

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

HOUSE BILL 1423

By: Hasenbeck

AS INTRODUCED

An Act relating to Teachers' Retirement System of Oklahoma; amending 70 O.S. 2021, 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. 2021, 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. 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 1, 1992, regardless of whether there were breaks in service after
2 July 1, 1992. Any person who became a member after June 30, 1992,
3 but prior to November 1, 2011, whose age and number of years of
4 creditable service total ninety (90) may be retired upon proper
5 application for retirement and executing a retirement contract. Any
6 person who becomes a member on or after November 1, 2011, who
7 attains the age of sixty-five (65) years or who reaches a normal
8 retirement date pursuant to subparagraph (d) of paragraph (24) of
9 Section 17-101 of this title having attained a minimum age of sixty
10 (60) years may be retired upon proper application for retirement and
11 executing a retirement contract. The application shall be filed on
12 the form provided by the Board of Trustees for this purpose, not
13 less than sixty (60) days before the date of retirement, provided
14 that the Executive Director may waive the sixty-day deadline for
15 good cause shown as defined by the Board.

- 16 1. The employer shall provide the System with the
17 following information for a retiring member, no later
18 than the fifteenth day of the month of retirement:
19 last day physically on the job; last day on payroll;
20 any regular compensation not already reported to the
21 System; and final unused sick leave balance.
- 22 2. Failure to submit this information by the deadline, or
23 errors in submitted information that result in a
24 disqualification of retirement eligibility shall be

1 the responsibility of the employer. In cases where
2 the error results in disqualification of retirement
3 eligibility, it is the employer's responsibility to
4 reemploy the member, or retain the member on the
5 payroll, for the time period required to reach
6 eligibility, not exceeding two (2) months.

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

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

21 (2) An unclassified optional member who has retired or who
22 retires at sixty-two (62) years of age or older or whose retirement
23 is because of disability shall have his or her minimum retirement
24 benefits calculated on an average salary of Five Thousand Three

1 Hundred Fifty Dollars (\$5,350.00) or, if a larger monthly allowance
2 would result, an amount arrived at pursuant to application of the
3 formula prescribed herein.

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

11 Any individual regardless of residence, who has a minimum of ten
12 (10) years of teaching in Oklahoma schools prior to July 1, 1943, or
13 who taught in Oklahoma schools prior to 1934 and thereafter taught a
14 minimum of ten (10) years and who does not qualify under the present
15 retirement System, or who has a minimum of thirty (30) years of
16 teaching in Oklahoma schools and has reached seventy (70) years of
17 age prior to July 1, 1984, and is not otherwise eligible to receive
18 any benefits from the retirement system shall receive a minimum of
19 One Hundred Fifty Dollars (\$150.00) per month in retirement benefits
20 from the Teachers' Retirement System of Oklahoma plus any general
21 increase in benefits for annuitants as may be provided hereafter by
22 the Legislature. Each individual must apply to the Teachers'
23 Retirement System for such benefit and provide evidence to the
24 Teachers' Retirement System that the service was actually rendered.

1 The surviving spouse of any person who made application for the
2 benefit provided for by this paragraph during his or her lifetime
3 but did not receive the benefit may submit an application to the
4 System for payment of the benefit for those months during the
5 lifetime of the deceased person that he or she was eligible for but
6 did not receive the benefit. Upon approval of the application by
7 the Board of Trustees, the benefit shall be paid to the surviving
8 spouse in one lump sum.

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

12 (5) Upon application of a member who is actively engaged in
13 teaching in Oklahoma or his or her employer, any member who has been
14 a contributing member for ten (10) years may be retired by the
15 System subsequent to the execution and filing thereof, on a
16 disability retirement allowance, provided that it is found by the
17 Medical Board after medical examination of such member by a duly
18 qualified physician that such member is mentally or physically
19 incapacitated for further performance of duty, that such incapacity
20 is likely to be permanent, and that such member should be retired.
21 The System shall rely on and give full consideration to the
22 conclusions and recommendations in the certified written report of
23 the Medical Board of the Teachers' Retirement System regarding the
24 disability application of such member. If the Medical Board does

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

15 (6) (a) A member who at the time of retirement has been found
16 to be permanently physically or mentally incapacitated to perform
17 the necessary duties to continue in his or her current position
18 shall receive a minimum monthly retirement payment for life or until
19 such time as the member may be found to be recovered to the point
20 where he or she may return to teaching. Any member retired before
21 July 1, 1992, shall be eligible to receive the monthly retirement
22 allowance herein provided, but such payment shall not begin until
23 the first payment due him or her after July 1, 1992, and shall not
24 be retroactive. The Board of Trustees is empowered to make such

1 rules and regulations as it considers proper to preserve equity in
2 retirements under this provision, which shall include a provision to
3 protect the rights of the member's spouse.

