

## Oklahoma Statutes Citationized

### Title 19. Counties and County Officers

#### Chapter 25 - County Employees' Retirement Systems

#### Section 956.2 - Alternative Retirement Benefits - Method - Restrictions

Cite as: O.S. §. \_\_\_

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A. In lieu of the retirement benefits specified in Section 956 of this title, upon approval by the board of trustees and the board of county commissioners, a county authorized to provide a retirement system pursuant to the provisions of Section 951 et seq. of this title, with a population in excess of six hundred seventy-five thousand (675,000), may provide for retirement benefits for the retirement system based upon the contributions of the individual employee, if any, contributions of the county for the benefit of such employee, if any, together with earnings accruals thereon for such periods of time as the board of trustees and the board of county commissioners, in their discretion, may determine best meets the purpose of the retirement system. Notwithstanding any other provision in this section, a retirement benefits plan based upon the contributions by or for the benefit of an employee hired prior to November 1, 2005, as provided in this subsection shall be subject to the following vesting restrictions:

1. Twenty percent (20%) vesting after two (2) years of service;
2. Forty percent (40%) vesting after three (3) years of service;
3. Sixty percent (60%) vesting after four (4) years of service; and
4. One hundred percent (100%) vesting after five (5) years of service.

These vesting restrictions are for the benefit of a participating member or other designated beneficiary after the employment of the member is permanently terminated with a participating employer of the retirement plan. An employee is permanently terminated after termination from employment with a participating employer after passage of the period of time specified in the retirement plan. Pending permanent termination of an employee, the nonvested portion of the monies will be held in escrow until the time for reinstatement has lapsed as specified in the retirement plan. After the time for reinstatement has lapsed, any nonvested forfeitures shall be used to offset prospective employer contributions or to pay expenses associated with the retirement plan.

B. A retirement benefits plan based upon the contributions by or for the benefit of an employee hired on or after November 1, 2005, as provided in this subsection shall be subject to full vesting after five (5) years of service. There shall be no partial vesting for employees hired on or after November 1, 2005.

C. Notwithstanding other provisions of law, the accumulated vested benefits of a member, as provided in this section, who dies before retirement or permanent termination of employment, may be withdrawn from time to time in whole or in part by the beneficiary of the deceased member upon application to the Board of Trustees in a manner prescribed by the Board of Trustees.

D. If a county elects to provide benefits pursuant to this section, all persons participating in the existing system shall be given the option of remaining subject to the existing retirement system. All persons becoming members of the retirement system after the effective date of this act would be required to participate in the defined contribution benefit system specified in this section. Upon approval of the board of trustees and the board of county commissioners, the existing liabilities under the defined benefits system provided in Section 956 of this title and the liabilities accrued under the defined contribution benefit system provided in this section may be funded by annuities purchased from annuity or insurance companies licensed to do business in this state as recommended by the board of trustees and approved by the board of county commissioners.

E. All administrative costs associated with the operation of a defined benefit retirement system shall be paid exclusively from the contributions made by the employer on behalf of employees electing to participate in the defined benefit retirement system, the contributions made by individual employees electing to participate in the defined benefit retirement system and any income generated from investment of the funds of the defined benefit

retirement system.

F. No costs associated with the operation of a defined contribution retirement system may be paid from funds used in the operation of a defined benefit retirement system. Said costs associated with the operation of the defined contribution retirement system shall be paid for by the county from the county general fund as defined by Section 331 of Title 62 of the Oklahoma Statutes or from any other monies available which are not specifically prohibited from being used for this purpose.

#### ***Historical Data***

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Added by Laws 1991, HB 1226, c. 88, § 1, emerg. eff. July 1, 1991; Amended by Laws 1992, SB 852, c. 167, § 1, emerg. eff. May 5, 1992; Amended by Laws 1993, SB 470, c. 95, § 1, emerg. eff. April 18, 1993; Amended by Laws 1994, HB 2407, c. 24, § 1, eff. September 1, 1994; Amended by Laws 1995, HB 1221, c. 185, § 2, emerg. eff. May 15, 1995; Amended by Laws 2000, HB 2560, c. 200, § 6, eff. November 1, 2000 (superseded document available); Amended by Laws 2005, HB 1363, c. 94, § 1, eff. November 1, 2005 (superseded document available); Amended by Laws 2011, HB 2032, c. 337, § 4, emerg. eff. May 25, 2011 (superseded document available).