

# An Act

ENROLLED SENATE  
BILL NO. 772

By: Pugh of the Senate

and

Baker of the House

An Act relating to teachers' retirement; amending 70 O.S. 2011, Sections 17-105, as last amended by Section 2, Chapter 248, O.S.L. 2018 (70 O.S. Supp. 2018, Section 17-105), 17-106, as last amended by Section 1, Chapter 312, O.S.L. 2017 (70 O.S. Supp. 2018, Section 17-106), 17-108.2, 17-116.2C, as amended by Section 3, Chapter 248, O.S.L. 2018 (70 O.S. Supp. 2018, Section 17-116.2C), 17-116.9 and 17-120, as amended by Section 5, Chapter 129, O.S.L. 2016 (70 O.S. Supp. 2018, Section 17-120), which relate to retirement, personnel, picked up contributions, computation of retirement benefits, prior teaching service credit and submission of contributions; modifying provision for certain incapacitated members' benefits; updating references; deleting obsolete language; modifying person who may receive benefit of deceased retired member; deleting language authorizing Board of Trustees member reappointment after term of office expires; modifying Board of Trustee membership; authorizing Board to retain actuarial firm; requiring Board to use an actuarial firm to make certain investigation; modifying persons eligible for certain credit; modifying amount of certain credit; modifying calculation method of certain compensation; updating statutory references; repealing 70 O.S. 2011, Section 17-116, which relates to certain personnel rehiring; providing an effective date; and declaring an emergency.

SUBJECT: Teachers' retirement

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 2, Chapter 248, O.S.L. 2018 (70 O.S. Supp. 2018, 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 eighty (80) may be retired upon proper application for retirement on forms established by the System and executing a retirement contract. Such a retirement date will also apply to any person who became a member of the sending system as defined in this act, prior to July 1, 1992, regardless of whether there were breaks in service after July 1, 1992. Any person who became a member after June 30, 1992, but prior to November 1, 2011, whose age and number of years of creditable service total ninety (90) may be retired upon proper application for retirement and executing a retirement contract. Any person who becomes a member on or after November 1, 2011, who attains the age of sixty-five (65) years or who reaches a normal retirement date pursuant to subparagraph (d) of paragraph (24) of Section 17-101 of this title having attained a minimum age of sixty (60) years may be retired upon proper application for retirement and executing a retirement contract. The application shall be filed on the form provided by the Board of Trustees for this purpose, not less than sixty (60) days before the date of retirement, provided that the Executive Director may waive the sixty-day deadline for good cause shown as defined by the Board.

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

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

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

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

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

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

Any individual regardless of residence, who has a minimum of ten (10) years of teaching in Oklahoma schools prior to July 1, 1943, or who taught in Oklahoma schools prior to 1934 and thereafter taught a minimum of ten (10) years and who does not qualify under the present retirement System, or who has a minimum of thirty (30) years of teaching in Oklahoma schools and has reached seventy (70) years of age prior to July 1, 1984, and is not otherwise eligible to receive any benefits from the retirement system shall receive a minimum of One Hundred Fifty Dollars (\$150.00) per month in retirement benefits from the Teachers' Retirement System of Oklahoma plus any general increase in benefits for annuitants as may be provided hereafter by the Legislature. Each individual must apply to the Teachers' Retirement System for such benefit and provide evidence to the Teachers' Retirement System that the service was actually rendered. The surviving spouse of any person who made application for the benefit provided for by this paragraph during his or her lifetime but did not receive ~~said~~ the benefit may submit an application to the System for payment of ~~said~~ the benefit for those months during the lifetime of the deceased person that he or she was eligible for but did not receive the benefit. Upon approval of the application by the Board of Trustees, the benefit shall be paid to the surviving spouse in one lump sum.

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

(5) Upon application of a member who is actively engaged in teaching in Oklahoma or his or her employer, any member who has been a contributing member for ten (10) years may be retired by the System subsequent to the execution and filing thereof, on a disability retirement allowance, provided that it is found by the Medical Board after medical examination of such member by a duly qualified physician that such member is mentally or physically incapacitated for further performance of duty, that such incapacity is likely to be permanent, and that such member should be retired. The System shall rely on and give full consideration to the conclusions and recommendations in the certified written report of the Medical Board of the Teachers' Retirement System regarding the disability application of such member. If the Medical Board does not find that a member applying for disability retirement is

mentally or physically incapacitated for performance of duty or otherwise eligible for a disability retirement, the application shall then be considered by the Board of Trustees. If a member is determined to be eligible for disability benefits pursuant to the Social Security System, then such determination shall entitle the member to the authorized disability retirement allowance provided by law. For members who are not eligible for disability benefits pursuant to the Social Security System, the Board of Trustees and the Medical Board shall apply the same standard for which provision is made in the first two sentences of this subsection for determining the eligibility of a person for such disability benefits in making a determination of eligibility for disability benefits as authorized by this subsection.

(6) (a) A member who at the time of retirement has been found to be permanently physically or mentally incapacitated to ~~teach school~~ perform the necessary duties to continue in his or her current position shall receive a minimum monthly retirement payment for life or until such time as the member may be found to be recovered to the point where he or she may return to teaching. Any member retired before July 1, 1992, shall be eligible to receive the monthly retirement allowance herein provided, but such payment shall not begin until the first payment due him or her after July 1, 1992, and shall not be retroactive. The Board of Trustees is empowered to make such rules and regulations as it considers proper to preserve equity in retirements under this provision, which shall include a provision to protect the rights of the member's spouse.