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

19 (c) Once each year the System may require any disabled
20 annuitant who has not yet attained the age of sixty (60) years to
21 undergo a medical examination, such examination to be made at the
22 place of residence for the disabled annuitant or other place
23 mutually agreed upon by a physician or physicians designated by the
24 System. Should any disabled annuitant who has not yet attained the

1 age of sixty (60) years refuse to submit to at least one medical
2 examination in any such year by a physician or physicians designated
3 by the System his or her allowance may be discontinued until he or
4 she submits to such examination.

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

19 (e) Should a disabled annuitant be restored to active service,
20 his or her disability retirement allowance shall cease and he or she
21 shall again become a member of the Teachers' Retirement System and
22 shall make regular contributions as required under this article.
23 The unused portion of his or her accumulated contributions shall be
24 reestablished to his or her credit in the Teachers' Savings Fund.

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

4 (7) Should a member before retirement under Section 1-101 et
5 seq. of this title make application for withdrawal duly filed with
6 the System, not earlier than four (4) months after the date of
7 termination of such service as a teacher, the contribution standing
8 to the credit of his or her individual account in the Teachers'
9 Savings Fund shall be paid to him or her or, in the event of his or
10 her death before retirement, shall be paid to such person or persons
11 as he or she shall have nominated by written designation, duly
12 executed and filed with the System; provided, however, if there be
13 no designated beneficiary surviving upon such death, such
14 contributions shall be paid to his or her administrators, executors,
15 or assigns, together with interest as hereinafter provided. In lieu
16 of a lump-sum settlement at the death of the member, the amount of
17 money the member has on deposit in the Teachers' Savings Fund and
18 the money the member has on deposit in the Teachers' Deposit Fund
19 may be paid in monthly payments to a designated beneficiary, who
20 must be the spouse, under the Maximum or Option 1 Plan of Retirement
21 providing the monthly payment shall be not less than Twenty-five
22 Dollars (\$25.00) per month. The monthly payment shall be the
23 actuarial equivalent of the amount becoming due at the member's
24 death based on the sex of the spouse and the age the spouse has

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

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

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

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

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

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

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

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

18 (c) The first payment of any benefit selected shall be made on
19 the first day of the month following approval of the retirement by
20 the System. If the named designated joint annuitant under Option 2
21 or 3 dies at any time after the member's retirement date, but before
22 the death of the member, the member shall return to the retirement
23 benefit, including any post retirement benefit increases the member
24 would have received had the member not selected Option 2 or 3 of

1 this subsection. The benefit shall be determined at the date of
2 death of the designated joint annuitant. This increase shall become
3 effective the first day of the month following the date of death of
4 the designated joint annuitant, and shall be payable for the
5 member's remaining lifetime. The member shall notify the Teachers'
6 Retirement System of Oklahoma of the death of the designated joint
7 annuitant in writing. In the absence of the written notice being
8 filed by the member notifying the Teachers' Retirement System of
9 Oklahoma of the death of the designated joint annuitant within six
10 (6) months of the date of death, nothing in this subsection shall
11 require the Teachers' Retirement System of Oklahoma to pay more than
12 six (6) months of retrospective benefits increase.

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

19 Option 2. A member takes a reduced retirement allowance for
20 life. Upon the death of the member the payments shall continue to
21 the member's designated joint annuitant for the life of the joint
22 annuitant. The written designation of the joint annuitant must be
23 duly acknowledged and filed with the System at the time of the
24 member's retirement and, except as provided in paragraph (e) of this

1 subsection, cannot be changed after the effective date of the
2 member's retirement; or

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

11 Option 4. Some other benefit or benefits shall be paid either
12 to the member or to such joint annuitant as he or she shall
13 nominate, provided such other benefit or benefits, together with the
14 reduced retirement allowance, shall be certified by the actuary to
15 be of equivalent actuarial value to his or her retirement allowance
16 and shall be approved by the System.

