

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2494 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Randy McDaniel _____

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 2494

By: Banz

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to public retirement systems; enacting the Retirement Dividend Act; providing for distribution to certain retired members of the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the Uniform Retirement System for Justices and Judges, the Oklahoma Police Pension and Retirement System, the Oklahoma Law Enforcement Retirement System and the Oklahoma Firefighters Pension and Retirement System; specifying amount of distribution authorized; providing distributions not to confer property rights except as authorized by enactment; defining retirement dividends by reference to actions by the Legislature and the Governor; defining term; imposing restriction on designated public retirement systems with respect to certain distributions; requiring separate legislative enactment for authorization of distributions; imposing limit on frequency of distributions based upon determination of funded ratio; defining term; making appropriations to the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the Uniform Retirement System for Justices and Judges, the Oklahoma Police Pension and Retirement System, the Oklahoma Law Enforcement Retirement System and the Oklahoma Firefighters Pension and Retirement System; making appropriations from Special Cash Fund; prescribing amounts and purposes; providing concurrent funding pursuant to the Oklahoma Pension Legislation Actuarial Analysis Act; providing for

1 codification; providing for noncodification; and
2 providing effective dates.

3
4 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

5 SECTION 1. NEW LAW A new section of law not to be
6 codified in the Oklahoma Statutes reads as follows:

7 This act shall be known and may be cited as the "Retirement
8 Dividend Act".

9 SECTION 2. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 930.11 of Title 74, unless there
11 is created a duplication in numbering, reads as follows:

12 A. Subject to the limitations imposed pursuant to this section,
13 effective December 1, 2016, the Board of Trustees of the Oklahoma
14 Public Employees Retirement System shall make a single distribution
15 to retired members of the System who have attained the age of at
16 least seventy (70) years as of December 1 in the amount of One
17 Thousand Dollars (\$1,000.00).

18 B. The provisions of this section shall not be construed to
19 confer any property right with regard to retirement benefit
20 increases other than the increase authorized by the provisions of
21 this section.

22 C. A retirement dividend is a single disbursement authorized by
23 the Legislature and approved by the Governor to retired members of
24 public retirement systems.

1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 17-116.22 of Title 70, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Subject to the limitations imposed pursuant to this section,
5 effective December 1, 2016, the Board of Trustees of the Teachers'
6 Retirement System of Oklahoma shall make a single distribution to
7 retired members of the System who have attained the age of at least
8 seventy (70) years as of December 1 in the amount of One Thousand
9 Dollars (\$1,000.00).

10 B. The provisions of this section shall not be construed to
11 confer any property right with regard to retirement benefit
12 increases other than the increase authorized by the provisions of
13 this section.

14 C. A retirement dividend is a single disbursement authorized by
15 the Legislature and approved by the Governor to retired members of
16 public retirement systems.

17 SECTION 4. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1104K of Title 20, unless there
19 is created a duplication in numbering, reads as follows:

20 A. Subject to the limitations imposed pursuant to this section,
21 effective December 1, 2016, the Board of Trustees of the Uniform
22 Retirement System for Justices and Judges shall make a single
23 distribution to retired members of the System who have attained the
24

1 age of at least seventy (70) years as of December 1 in the amount of
2 One Thousand Dollars (\$1,000.00).

3 B. The provisions of this section shall not be construed to
4 confer any property right with regard to retirement benefit
5 increases other than the increase authorized by the provisions of
6 this section.

7 C. A retirement dividend is a single disbursement authorized by
8 the Legislature and approved by the Governor to retired members of
9 public retirement systems.

10 SECTION 5. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 50-136.9 of Title 11, unless
12 there is created a duplication in numbering, reads as follows:

13 A. Subject to the limitations imposed pursuant to this section,
14 effective December 1, 2016, the Board of Trustees of the Oklahoma
15 Police Pension and Retirement System shall make a single
16 distribution to retired members of the System who have attained the
17 age of at least seventy (70) years as of December 1 in the amount of
18 One Thousand Dollars (\$1,000.00).

19 B. The provisions of this section shall not be construed to
20 confer any property right with regard to retirement benefit
21 increases other than the increase authorized by the provisions of
22 this section.

1 C. A retirement dividend is a single disbursement authorized by
2 the Legislature and approved by the Governor to retired members of
3 public retirement systems.

4 SECTION 6. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2-305.12 of Title 47, unless
6 there is created a duplication in numbering, reads as follows:

7 A. Subject to the limitations imposed pursuant to this section,
8 effective December 1, 2016, the Board of Trustees of the Oklahoma
9 Law Enforcement Retirement System shall make a single distribution
10 to retired members of the System who have attained the age of at
11 least seventy (70) years as of December 1 in the amount of One
12 Thousand Dollars (\$1,000.00).

13 B. The provisions of this section shall not be construed to
14 confer any property right with regard to retirement benefit
15 increases other than the increase authorized by the provisions of
16 this section.

17 C. A retirement dividend is a single disbursement authorized by
18 the Legislature and approved by the Governor to retired members of
19 public retirement systems.

20 SECTION 7. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 49-143.7 of Title 11, unless
22 there is created a duplication in numbering, reads as follows:

23 A. Subject to the limitations imposed pursuant to this section,
24 effective December 1, 2016, the Board of Trustees of the Oklahoma

1 Firefighters Pension and Retirement System shall make a single
2 distribution to retired members of the System who have attained the
3 age of at least seventy (70) years as of December 1 in the amount
4 of:

5 1. One Thousand Dollars (\$1,000.00) for each paid firefighter;

6 and

7 2. One Hundred Dollars (\$100.00) for each volunteer
8 firefighter.