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

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

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

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

(e) Should a disabled annuitant be restored to active service, his or her disability retirement allowance shall cease and he or she shall again become a member of the Teachers' Retirement System and shall make regular contributions as required under this article. The unused portion of his or her accumulated contributions shall be reestablished to his or her credit in the Teachers' Savings Fund. Any such prior service certificates on the basis of which his or her service was computed at the time of his or her retirement shall be restored to full force and effect.

(7) Should a member before retirement under Section 1-101 et seq. of this title make application for withdrawal duly filed with the ~~Board of Trustees and approved by it~~ System, not earlier than

four (4) months after the date of termination of such service as a teacher, the contribution standing to the credit of his or her individual account in the Teachers' Savings Fund shall be paid to him or her or, in the event of his or her death before retirement, shall be paid to such person or persons as he or she shall have nominated by written designation, duly executed and filed with the ~~Board of Trustees~~ System; provided, however, if there be no designated beneficiary surviving upon such death, such contributions shall be paid to his or her administrators, executors, or assigns, together with interest as hereinafter provided. In lieu of a lump-sum settlement at the death of the member, the amount of money the member has on deposit in the Teachers' Savings Fund and the money the member has on deposit in the Teachers' Deposit Fund may be paid in monthly payments to a designated beneficiary, who must be the spouse, under the Maximum or Option 1 Plan of Retirement providing the monthly payment shall be not less than Twenty-five Dollars (\$25.00) per month. The monthly payment shall be the actuarial equivalent of the amount becoming due at the member's death based on the sex of the spouse and the age the spouse has attained at the last birthday prior to the member's death. Provided further, if there be no designated beneficiary surviving upon such death, and the contributions standing to the credit of such member do not exceed Two Hundred Dollars (\$200.00), no part of such contributions shall be subject to the payment of any expense of the last illness or funeral of the deceased member or any expense of administration of the estate of such deceased and the ~~Board of Trustees~~ System, upon satisfactory proof of the death of such member and of the name or names of the person or persons who would be entitled to receive such contributions under the laws of descent and distribution of the state, may authorize the payment of accumulated contributions to such person or persons. A member terminating his or her membership by withdrawal after June 30, 2003, shall have the interest computed at a rate of interest determined by the Board of Trustees and paid to him or her subject to the following schedule:

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

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

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

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

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

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

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

(c) The first payment of any benefit selected shall be made on the first day of the month following approval of the retirement by the System. If the named designated beneficiary joint annuitant under Option 2 or 3 dies at any time after the member's retirement date, but before the death of the member, the member shall return to the retirement benefit, including any post retirement benefit increases the member would have received had the member not selected Option 2 or 3 of this subsection. The benefit shall be determined at the date of death of the designated ~~beneficiary or July 1, 1994, whichever is later~~ joint annuitant. This increase shall become effective the first day of the month following the date of death of the designated ~~beneficiary or July 1, 1994, whichever is later~~ joint annuitant, and shall be payable for the member's remaining lifetime. The member shall notify the Teachers' Retirement System of Oklahoma of the death of the designated beneficiary joint annuitant in writing. In the absence of ~~said the~~ written notice being filed by



the member notifying the Teachers' Retirement System of Oklahoma of the death of the designated ~~beneficiary~~ joint annuitant within six (6) months of the date of death, nothing in this subsection shall require the Teachers' Retirement System of Oklahoma to pay more than six (6) months of retrospective benefits increase.

Option 1. If he or she dies before he or she has received in annuity payments the present value of his or her annuity as it was at the time of his or her retirement, the balance shall be paid to his or her legal representatives or to such person as he or she shall nominate by written designation duly acknowledged and filed with the ~~Board of Trustees~~ System at the time of his or her retirement; or

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

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

Option 4. Some other benefit or benefits shall be paid either to the member or to such ~~person or persons~~ joint annuitant as he or she shall nominate, provided such other benefit or benefits, together with the reduced retirement allowance, shall be certified by the actuary to be of equivalent actuarial value to his or her retirement allowance and shall be approved by the ~~Board of Trustees~~ System.

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

(e) A member who chose the maximum retirement benefit plan at the time of retirement may make a one-time election to choose either Option 2 or 3 and name the member's spouse as designated beneficiary joint annuitant if the member marries after making the initial election. Such an election shall be made ~~by July 1, 2011, or~~ within one (1) year of the date of marriage, ~~whichever is later~~. The member shall provide proof of a member's good health before the ~~Board of Trustees System~~ will permit a change to either Option 2 or 3 and the naming of a designated beneficiary joint annuitant. A medical examination conducted by a licensed physician is required for purposes of determining good health. Such examination must be approved by the Medical Board. The member shall be required to provide proof of age for the new beneficiary joint annuitant. The ~~Board of Trustees System~~ shall adjust the monthly benefit to the actuarially equivalent amount based on the new designated beneficiary's joint annuitant's age. The Board of Trustees shall promulgate rules to implement the provisions of this subsection.

(f) A member who retires after the effective date of this act and has selected a retirement allowance for a reduced amount payable under one of the options provided for in this subsection may make a one-time irrevocable election to select a different option within sixty (60) days of the member's retirement date. The beneficiary or joint annuitant designated by the member at the time of retirement shall not be changed if the member makes the election provided for in this paragraph.

