



ROSENSTEIN, FIST & RINGOLD

RED BANNER UPDATE

Date: June 4, 2021

Re: HB 2293

Signed: May 28, 2021

Effective: August 25, 2021: 90 days after sine die adjournment

Topic: OTRS Federal and External Grant Matching Contributions

Summary: This Act amends OKLA. STAT. tit. 70, § 17-108 by modifying the OTRS “matching contribution” that districts are required to pay for those OTRS member employees (“members”) whose salaries are paid by federal funds or externally-sponsored agreements (e.g., grants, contracts, and cooperative agreements). The Act requires the Board of Trustees to annually set two contribution rates. The first rate shall be applied to service performed during the regular school year. The second rate shall be applied to service performed by members during a district “summer school program.” Members may only be considered as providing service to a summer school program if such service is provided pursuant to a separate summer school contract between the member and the district.

The term “summer school program” is defined within the Act as “a program offering academic enrichment for students from Pre-K through 12th grades during the summer term after the close of the school year.” It does not include services performed at a district offering an extended school year pursuant to OKLA. STAT. tit. 70, §1-109.1 or services provided by staff pursuant to a twelve-month contract with the district.

The Act further provides that the method applied by the Board of Trustees to set the second contribution rate may take into consideration whether, or to what extent, such service is likely to add to members’ service credit or final average salary; provided, however, the second rate shall not exceed one-half (1/2) of the first rate. The Act allows the actuary retained by the Board of Trustees to recommend such rates using assumptions that apply to the group of those members whose service is subject to the second contribution rate.

Please visit the firm’s website to view the signed Act. RFR attorneys are reviewing this legislation and will be advising clients as to any recommended changes to existing district policies.