

1 ENGROSSED SENATE AMENDMENTS
TO
2 ENGROSSED HOUSE
BILL NO. 2264

By: McDaniel (Randy) of the
House

and

Smalley of the Senate

8 An Act relating to the Retirement Freedom Act;
amending Section 5, Chapter 375, O.S.L. 2014, as
9 amended by Section 3, Chapter 303, O.S.L. 2015 (74
O.S Supp. 2015, Section 935.5), which relates to
10 employee contributions; modifying time period for
purposes of employee contribution rate selections;
11 and providing an effective date.

14 AMENDMENT NO. 1. Page 2, line 18, after the word "once" and before
the word "calendar" restore the word "per"

15 AMENDMENT NO. 2. Page 2, line 19, after the stricken word
16 "determines" and before the period, delete the
words "each thirty (30) days" and replace with
17 "month"

1 Passed the Senate the 13th day of April, 2016.

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Presiding Officer of the Senate

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Passed the House of Representatives the ____ day of _____,

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2016.

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Presiding Officer of the House
of Representatives

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10 O.S Supp. 2015, Section 935.5), which relates to
employee contributions; modifying time period for
purposes of employee contribution rate selections;
and providing an effective date.

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY Section 5, Chapter 375, O.S.L.
15 2014, as amended by Section 3, Chapter 303, O.S.L. 2015 (74 O.S.
16 Supp. 2015, Section 935.5), is amended to read as follows:

17 Section 935.5 A. Except as otherwise provided by subsection B
18 of this section, employers of employees who become participants in
19 the defined contribution retirement system shall match the employee
20 contribution paid on a monthly or more frequent basis at the rate of
21 six percent (6.0%) based on the same compensation amount used to
22 compute the employee contribution amount.

23 B. If an employee selects a contribution rate of seven percent
24 (7.0%) or more, but not higher than allowed pursuant to the maximum

1 annual contribution limit prescribed by Section 415 of the Internal
2 Revenue Code of 1986, as amended, the employer matching amount shall
3 be seven percent (7.0%).

4 C. The initial four and five-tenths percent (4.5%) employee
5 contribution shall be the only mandatory contribution of an employee
6 participating in the defined contribution retirement system created
7 by this act. These funds shall be placed by the System in either a
8 401(a) plan or a 457(b) plan, to be determined by the Board to
9 maintain the plan consistent with the Internal Revenue Code. Any
10 employee contributions eligible to be matched under this section
11 over the four and five-tenths percent (4.5%) initial contribution
12 shall be considered voluntary deferrals of compensation and placed
13 in a 457(b) plan. All employer matching funds shall be placed in a
14 401(a) plan.

15 ~~D.~~ Any contribution rate that is more than the four and five-
16 tenths percent (4.5%) rate can be chosen by the participating
17 employee upon the employee's initial participation, and can ~~only~~ be
18 changed once ~~per calendar year during an option period as the Board~~
19 ~~determines~~ each thirty (30) days. The employee contribution rate
20 chosen shall continue until the ~~next option period~~ employee elects
21 to change the contribution rate or terminates service or retires.

22 ~~E.~~ D. The employer match as set forth in subsection A of this
23 section may be increased at any time by the Legislature without
24 affecting the then-existing rights of participating employees and

1 beneficiaries in order to encourage participating employees to
 2 accumulate deferred income reserves for themselves and their
 3 dependents. The employer match may be decreased at any time by the
 4 Legislature without affecting the then-existing rights of
 5 participating employees and beneficiaries in order to provide
 6 funding as may be needed to reduce the unfunded liabilities of the
 7 defined benefit plan as set forth in Section 901 et seq. of this
 8 title, but shall not be less than six percent (6.0%) for any year
 9 during which the defined contribution plan is maintained.

10 SECTION 2. This act shall become effective November 1, 2016.

11 Passed the House of Representatives the 10th day of February,
 12 2016.

14 _____
 15 Presiding Officer of the House
 of Representatives

16 Passed the Senate the ___ day of _____, 2016.

18 _____
 19 Presiding Officer of the Senate