(g) Any individual who is eligible to be a beneficiary or joint annuitant of a member under this subsection, and who is also a beneficiary of a trust created under the Oklahoma Discretionary and Special Needs Trust Act, Section 175.81 et seq. of Title 60 of the Oklahoma Statutes, or a comparable Trust Act created under the laws of another state, hereinafter collectively referred to as "Trust Acts", may be a beneficiary or joint annuitant under this subsection by having the trustee of the trust established for the benefit of that individual named as the legal beneficiary or joint annuitant under this subsection. The age of that beneficiary shall be used

for calculating any benefit payable to the trust under this subsection. The beneficiary of such a trust shall be treated as the beneficiary or joint annuitant under this subsection except that payments of any benefits due under this subsection shall be payable to the lawfully appointed trustee of the trust. The obligation of the System to pay the beneficiary or joint annuitant under this subsection shall be satisfied by payment to the trustee whom the System, in good faith, believes to be the lawfully appointed trustee. Any conflict between the statutes creating and governing the Teachers' Retirement System in Section 17-101 et seq. of this title and the provisions of any Trust Act referred to above shall be resolved in favor of the statutes governing the System. If an eligible beneficiary or joint annuitant is named at the time of retirement, and becomes a beneficiary of a trust under one of the Trust Acts described herein after that time, the System will acknowledge the trust as the beneficiary upon the submission of adequate documentation of the existence of the trust. All other provisions of this subsection shall apply to these subsequently created trusts.

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

(9) The governing board of any "public school", as that term is defined in Section 17-101 of this title, is hereby authorized and empowered to pay additional retirement allowances or compensation to any person who was in the employ of such public school for not less than seven (7) school years preceding the date of his or her retirement. Payments so made shall be a proper charge against the current appropriation or appropriations of any such public school for salaries for the fiscal year in which such payments are made. Such payments shall be made in regular monthly installments in such amounts as the governing board of any such public school, in its judgment, shall determine to be reasonable and appropriate in view of the length and type of service rendered by any such person to such public school by which such person was employed at the time of retirement. All such additional payments shall be uniform, based upon the length of service and the type of services performed, to persons formerly employed by such public school who have retired or

been retired in accordance with the provisions of Section 17-101 et seq. of this title.

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

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

(11) Upon the death of an in-service member, the System shall pay to the designated beneficiary of the member or, if there is no designated beneficiary or if the designated beneficiary predeceases the member, to the estate of the member, the sum of Eighteen Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the deceased member had ten (10) years or more of creditable service ~~and the death occurred after February 1, 1985~~, the member's designated beneficiary may elect to receive the retirement benefit to which the deceased member would have been entitled at the time of death under the Option 2 plan of retirement in lieu of the death benefit provided for in this subsection. Provided further, the option provided in this subsection is only available when the member has designated one individual as the designated beneficiary. The beneficiary or beneficiaries of death benefits in the amount not to exceed Eighteen Thousand Dollars (\$18,000.00), but exclusive of any retirement benefit received by an electing beneficiary based upon creditable service performed by the deceased member, which are provided pursuant to this subsection may elect to disclaim such death benefits in which case such benefits will be transferred to a person licensed as a funeral director or to a lawfully recognized business entity licensed as required by law to provide funeral services for the deceased member. The qualified disclaimer must be in writing and will be an irrevocable and an unqualified refusal to accept all or a portion of the death benefit. It must be received by the transferor no more than nine (9) months after the later of the day the transfer creating the interest in the disclaiming person is made or the day the disclaiming person attains age twenty-one (21). The interest in the death benefits must pass without direction by the disclaiming person to another person.

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

(13) Upon the death of a member who dies leaving no living beneficiary or having designated his or her estate as beneficiary, the System may pay any applicable death benefit, unpaid contributions, or unpaid benefit which may be subject to probate, in an amount of Twenty-five Thousand Dollars (\$25,000.00) or less, without the intervention of the probate court or probate procedure pursuant to Section 1 et seq. of Title 58 of the Oklahoma Statutes.

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

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

2. An affidavit or affidavits of heirship which must state:
  - a. the names and signatures of all claiming heirs to the deceased member's estate including the claiming heirs' names, relationship to the deceased, current addresses, tax I.D. numbers if known and current telephone numbers,
  - b. a statement or statements by the claiming heirs that no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction,
  - c. a description of the personal property claimed, (i.e., death benefit or unpaid contributions or both) together with a statement that such personal property is subject to probate,
  - d. a statement by each individual claiming heir identifying the amount of personal property that the heir is claiming from the System, and that the heir has been notified of, is aware of and consents to the identified claims of all the other claiming heirs of the deceased member pending with the System;
3. A written agreement or agreements signed by all claiming heirs of the deceased member which provides that the claiming heirs release, discharge and hold harmless the System from any and all liability, obligations and costs which it may incur as a result of making a payment to any of the deceased member's heirs;
4. A corroborating affidavit from an individual other than a claiming heir, who was familiar with the affairs of the deceased member;
5. Proof that all debts of the deceased member, including payment of last sickness, hospital, medical, death,

funeral and burial expenses have been paid or provided for.