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

21 (e) A member who chose the maximum retirement benefit plan at
22 the time of retirement may make a one-time election to choose either
23 Option 2 or 3 and name the member's spouse as designated joint
24 annuitant if the member marries after making the initial election.

1 Such an election shall be made within one (1) year of the date of
2 marriage. The member shall provide proof of a member's good health
3 before the System will permit a change to either Option 2 or 3 and
4 the naming of a designated joint annuitant. A medical examination
5 conducted by a licensed physician is required for purposes of
6 determining good health. Such examination must be approved by the
7 Medical Board. The member shall be required to provide proof of age
8 for the new joint annuitant. The System shall adjust the monthly
9 benefit to the actuarially equivalent amount based on the new
10 designated joint annuitant's age. The Board of Trustees shall
11 promulgate rules to implement the provisions of this subsection.

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

20 (g) Any individual who is eligible to be a beneficiary or joint
21 annuitant of a member under this subsection, and who is also a
22 beneficiary of a trust created under the Oklahoma Discretionary and
23 Special Needs Trust Act, Section 175.81 et seq. of Title 60 of the
24 Oklahoma Statutes, or a comparable Trust Act created under the laws

1 of another state, hereinafter collectively referred to as "Trust
2 Acts", may be a beneficiary or joint annuitant under this subsection
3 by having the trustee of the trust established for the benefit of
4 that individual named as the legal beneficiary or joint annuitant
5 under this subsection. The age of that beneficiary shall be used
6 for calculating any benefit payable to the trust under this
7 subsection. The beneficiary of such a trust shall be treated as the
8 beneficiary or joint annuitant under this subsection except that
9 payments of any benefits due under this subsection shall be payable
10 to the lawfully appointed trustee of the trust. The obligation of
11 the System to pay the beneficiary or joint annuitant under this
12 subsection shall be satisfied by payment to the trustee whom the
13 System, in good faith, believes to be the lawfully appointed
14 trustee. Any conflict between the statutes creating and governing
15 the Teachers' Retirement System in Section 17-101 et seq. of this
16 title and the provisions of any Trust Act referred to above shall be
17 resolved in favor of the statutes governing the System. If an
18 eligible beneficiary or joint annuitant is named at the time of
19 retirement, and becomes a beneficiary of a trust under one of the
20 Trust Acts described herein after that time, the System will
21 acknowledge the trust as the beneficiary upon the submission of
22 adequate documentation of the existence of the trust. All other
23 provisions of this subsection shall apply to these subsequently
24 created trusts.

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

6 (9) The governing board of any "public school", as that term is
7 defined in Section 17-101 of this title, is hereby authorized and
8 empowered to pay additional retirement allowances or compensation to
9 any person who was in the employ of such public school for not less
10 than ~~seven (7)~~ five (5) school years preceding the date of his or
11 her retirement. Payments so made shall be a proper charge against
12 the current appropriation or appropriations of any such public
13 school for salaries for the fiscal year in which such payments are
14 made. Such payments shall be made in regular monthly installments
15 in such amounts as the governing board of any such public school, in
16 its judgment, shall determine to be reasonable and appropriate in
17 view of the length and type of service rendered by any such person
18 to such public school by which such person was employed at the time
19 of retirement. All such additional payments shall be uniform, based
20 upon the length of service and the type of services performed, to
21 persons formerly employed by such public school who have retired or
22 been retired in accordance with the provisions of Section 17-101 et
23 seq. of this title.

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

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

8 (11) Upon the death of an in-service member, the System shall
9 pay to the designated beneficiary of the member or, if there is no
10 designated beneficiary or if the designated beneficiary predeceases
11 the member, to the estate of the member, the sum of Eighteen
12 Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the
13 deceased member had ten (10) years or more of creditable service,
14 the member's designated beneficiary may elect to receive the
15 retirement benefit to which the deceased member would have been
16 entitled at the time of death under the Option 2 plan of retirement
17 in lieu of the death benefit provided for in this subsection.
18 Provided further, the option provided in this subsection is only
19 available when the member has designated one individual as the
20 designated beneficiary. The beneficiary or beneficiaries of death
21 benefits in the amount not to exceed Eighteen Thousand Dollars
22 (\$18,000.00), but exclusive of any retirement benefit received by an
23 electing beneficiary based upon creditable service performed by the
24 deceased member, which are provided pursuant to this subsection may