9 B. The provisions of this section shall not be construed to
10 confer any property right with regard to retirement benefit
11 increases other than the increase authorized by the provisions of
12 this section.

13 C. A retirement dividend is a single disbursement authorized by
14 the Legislature and approved by the Governor to retired members of
15 public retirement systems.

16 SECTION 8. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1003 of Title 62, unless there
18 is created a duplication in numbering, reads as follows:

19 A. As used in this section, "public retirement system" means:

20 1. The Oklahoma Firefighters Pension and Retirement System;

21 2. The Oklahoma Police Pension and Retirement System;

22 3. The Uniform Retirement System for Justices and Judges;

23 4. The Oklahoma Law Enforcement Retirement System;

24 5. The Teachers' Retirement System of Oklahoma; and

1 6. The Oklahoma Public Employees Retirement System.

2 B. Effective January 1, 2017, with respect to any increase in
3 retirement benefits authorized by a law enacted on or after January
4 1, 2017, a public retirement system shall only be authorized to make
5 distributions such as the distributions described in Sections 2
6 through 7 of this act or any other distribution which increases the
7 retirement benefit amount of a retired member or other beneficiary
8 of the applicable retirement system if the legislation authorizing
9 such distribution is concurrently funded according to the
10 requirements of the Oklahoma Pension Legislation Actuarial Analysis
11 Act.

12 C. If the distributions described by subsection B of this
13 section are concurrently funded, a public retirement system may be
14 authorized, pursuant to specific legislative enactment, to make such
15 distribution once each two (2) years if, after the distribution is
16 made, the funded ratio of the retirement system would be eighty-five
17 percent (85%) or greater.

18 D. If the distributions described by subsection B of this
19 section are concurrently funded, a public retirement system may be
20 authorized to make such distribution once each four (4) years if,
21 after the distribution is made, the funded ratio of the retirement
22 system would be less than eighty-five percent (85%).

23 E. As used in this section, "funded ratio" means the figure
24 obtained by dividing the actuarial value of the assets of the

1 retirement system by the actuarial accrued liability of the
2 retirement system.

3 SECTION 9. There is hereby appropriated to the Oklahoma Public
4 Employees Retirement System from any monies not otherwise
5 appropriated from the Special Cash Fund of the State Treasury for
6 the fiscal year ending June 30, 2017, the sum of Seventeen Million
7 One Hundred Four Thousand Dollars (\$17,104,000.00) to provide the
8 concurrent funding required by the Oklahoma Pension Legislation
9 Actuarial Analysis Act for the benefit amount authorized by Section
10 2 of this act.

11 SECTION 10. There is hereby appropriated to the Teachers'
12 Retirement System of Oklahoma from any monies not otherwise
13 appropriated from the Special Cash Fund of the State Treasury for
14 the fiscal year ending June 30, 2017, the sum of Twenty-eight
15 Million Fifty-eight Thousand Dollars (\$28,058,000.00) to provide the
16 concurrent funding required by the Oklahoma Pension Legislation
17 Actuarial Analysis Act for the benefit amount authorized by Section
18 3 of this act.

19 SECTION 11. There is hereby appropriated to the Uniform
20 Retirement System for Justices and Judges from any monies not
21 otherwise appropriated from the Special Cash Fund of the State
22 Treasury for the fiscal year ending June 30, 2017, the sum of One
23 Hundred Sixty-six Thousand Dollars (\$166,000.00) to provide the
24 concurrent funding required by the Oklahoma Pension Legislation

1 Actuarial Analysis Act for the benefit amount authorized by Section
2 4 of this act.

3 SECTION 12. There is hereby appropriated to the Oklahoma Police
4 Pension and Retirement System from any monies not otherwise
5 appropriated from the Special Cash Fund of the State Treasury for
6 the fiscal year ending June 30, 2017, the sum of One Million Forty-
7 seven Thousand Dollars (\$1,047,000.00) to provide the concurrent
8 funding required by the Oklahoma Pension Legislation Actuarial
9 Analysis Act for the benefit amount authorized by Section 5 of this
10 act.

11 SECTION 13. There is hereby appropriated to the Oklahoma Law
12 Enforcement Retirement System from any monies not otherwise
13 appropriated from the Special Cash Fund of the State Treasury for
14 the fiscal year ending June 30, 2017, the sum of Five Hundred
15 Thirteen Thousand Dollars (\$513,000.00) to provide the concurrent
16 funding required by the Oklahoma Pension Legislation Actuarial
17 Analysis Act for the benefit amount authorized by Section 6 of this
18 act.

19 SECTION 14. There is hereby appropriated to the Oklahoma
20 Firefighters Pension and Retirement System from any monies not
21 otherwise appropriated from the Special Cash Fund of the State
22 Treasury for the fiscal year ending June 30, 2017, the sum of One
23 Million Nine Hundred Eighty-one Thousand Dollars (\$1,981,000.00) to
24 provide the concurrent funding required by the Oklahoma Pension

1 Legislation Actuarial Analysis Act for the benefit amount authorized
2 by Section 7 of this act.

3 SECTION 15. Sections 1 through 7 and 9 through 14 of this act
4 shall become effective December 1, 2016.

5 SECTION 16. Section 8 of this act shall become effective
6 January 1, 2017.

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