(b) The Executive Director of the System shall retain complete discretion in determining which requests for probate waiver may be granted or denied, for any reason. Should the System have any question as to the validity of any document presented by the claiming heirs, or as to any statement or assertion contained therein, the probate requirement provided for in Section 1 et seq. of Title 58 of the Oklahoma Statutes shall not be waived.

(c) After paying any death benefits or unpaid contributions to any claiming heirs as provided pursuant to this subsection, the System is discharged and released from any and all liability, obligation and costs to the same extent as if the System had dealt with a personal representative of the deceased member. The System is not required to inquire into the truth of any matter specified in this subsection or into the payment of any estate tax liability.

(14) Upon the death of a retired member, the benefit payment for the month in which the retired member died, if not previously paid, shall be made to the joint annuitant if still living, to the beneficiary of the member if the joint annuitant is deceased, or to the member's estate if there is no surviving joint annuitant or beneficiary. Such benefit payment shall be made in an amount equal to a full monthly benefit payment regardless of the day of the month in which the retired member died.

SECTION 2. AMENDATORY 70 O.S. 2011, Section 17-106, as last amended by Section 1, Chapter 312, O.S.L. 2017 (70 O.S. Supp. 2018, Section 17-106), is amended to read as follows:

Section 17-106. (1) The general administration and responsibility for the proper operation of the retirement system and for making effective the provisions of the act are hereby vested in a Board of Trustees which shall be known as the Board of Trustees and shall be organized immediately after a majority of the trustees provided for in this section shall have qualified and taken the oath of office.

(2) The Board shall consist of the following members and all appointees shall serve their terms at the pleasure of the appointing authority and may be removed or replaced without cause:

(a) The State Superintendent of Public Instruction, ex officio or a designee.

(b) The Director of the Office of Management and Enterprise Services, ex officio or a designee.

(c) The Director of the Oklahoma Department of Career and Technology Education, ex officio, or his or her designee.

(d) The State Treasurer, ex officio, or his or her designee.

(e) One member appointed by the Governor whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(f) Two members shall be appointed by the Governor of the State of Oklahoma and approved by the Senate. The two members shall be:

1. a representative of a school of higher education in Oklahoma whose term of office shall initially be one (1) year, and
2. a member of the System of the nonclassified optional personnel status whose initial term of office shall be two (2) years.

After the initial terms of office the terms of the members shall be four (4) years.

(g) Upon the expiration of the term of office of the stockbroker member of the Board, the Governor shall appoint a member to the Board whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.



(h) Upon the expiration of the term of office of the representative of the insurance industry member of the Board, the Governor shall appoint a member to the Board whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(i) Upon the expiration of the term of office of the investment counselor member of the Board, the Governor shall appoint a member to the Board whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(j) Upon the expiration of the term of office of the active classroom teacher member of the Board, the President Pro Tempore of the Senate shall appoint a member to the Board, who shall be an active classroom teacher and whose initial term of office shall expire on January 8, 1991. The members thereafter appointed by the President Pro Tempore of the Senate shall serve a term of office of four (4) years.

(k) Upon the expiration of the term of office of the retired classroom teacher member of the Board, the Speaker of the House of Representatives shall appoint a member to the Board, who shall be a retired member of the System and whose initial term of office shall expire on January 8, 1991. The members thereafter appointed by the Speaker of the House of Representatives shall serve a term of office of four (4) years.

(l) The Speaker of the House of Representatives shall appoint a member to the Board, who shall be an active classroom teacher and whose initial term of office shall expire on January 3, 1989. The members thereafter appointed by the Speaker of the House of Representatives shall serve a term of office of four (4) years.

(m) The President Pro Tempore of the Senate shall appoint a member to the Board, who shall be a retired member of the System and whose initial term of office shall expire on January 3, 1989. The members thereafter appointed by the President Pro Tempore of the Senate shall serve a term of office of four (4) years.

(n) A statewide organization representing retired educators shall appoint a member to the Board who shall be a nonvoting member.

(3) Persons who are appointed to the Board of Trustees by the Governor pursuant to paragraphs (e), (g), (h) and (i) of subsection (2) of this section shall:

(a) have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management; or

(b) have demonstrated experience in the banking profession and have demonstrated professional experience in investment or funds management; or

(c) be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

(d) be licensed by the Oklahoma Accountancy Board to practice in this state as a public accountant or a certified public accountant.

The appointing authorities, in making appointments that conform to the requirements of this subsection, shall give due consideration to balancing the appointments among the criteria specified in paragraphs (a) through (d) of this subsection.

(4) No member of the Board of Trustees shall be a lobbyist registered in this state as provided by law.

~~(5) Notwithstanding any of the provisions of this section to the contrary, any person serving as an appointed member of the Board of Trustees on July 1, 1988, shall be eligible for reappointment when the term of office of the member expires.~~

~~(6)~~ If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

~~(7)~~ (6) Each of the trustees, except those who are state officials serving ex officio, shall receive travel expenses in accordance with the State Travel Reimbursement Act.

~~(8)~~ (7) Each trustee shall, within ten (10) days after his or her appointment or election, take an oath of office that, so far as it devolves upon him or her, the trustee will diligently and honestly administer the affairs of the Board of Trustees and that he or she will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the retirement system. Such oath shall be subscribed to by the member making it, certified by the officer before whom it is taken, and immediately filed in the office of the Secretary of State.

