

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB622

			Of the printed Bill
Page	<u>1</u>	Section	<u>21 1/2</u>
		Lines	Of the Engrossed Bill

By inserting the following language:

(INSERT ATTACHED);

And by renumbering subsequent sections

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Zack Taylor

Adopted: _____

Reading Clerk

1 "SECTION 2. AMENDATORY 62 O.S. 2011, Section 3103, as
2 last amended by Section 2, Chapter 245, O.S.L. 2018 (62 O.S. Supp.
3 2018, Section 3103), is amended to read as follows:

4 Section 3103. As used in the Oklahoma Pension Legislation
5 Actuarial Analysis Act:

6 1. "Amendment" means any amendment, including a substitute
7 bill, made to a retirement bill by any committee of the House or
8 Senate, any conference committee of the House or Senate or by the
9 House or Senate;

10 2. "RB number" means that number preceded by the letters "RB"
11 assigned to a retirement bill by the respective staffs of the
12 Oklahoma State Senate and the Oklahoma House of Representatives when
13 the respective staff office prepares a retirement bill for a member
14 of the Legislature;

15 3. "Legislative Actuary" means the firm or entity that enters
16 into a contract with the Legislative Service Bureau pursuant to
17 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
18 actuarial services and other duties provided for in the Oklahoma
19 Pension Legislation Actuarial Analysis Act;

20 4. "Nonfiscal amendment" means an amendment to a retirement
21 bill having a fiscal impact, which amendment does not change any
22 factor of an actuarial investigation specified in subsection A of
23 Section 3109 of this title;

24 5. "Nonfiscal retirement bill" means a retirement bill:

- 1 a. which does not affect the cost or funding factors of a
2 retirement system, ~~or~~
- 3 b. which affects such factors only in a manner which does
4 not:
- 5 (1) grant a benefit increase under the retirement
6 system affected by the bill,
- 7 (2) create an actuarial accrued liability for or
8 increase the actuarial accrued liability of the
9 retirement system affected by the bill, or
- 10 (3) increase the normal cost of the retirement system
11 affected by the bill,
- 12 c. which authorizes the purchase by an active member of
13 the retirement system, at the actuarial cost for the
14 purchase as computed pursuant to the statute in effect
15 on the effective date of the measure allowing such
16 purchase, of years of service for purposes of reaching
17 a normal retirement date in the applicable retirement
18 system, but which cannot be used in order to compute
19 the number of years of service for purposes of
20 computing the retirement benefit for the member,
- 21 d. which provides for the computation of a service-
22 connected disability retirement benefit for members of
23 the Oklahoma Law Enforcement Retirement System
24 pursuant to Section 2-305 of Title 47 of the Oklahoma

- 1 Statutes if the members were unable to complete twenty
2 (20) years of service as a result of the disability,
3 e. which requires membership in the defined benefit plan
4 authorized by Section 901 et seq. of Title 74 of the
5 Oklahoma Statutes for persons whose first elected or
6 appointed service occurs on or after November 1, 2018,
7 if such persons had any prior service in the Oklahoma
8 Public Employees Retirement System prior to November
9 1, 2015, ~~or~~
- 10 f. which provides for a one-time increase in retirement
11 benefits if the increase in retirement benefits is not
12 a permanent increase in the gross annual retirement
13 benefit payable to a member or beneficiary, occurs
14 only once pursuant to a single statutory authorization
15 and does not exceed:
- 16 (1) the lesser of two percent (2%) of the gross
17 annual retirement benefit of the member or One
18 Thousand Dollars (\$1,000.00) and requires that
19 the benefit may only be provided if the funded
20 ratio of the affected retirement system would not
21 be less than sixty percent (60%) but not greater
22 than eighty percent (80%) after the benefit
23 increase is paid,
24

- 1 (2) the lesser of two percent (2%) of the gross
2 annual retirement benefit of the member or One
3 Thousand Two Hundred Dollars (\$1,200.00) and
4 requires that the benefit may only be provided if
5 the funded ratio of the affected retirement
6 system would be greater than eighty percent (80%)
7 but not greater than one hundred percent (100%)
8 after the benefit increase is paid,
- 9 (3) the lesser of two percent (2%) of the gross
10 annual retirement benefit of the member or One
11 Thousand Four Hundred Dollars (\$1,400.00) and
12 requires that the benefit may only be provided if
13 the funded ratio of the affected retirement
14 system would be greater than one hundred percent
15 (100%) after the benefit increase is paid, or
- 16 (4) the greater of two percent (2%) of the gross
17 annual retirement benefit of the volunteer
18 firefighter or One Hundred Dollars (\$100.00) for
19 persons who retired from the Oklahoma
20 Firefighters Pension and Retirement System as
21 volunteer firefighters and who did not retire
22 from the Oklahoma Firefighters Pension and
23 Retirement System as a paid firefighter.
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1 As used in this subparagraph, "funded ratio" means the
2 figure derived by dividing the actuarial value of
3 assets of the applicable retirement system by the
4 actuarial accrued liability of the applicable
5 retirement system, or

6 g. which modifies Section 50-112 of Title 11 of the
7 Oklahoma Statutes as provided by Section 3 of this
8 act.

