the effective date of this act  
21 and has selected a retirement allowance for a reduced amount payable  
22 under one of the options provided for in this subsection may make a  
23 one-time irrevocable election to select a different option within  
24 sixty (60) days of the member's retirement date. The beneficiary or

1 joint annuitant designated by the member at the time of retirement  
2 shall not be changed if the member makes the election provided for  
3 in this paragraph.

4 (g) Any individual who is eligible to be a beneficiary or joint  
5 annuitant of a member under this subsection, and who is also a  
6 beneficiary of a trust created under the Oklahoma Discretionary and  
7 Special Needs Trust Act, Section 175.81 et seq. of Title 60 of the  
8 Oklahoma Statutes, or a comparable Trust Act created under the laws  
9 of another state, hereinafter collectively referred to as "Trust  
10 Acts", may be a beneficiary or joint annuitant under this subsection  
11 by having the trustee of the trust established for the benefit of  
12 that individual named as the legal beneficiary or joint annuitant  
13 under this subsection. The age of that beneficiary shall be used  
14 for calculating any benefit payable to the trust under this  
15 subsection. The beneficiary of such a trust shall be treated as the  
16 beneficiary or joint annuitant under this subsection except that  
17 payments of any benefits due under this subsection shall be payable  
18 to the lawfully appointed trustee of the trust. The obligation of  
19 the System to pay the beneficiary or joint annuitant under this  
20 subsection shall be satisfied by payment to the trustee whom the  
21 System, in good faith, believes to be the lawfully appointed  
22 trustee. Any conflict between the statutes creating and governing  
23 the Teachers' Retirement System in Section 17-101 et seq. of this  
24 title and the provisions of any Trust Act referred to above shall be

1 resolved in favor of the statutes governing the System. If an  
2 eligible beneficiary or joint annuitant is named at the time of  
3 retirement, and becomes a beneficiary of a trust under one of the  
4 Trust Acts described herein after that time, the System will  
5 acknowledge the trust as the beneficiary upon the submission of  
6 adequate documentation of the existence of the trust. All other  
7 provisions of this subsection shall apply to these subsequently  
8 created trusts.

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

14 (9) The governing board of any "public school", as that term is  
15 defined in Section 17-101 of this title, is hereby authorized and  
16 empowered to pay additional retirement allowances or compensation to  
17 any person who was in the employ of such public school for not less  
18 than ~~seven (7)~~ five (5) school years preceding the date of his or  
19 her retirement. Payments so made shall be a proper charge against  
20 the current appropriation or appropriations of any such public  
21 school for salaries for the fiscal year in which such payments are  
22 made. Such payments shall be made in regular monthly installments  
23 in such amounts as the governing board of any such public school, in  
24 its judgment, shall determine to be reasonable and appropriate in



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

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

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

15 (11) Upon the death of an in-service member, the System shall  
16 pay to the designated beneficiary of the member or, if there is no  
17 designated beneficiary or if the designated beneficiary predeceases  
18 the member, to the estate of the member, the sum of Eighteen  
19 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the  
20 deceased member had ten (10) years or more of creditable service,  
21 the member's designated beneficiary 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 in lieu of the death benefit provided for in this subsection.

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

20 (12) Upon the death of a retired member who has contributed to  
21 the System, the retirement system shall pay to the designated  
22 beneficiary of the member or, if there is no designated beneficiary  
23 or if the designated beneficiary predeceases the member, to the  
24 estate of the member, the sum of Five Thousand Dollars (\$5,000.00)

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

19 (13) Upon the death of a member who dies leaving no living  
20 beneficiary or having designated his or her estate as beneficiary,  
21 the System may pay any applicable death benefit, unpaid  
22 contributions, or unpaid benefit which may be subject to probate, in  
23 an amount of Twenty-five Thousand Dollars (\$25,000.00) or less,  
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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 November 1, 2021.

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22 58-1-6169 EK 01/04/21

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**THOMAS E. CUMMINS CONSULTING ACTUARY, INC.**

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January 14, 2021

Representative Toni Hasenbeck  
Room 452.2

Re: RBH No. 6169

RBH No. 6169 reduces the years of service to be vested in Oklahoma Teachers Retirement System to 5 years from 7 years.

RBH No. 6169 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