~~(9)~~ (8) Each trustee shall be entitled to one vote on the Board of Trustees. Eight votes shall be necessary for a decision by the trustees at any meeting of the Board.

~~(10)~~ (9) Subject to the limitations of this act, the Board of Trustees shall, from time to time, establish rules and regulations for the administration of the funds created by this act and for the transaction of its business. Provided that such rules and regulations may include rules and regulations providing for the withholding from the retirement allowance due a retired person under the provisions of this act an amount requested in writing by the retiree for the purpose of paying:

(a) monthly premiums on group hospital and surgical insurance programs to which such retiree belongs, and for the transmitting of the sums so withheld to the insurance carrier designated by the retiree; and

(b) membership dues in any statewide association limited to retired educator membership with a minimum membership of one thousand (1,000) dues-paying members and for the transmitting of the sums so withheld.

~~(11)~~ (10) The Board of Trustees shall elect from its membership a chair, vice-chair and secretary by a majority vote of all of its members ~~shall appoint a secretary-treasurer, who may be, but need not be, one of its members.~~ The Board shall employ an executive director and shall engage such actuarial and other service as shall

be required to transact the business of the retirement system. The compensation of all persons engaged by the Board and all other expenses of the Board necessary for the operation of the retirement system shall be paid at such rates and in such amounts as the Board shall approve.

~~(12)~~ (11) The members of the Board of Trustees, the Executive Director and the employees of the System shall not accept gifts or gratuities from an individual organization with a value in excess of Fifty Dollars (\$50.00) per year. The provisions of this section shall not be construed to prevent the members of the Board of Trustees, the Executive Director or the employees of the System from attending educational seminars, conferences, meetings or similar functions which are paid for, directly or indirectly, by more than one organization.

~~(13)~~ (12) The Board of Trustees shall keep in convenient form such data as shall be necessary for actuarial valuation of the various funds of the retirement system and for checking the experience of the system.

~~(14)~~ (13) The Board of Trustees shall keep a record of all of its proceedings which shall be open to public inspection. It shall publish annually a report showing the fiscal transactions of the retirement system for the preceding fiscal year, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the retirement system and a detailed accounting of its administrative expenses.

~~(15)~~ (14) The Board of Trustees shall retain an attorney who is licensed to practice law in this state. The attorney shall serve at the pleasure of the Board of Trustees for such compensation as may be provided by the Board of Trustees. The attorney shall advise the Board of Trustees and perform legal services for the Board of Trustees with respect to any matters properly before the Board of Trustees. When requested by the Board of Trustees, the Attorney General of the state also shall render legal services to the Board of Trustees. In addition to the above, the Board of Trustees may employ hearing examiners to conduct administrative grievance hearings under the provisions of the Administrative Procedures Act.

~~(16)~~ (15) Suitable offices shall be furnished by the Office of Management and Enterprise Services. Upon the failure or inability of the Office of Management and Enterprise Services to provide adequate facilities, the Board of Trustees may contract for necessary office space in suitable quarters.

~~(17)~~ (16) The Board of Trustees shall designate a Medical Board to be composed of three physicians not eligible to participate in the retirement system. The physicians so appointed by the Board of Trustees shall be legally qualified to practice medicine in Oklahoma or the state in which they reside and shall be physicians of good standing in the medical profession. The Board of Trustees may have more than one Medical Board and each Board shall have the same duties and authority under the statutes. If required, other physicians may be employed to report on special cases. The Medical Board shall pass upon all medical examinations required under the provisions of this act and shall investigate all essential statements and certificates by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the Board of Trustees its conclusion and recommendation upon all the matters referred to it. The Board of Trustees shall adopt such rules and regulations as may be necessary to properly administer this benefit.

~~(18)~~ (17) The Board of Trustees shall ~~designate~~ retain an ~~actuary who~~ actuarial firm that shall be ~~the technical advisor~~ advisors of the Board of Trustees on matters regarding the operation of funds created by the provisions of this act and shall perform such other duties as are required in connection therewith.

~~(19)~~ (18) At least once each five (5) years the ~~actuary~~ Board of Trustees shall use an actuarial firm to make an actuarial investigation of the experience of the retirement system, including the mortality, service and compensation experience of members and beneficiaries. Based on the results of such investigation the ~~actuary~~ actuarial firm shall recommend for adoption by the Board of Trustees such tables and rates as are required for the operation of the retirement system and for the preparation of annual actuarial valuations.

~~(20)~~ (19) On the basis of such tables and rates as the Board of Trustees shall adopt, the ~~actuary~~ actuarial firm shall prepare an

annual actuarial valuation of the assets and liabilities of the retirement system and certify the rates of contribution payable by the state under the provisions of law concerning the Teachers' Retirement System.