1 elect to disclaim such death benefits in which case such benefits
2 will be transferred to a person licensed as a funeral director or to
3 a lawfully recognized business entity licensed as required by law to
4 provide funeral services for the deceased member. The qualified
5 disclaimer must be in writing and will be an irrevocable and an
6 unqualified refusal to accept all or a portion of the death benefit.
7 It must be received by the transferor no more than nine (9) months
8 after the later of the day the transfer creating the interest in the
9 disclaiming person is made or the day the disclaiming person attains
10 ~~age~~ twenty-one (21) years of age. The interest in the death
11 benefits must pass without direction by the disclaiming person to
12 another person.

13 (12) Upon the death of a retired member who has contributed to
14 the System, the retirement system shall pay to the designated
15 beneficiary of the member or, if there is no designated beneficiary
16 or if the designated beneficiary predeceases the member, to the
17 estate of the member, the sum of Five Thousand Dollars (\$5,000.00)
18 as a death benefit. The beneficiary or beneficiaries of benefits
19 provided pursuant to this subsection may elect to disclaim such
20 death benefits in which case such benefits will be transferred to a
21 person licensed as a funeral director or to a lawfully recognized
22 business entity licensed as required by law to provide funeral
23 services for the deceased member. The qualified disclaimer must be
24 in writing and will be an irrevocable and an unqualified refusal to

1 accept all or a portion of the death benefit. It must be received
2 by the transferor no more than nine (9) months after the later of
3 the day the transfer creating the interest in the disclaiming person
4 is made or the day the disclaiming person attains ~~age~~ twenty-one
5 (21) years of age. The interest in the death benefits must pass
6 without direction by the disclaiming person to another person. The
7 benefit payable pursuant to this subsection shall be deemed, for
8 purposes of federal income taxation, as life insurance proceeds and
9 not as a death benefit if the Internal Revenue Service approves this
10 provision pursuant to a private letter ruling request which shall be
11 submitted by the Board of Trustees of the System for that purpose.

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

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

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

- 1 2. An affidavit or affidavits of heirship which must
2 state:
- 3 a. the names and signatures of all claiming heirs to
4 the deceased member's estate including the
5 claiming heirs' names, relationship to the
6 deceased, current addresses, tax I.D. numbers if
7 known and current telephone numbers,
- 8 b. a statement or statements by the claiming heirs
9 that no application or petition for the
10 appointment of a personal representative is
11 pending or has been granted in any jurisdiction,
- 12 c. a description of the personal property claimed,
13 (i.e., death benefit or unpaid contributions or
14 both) together with a statement that such
15 personal property is subject to probate,
- 16 d. a statement by each individual claiming heir
17 identifying the amount of personal property that
18 the heir is claiming from the System, and that
19 the heir has been notified of, is aware of and
20 consents to the identified claims of all the
21 other claiming heirs of the deceased member
22 pending with the System;
- 23 3. A written agreement or agreements signed by all
24 claiming heirs of the deceased member which provides

1 that the claiming heirs release, discharge and hold
2 harmless the System from any and all liability,
3 obligations and costs which it may incur as a result
4 of making a payment to any of the deceased member's
5 heirs;

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

9 5. Proof that all debts of the deceased member, including
10 payment of last sickness, hospital, medical, death,
11 funeral and burial expenses have been paid or provided
12 for.

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

20 (c) After paying any death benefits or unpaid contributions to
21 any claiming heirs as provided pursuant to this subsection, the
22 System is discharged and released from any and all liability,
23 obligation and costs to the same extent as if the System had dealt
24 with a personal representative of the deceased member. The System

1 is not required to inquire into the truth of any matter specified in
2 this subsection or into the payment of any estate tax liability.

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

11 SECTION 2. This act shall become effective November 1, 2023.

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13 59-1-5173 EK 11/07/22

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January 6, 2023

Representative Toni Hasenbeck
Room 244

Re: RBH No. 5173

RBH No. 5173 reduces the length of service to be vested to 5 years from 7 years for OTRS participants entering the system after 10/31/2017.

Participants who entered prior to 11/01/2017 the length of service was already 5 years.

RBH No. 5173 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