9 A nonfiscal retirement bill shall include any retirement bill that
10 has as its sole purpose the appropriation or distribution or
11 redistribution of monies in some manner to a retirement system for
12 purposes of reducing the unfunded liability of such system or the
13 earmarking of a portion of the revenue from a tax to a retirement
14 system or increasing the percentage of the revenue earmarked from a
15 tax to a retirement system;

16 6. "Reduction-in-cost amendment" means an amendment to a
17 retirement bill having a fiscal impact which reduces the cost of the
18 bill as such cost is determined by the actuarial investigation for
19 the bill prepared pursuant to Section 3109 of this title;

20 7. "Retirement bill" means any bill or joint resolution
21 introduced or any bill or joint resolution amended by a member of
22 the Oklahoma Legislature which creates or amends any law directly
23 affecting a retirement system. A retirement bill shall not mean a
24 bill or resolution that impacts the revenue of any state tax in

1 which a portion of the revenue generated from such tax is earmarked
2 for the benefit of a retirement system;

3 8. "Retirement bill having a fiscal impact" means any
4 retirement bill creating or establishing a retirement system and any
5 other retirement bill other than a nonfiscal retirement bill; and

6 9. "Retirement system" means the Teachers' Retirement System of
7 Oklahoma, the Oklahoma Public Employees Retirement System, the
8 Uniform Retirement System for Justices and Judges, the Oklahoma
9 Firefighters Pension and Retirement System, the Oklahoma Police
10 Pension and Retirement System, the Oklahoma Law Enforcement
11 Retirement System, or a retirement system established after January
12 1, 2006.

13 SECTION 3. AMENDATORY 11 O.S. 2011, Section 50-112, is
14 amended to read as follows:

15 Section 50-112. A. All persons employed as full-time duly
16 appointed or elected officers who are paid for working more than
17 twenty-five (25) hours per week or any person hired by a
18 participating municipality who is undergoing police training to
19 become a permanent police officer of the municipality shall
20 participate in the System upon initial employment with a police
21 department of a participating municipality. All such persons shall
22 submit to a physical-medical examination pertaining to sight,
23 hearing, agility and other conditions the requirements of which
24 shall be established by the State Board. The person shall be

1 required to complete this physical-medical examination prior to the
2 beginning of actual employment. This examination shall identify any
3 preexisting conditions. Except as otherwise provided in this
4 section, a police officer shall be not less than twenty-one (21) nor
5 more than forty-five (45) years of age when accepted for membership
6 in the System with respect to a police department having twenty or
7 more police officers and not more than fifty (50) years of age when
8 accepted for membership in the System with respect to a police
9 department having less than twenty police officers. However, if a
10 municipality should be found to be in noncompliance with the
11 provisions of Article 50 of this title, as determined by the State
12 Board, then any current full-time active police officer employed by
13 a municipality as of July 1, 2001, shall not be denied eligibility
14 to participate in the Oklahoma Police Pension and Retirement System
15 solely due to age. The State Board shall have authority to deny or
16 revoke membership of any person submitting false information in such
17 person's membership application. The State Board shall have final
18 authority in determining eligibility for membership in the System,
19 pursuant to the provisions of this article.

20 B. The police chief of any participating municipality may be
21 exempt from membership in the System or may become a member provided
22 the member is not a retired member and the requirements of this
23 section are met at the time of employment.

1 C. A member of the System who has attained his or her normal
2 retirement date may, if the member so elects, agree to terminate
3 employment and retire as a member of the System and make an election
4 to receive distributions from the System. If a retired member is
5 reemployed by a participating municipality in the position of police
6 chief or in a position which is not covered by the System,
7 retirement shall include receipt by such retired member of in-
8 service distributions from the System.

9 D. A former member of the System who terminates from covered
10 employment and who has neither retired from the System nor entered
11 the Oklahoma Police Deferred Option Plan and is later employed in a
12 covered position with a participating municipality shall not be
13 denied eligibility to become a member of the System because he or
14 she is forty-five (45) years of age or older with respect to a
15 police department having twenty or more police officers and not more
16 than fifty (50) years of age when accepted for membership in the
17 System with respect to a police department having less than twenty
18 police officers. If such member has withdrawn his or her
19 contributions prior to re-entering the System and the member desires
20 to receive credit for such prior service, then the member shall pay
21 back such contributions and interest pursuant to Section 50-111.1 of
22 this title.

23 E. Notwithstanding any other provision of law to the contrary,
24 a municipality that employs two ~~(2)~~ or fewer full-time police

1 officers may employ a police officer who is more than forty-five
2 (45) years of age and who has never participated in the Oklahoma
3 Police Pension and Retirement System, but such police officer shall
4 not be eligible to participate in the System. Such police officer
5 shall be counted in the limitation imposed by this subsection."
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