SECTION 3. AMENDATORY 70 O.S. 2011, Section 17-108.2, is amended to read as follows:

Section 17-108.2. A. Beginning ~~July 1, 1998~~ July 1, 2019, and for each plan year thereafter, a ~~teacher person~~ person employed by any school district or employed by a technology center school district, ~~who qualifies for a minimum salary pursuant to the schedule contained in Section 18-114.7 of this title,~~ holds a valid certificate issued by the State Department of Education or the State Board of Career and Technology Education, and is employed on a full-time basis to serve as a teacher, principal, supervisor, administrator, superintendent, counselor, librarian or certified or registered nurse shall have credited against the employee contribution amount, ~~as applicable to the amount of compensation required to be paid to the teacher as a minimum salary pursuant to Section 18-114.7 of this title,~~ an annual amount based upon qualifying years of service as follows:

YEARS OF SERVICE	CREDIT AMOUNT
0	\$60.15
1	\$103.41
2	\$145.65
3	\$188.15
4	\$233.33
5	\$278.76
6	\$325.26
7	\$372.82
8	\$421.44

9	\$471.12
10	\$521.87
11	\$573.67
12	\$626.54
13	\$680.48
14	\$735.47
15	\$791.53
16	\$848.65
17	\$906.83
18	\$966.07
19	\$1,026.38
20	\$1,087.75
21	\$1,150.18
22	\$1,213.68
23	\$1,278.23
24	\$1,343.85
25 or more	\$1,410.53

B. The state shall pick up for tax purposes and pay the annual amount prescribed by subsection A of this section, based upon the conditions prescribed by subsection A of this section, to the Teachers' Retirement System. The annual amount prescribed by subsection A of this section shall be divided into monthly amounts as may be required in order to give full effect to the credit amount

without the necessity of dividing the annual credit amount into twelve (12) equal installments.

C. If an eligible ~~teacher~~ member under this section terminates service prior to June 30 of any applicable plan year, the amounts prescribed by subsection A of this section, and transferred to the Teachers' Retirement System from the State Board of Education and the State Board of Career and Technology Education shall be retained by the Teachers' Retirement System of Oklahoma and treated as an actuarial gain of the System.

D. If an employing school district has contractually committed to make payment of the employee contributions required by Section 17-116.2 of this title for a member who is eligible for the credit amount prescribed by subsection A of this section for the fiscal year, using funds available to the district and not by effecting the employee contribution through a deduction from the member's gross salary, the district shall pay additional compensation to each of its eligible teachers in an amount equal to the amount prescribed by subsection A of this section based upon the number of years of teaching experience of the eligible member.

E. If an eligible member is hired by a school district or a technology center school district and receives compensation for less than one hundred eighty (180) days of service, the district shall determine a pro rata amount of the annual credit amount and shall pay additional compensation to the member equal to the pro rata amount for each month during which the member is employed. The monthly credit amount for such member shall be added to the member's compensation beginning with the first full month during which the member is employed by the district.

F. The amount required to be added to the compensation of the eligible member pursuant to subsection D of this section shall be subject to any applicable federal or state taxes upon the additional income.

G. The amount required to be added to the compensation of the eligible member pursuant to subsection D of this section shall not be treated as regular annual compensation for purposes of Section 17-116.2 of this title or as salary or fringe benefits for purposes of determining ~~the~~ any applicable statutory minimum salary ~~pursuant~~



~~to the requirements of Section 18-114.7 of this title~~ or for purposes of meeting the requirements of any locally adopted salary schedule.

H. The employing district shall prepare its payroll records to reflect that the total employee contribution amount, for the salary not in excess of the applicable minimum salary amount, has been paid pursuant to a combination of the payment from the funds of the employing district and the amount credited to the employee contribution account of the member pursuant to subsection A of this section.

I. If an employing school district has contractually committed to deduct employee contributions required by Section 17-116.2 of this title by effecting the employee contribution through a deduction from the member's gross salary, the district shall decrease the amount of the payroll deduction for such employee contribution by the amount as prescribed in subsection A of this section, based upon the number of years of teaching experience of the member. The amount required to be subtracted from the amount by which the employee's gross salary would otherwise be reduced pursuant to this subsection shall be subject to any applicable federal or state taxes. The employing district shall prepare its payroll records to reflect that the total employee contribution amount, for the salary not in excess of the applicable minimum salary amount, has been paid pursuant to a combination of the deduction from the member's salary and the amount credited to the employee contribution account of the member pursuant to subsection A of this section.

SECTION 4. AMENDATORY 70 O.S. 2011, Section 17-116.2C, as amended by Section 3, Chapter 248, O.S.L. 2018 (70 O.S. Supp. 2018, Section 17-116.2C), is amended to read as follows:

Section 17-116.2C. A. As used in this section:

1. "Contribution deficit" means the amount of money computed for an eligible employee by multiplying the employee contribution rate in effect for any period of service performed on or after July 1, 1987, through June 30, 1995, multiplied by the amount of salary earned by the member in excess of the applicable maximum compensation level of the member for such period with interest at

the rate of ten percent (10%) per year compounded annually; provided, that for the designated fiscal years prescribed by subparagraphs a and b of this paragraph, the contribution deficit payment shall be adjusted to:

- a. fifty percent (50%) of the total amount of the computation otherwise prescribed by this paragraph for the fiscal year ending June 30, 2007,
- b. seventy-five percent (75%) of the total amount of the computation otherwise prescribed by this paragraph for the fiscal year ending June 30, 2008, and
- c. one hundred percent (100%) of the total amount of the computation otherwise prescribed by this paragraph for the fiscal year ending June 30, 2009, and for each fiscal year thereafter;

2. "Eligible employee" means a member of the System who has not retired prior to the effective date of this act and who has performed service at any time prior to June 30, 1995, and who fulfills the requirements of this act with respect to inclusion of pre-cap removal years of service in a retirement benefit computation and:

- a. who has already reached a normal retirement age prior to the effective date of this act and has not retired prior to the effective date of this act,
- b. who reaches a normal retirement age on or after the effective date of this act, and
- c. who is employed by an institution within The Oklahoma State System of Higher Education that is not a comprehensive university or a regional institution offering a four-year degree program as designated or authorized by the Oklahoma State Regents for Higher Education;

3. "Maximum average salary amount", subject to the requirements of this paragraph related to the funding level for employer contribution rates, means:

- a. Sixty Thousand Dollars (\$60,000.00) regardless of any otherwise applicable maximum compensation level for the fiscal year ending June 30, 2007,
- b. Eighty Thousand Dollars (\$80,000.00) regardless of any otherwise applicable maximum compensation level for the fiscal year ending June 30, 2008, and
- c. the full amount of the average salary without any limitation for the fiscal year ending June 30, 2009, and or each fiscal year thereafter.

The maximum final average salary amount otherwise authorized pursuant to subparagraph b or subparagraph c of this paragraph shall be contingent upon the participating employer in whose employment the member is active upon the date the member retires receiving, for the fiscal year during which the member's retirement will begin, the amount of funds required pursuant to ~~paragraph 8~~ subparagraph (A) (1) of Section 17-108.1 of this title in order to allow the employer contribution rates prescribed by ~~paragraphs 6, 7 and 8~~ subparagraph (A) (1) of Section 17-108.1 of this title to be effective as law. If a member is employed by an employer that does not receive the funding required by ~~paragraph 8~~ subparagraph (A) (1) of Section 17-108.1 of this title for the fiscal year during which the member's retirement will begin, the member shall not be authorized to use the maximum final average salary otherwise authorized by this paragraph to compute retirement benefits;

4. "Maximum compensation level" means either:

- a. Twenty-five Thousand Dollars (\$25,000.00) if a member did not elect to make employee contributions on a higher salary amount for any pre-cap removal years of service, or
- b. Forty Thousand Dollars (\$40,000.00) if a member did elect to make employee contributions upon actual salary not in excess of such amount for any pre-cap removal years of service;

5. "Pre-cap removal service" means any service performed by an active member prior to June 30, 1995; and

6. "System" means the Teachers' Retirement System of Oklahoma;

B. Unless otherwise expressly provided by this section, any definition contained in Section 17-101 of this title otherwise applicable to computation of benefits for retired members of the Teachers' Retirement System of Oklahoma shall have the same meaning for purposes of this section.

C. Effective July 1, 2006, any eligible member of the Teachers' Retirement System of Oklahoma, who, as of July 1, 2006, has already reached a normal retirement age or who on or after July 1, 2006, reaches a normal retirement age as defined by paragraph 24 of Section 17-101 of this title, shall be eligible to have a retirement benefit computed as provided by this section. If a member is eligible for the benefit computation authorized by this section, the average salary used to compute the retirement benefit of the member shall be governed by the provisions of this section and such provisions shall govern in the event of conflict between this section and the provisions of Section 17-116.2 of this title.

D. An eligible employee who performs service in the manner prescribed by subsection E of this section and who makes payment of the applicable contribution deficit amount may have a retirement benefit computed as otherwise authorized by Section 17-105 of this title, but shall have such benefit computed without regard to any maximum compensation level that would otherwise be applicable to the compensation of the member for any period of pre-cap removal service.

E. In order to have retirement benefits computed as authorized by subsection C of this section, and in addition to the payment of the contribution deficit amount required by this section, in order to have any pre-cap removal service included in the retirement benefit computation of the member using the average salary earned during such period of participating service subject to the maximum average salary amount, the member shall be required to perform one (1) year of participating service on or after the date as of which the member reaches a normal retirement age, for each two (2) years of service performed prior to July 1, 1995. For purposes of this

section, any year of service performed prior to the effective date of this act after a member reached a normal retirement age shall qualify for purposes of the retirement benefit computation authorized by this section.

F. One (1) year of participating service performed by an eligible member who, prior to the effective date of this act has reached a normal retirement age or, who on or after July 1, 2006, reaches a normal retirement age, shall result in the inclusion of the two (2) years of participating service immediately preceding July 1, 1995, in a retirement benefit computation using the average salary of the member, subject to the maximum average salary amount. For each additional year of participating service performed by the eligible member thereafter, whether such service has been performed prior to the effective date of this act or whether such service is performed on or after the effective date of this act, the two (2) next succeeding years of pre-cap removal service performed prior to the end of the preceding two-year period may be included in the benefit computation without regard to the maximum compensation level of the member that would otherwise be applicable to such pre-cap removal service.

G. The eligible member shall be required to make payment to the Teachers' Retirement System of Oklahoma of the contribution deficit amount for any year of service performed on or after July 1, 1987, but not later than June 30, 1995, as prescribed by subsections H through K of this section in order to have any years of pre-cap removal service included in the retirement benefit computation using the average salary of the member subject to the maximum average salary amount.

H. In order to have years of service included in the benefit computation using average salary subject to the maximum average salary amount, the member shall be required to make payment of the contribution deficit for the following years of service and in the sequence prescribed by subsection I of this section according to the adjustments required by subparagraphs a and b of paragraph 1 of subsection A of this section:

1. July 1, 1987, through June 30, 1988;
2. July 1, 1988, through June 30, 1989;

3. July 1, 1989, through June 30, 1990;
4. July 1, 1990, through June 30, 1991;
5. July 1, 1991, through June 30, 1992;
6. July 1, 1992, through June 30, 1993;
7. July 1, 1993, through June 30, 1994; and
8. July 1, 1994, through June 30, 1995.

I. For each year of service performed by the eligible member prior to the effective date of this act and after having reached a normal retirement age, or for each year of service performed by the member after reaching a normal retirement age on or after the effective date of this act, the member shall be required to make payment of the contribution deficit amount for each year of service beginning with the years described in paragraphs 7 and 8 of subsection H of this section. For each additional year of service performed by the eligible member after the normal retirement age of the member, the member shall make payment of the contribution deficit amount for each of the next two (2) years of service as described in:

1. Paragraphs 5 and 6 of subsection H of this section;
2. Paragraphs 3 and 4 of subsection H of this section; and
3. Paragraphs 1 and 2 of subsection H of this section.

J. After making payment of all required contribution deficit amounts for all periods of service described in paragraphs 1 through 8 of subsection H of this section, an eligible member who has performed any additional years of service after having reached a normal retirement age, or for each year of service performed by the member after reaching a normal retirement age on or after the effective date of this act, the member may then include any additional two-year period of service performed prior to July 1, 1987, using the average salary of the member, subject to the maximum average salary amount, in the retirement benefit computation for

such years of service by performing one (1) additional year of service.

K. No contribution deficit payments shall be required of the eligible member with respect to years of service performed prior to July 1, 1987, if such years of service are included in the retirement benefit computation of the member using average salary as otherwise authorized by this section, subject to the maximum average salary amount.

L. An eligible member may make the payment of the contribution deficit amount required by this section at any time prior to the retirement of the member from the System; however, no years of pre-cap removal service for which full payment of the required contribution deficit has not been made pursuant to the requirements of this section may be included in the retirement benefit computation of the otherwise eligible member using the average salary of the member for such period, subject to the maximum average salary amount.

M. Any pre-cap removal years of service for which the required contribution deficit payment has not been made to the System shall only be included in a retirement benefit computation using the maximum compensation level in effect for the member at the time such years of service were performed.

N. All payments to the System for pre-cap removal service shall be made prior to the date as of which a member retires. No payments to the System for pre-cap removal service otherwise authorized by this section shall be made after a member retires from the System and begins to receive benefits.

O. Any eligible member who, prior to the effective date of this act, has not previously made an election for payment of employee contributions on a maximum compensation level of Twenty-five Thousand Dollars (\$25,000.00) for pre-cap removal service may file an election with the System to make payment of the required contribution deficit amount pursuant to this section. Such an election shall be irrevocable.

P. No participating employer of the System shall make payment of any required contribution deficit amount on behalf of any

otherwise eligible member, whether directly or indirectly, in order for the member to have retirement benefits computed according to the provisions of this section.

Q. No member of the System who has retired prior to July 1, 2006, shall be eligible to make any payments of the contribution deficit amount and no such member shall have the ability to have a retirement benefit recomputed as a result of the provisions of this section.

R. The additional retirement benefit attributable to the provisions of this section may be computed for members who retire on or after July 1, 2006, but prior to January 1, 2007, but the additional retirement benefit attributable to the provisions of this section shall not be payable until January 1, 2007. On and after January 1, 2007, the additional retirement benefit attributable to the provisions of this section shall be added to the retirement benefit amount of any member who retires on or after July 1, 2006, and prior to January 1, 2007, and such increased benefit amount shall be payable to the member or any beneficiary of the member as otherwise provided pursuant to the provisions of Section 17-101 of this title in the same manner as other retirement benefits are payable.

SECTION 5. AMENDATORY 70 O.S. 2011, Section 17-116.9, is amended to read as follows:

Section 17-116.9. Any member of the Teachers' Retirement System of Oklahoma, who taught kindergarten on public school property prior to the state-supported kindergarten, and who subsequently taught in the public schools and has met the necessary qualifications, may receive credit in the System for such teaching service by, prior to January 1, 1991, making back contributions of ten percent (10%) of salary plus ten percent (10%) interest to the System as required by the Board of Trustees. Effective January 1, 1991, to receive the credit in the System for such teaching service, the member shall pay the amount determined by the Board of Trustees pursuant to ~~Section 30~~ Section 17-116.8 of this ~~act~~ title.

SECTION 6. AMENDATORY 70 O.S. 2011, Section 17-120, as amended by Section 5, Chapter 129, O.S.L. 2016 (70 O.S. Supp. 2018, Section 17-120), is amended to read as follows:



Section 17-120. The employer of each member shall submit all required school reports and all employer and employee contributions of each member due the Retirement System for payroll periods ending during the calendar month within ten (10) days of the last day of each calendar month. Any required school reports and employer and employee contribution amounts not submitted to the Retirement System after thirty (30) days from the end of the payroll month shall be subject to a monthly late charge of one and one-half percent (1 1/2%) of the unpaid balance to be paid by the employer to the Retirement System compounding monthly for each month payment is not received. The ~~Board~~ System may waive late fees for good cause shown.

SECTION 7. REPEALER 70 O.S. 2011, Section 17-116, is hereby repealed.

SECTION 8. This act shall become effective July 1, 2019.

SECTION 9. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 18th day of February, 2019.

\_\_\_\_\_  
Presiding Officer of the Senate

Passed the House of Representatives the 24th day of April, 2019.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_