

## STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 3330

By: Perryman

COMMITTEE SUBSTITUTE

An Act relating to public retirement systems; enacting the Sergeant Schoolfield Line of Duty Disability Act; amending 62 O.S. 2011, Section 3103, as last amended by Section 2, Chapter 245, O.S.L. 2018 (62 O.S. Supp. 2019, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying definitions; amending 11 O.S. 2011, Section 50-115, as amended by Section 6, Chapter 20, O.S.L. 2018 (11 O.S. Supp. 2019, Section 50-115), which relates to the Oklahoma Police Pension and Retirement System; modifying provisions related to disability benefit determinations; specifying percentage of disability with respect to certain injury resulting from violent act; defining term; providing for noncodification; and providing effective dates.

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

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

This act shall be known and may be cited as the "Sergeant Schoolfield Line of Duty Disability Act".

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 2019, 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.  
24

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 the disability pension standard for  
7 police officers who are members of the Oklahoma Police  
8 Pension and Retirement System as provided by Section 3  
9 of this act.

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

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

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

1 bill or resolution that impacts the revenue of any state tax in  
2 which a portion of the revenue generated from such tax is earmarked  
3 for the benefit of a retirement system;

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

7 9. "Retirement system" means the Teachers' Retirement System of  
8 Oklahoma, the Oklahoma Public Employees Retirement System, the  
9 Uniform Retirement System for Justices and Judges, the Oklahoma  
10 Firefighters Pension and Retirement System, the Oklahoma Police  
11 Pension and Retirement System, the Oklahoma Law Enforcement  
12 Retirement System, or a retirement system established after January  
13 1, 2006.

14 SECTION 3. AMENDATORY 11 O.S. 2011, Section 50-115, as  
15 amended by Section 6, Chapter 20, O.S.L. 2018 (11 O.S. Supp. 2019,  
16 Section 50-115), is amended to read as follows:

17 Section 50-115. A. The State Board is authorized to pay a  
18 disability benefit to a member of the System or a pension to the  
19 beneficiaries of such member eligible as hereinafter provided, not  
20 exceeding the accrued retirement benefit of the member, except as  
21 otherwise provided in this article. Such disability benefit shall  
22 be payable immediately upon determination of eligibility. Any  
23 preexisting condition identified at the time of any initial or  
24 subsequent membership shall be used to offset the percentage of

1 impairment to the whole person in determining any disability  
2 benefit. Once the initial disability benefit has been awarded by  
3 the Board on the basis of the percentage of impairment to the whole  
4 person, the member shall have no further recourse to increase the  
5 awarded percentage of impairment.

6 B. In order for any member to be eligible for any disability  
7 benefit, or the member's beneficiaries to be eligible for a pension,  
8 the member must have complied with any agreement as to contributions  
9 by the member and other members to any funds of the System where  
10 said agreement has been made as provided by this article; and the  
11 State Board must find:

12 1. That the member incurred a permanent total disability or a  
13 permanent partial disability or died while in, and in consequence  
14 of, the performance of duty as an officer; or

15 2. That such member has served ten (10) years and incurred a  
16 permanent total disability or a permanent partial disability or has  
17 died from any cause.

18 C. In the event of the death of any member who has been awarded  
19 a disability benefit or is eligible therefor as provided in this  
20 article, the member's beneficiary shall be paid the benefit.

21 D. 1. As of the date of determination by the State Board that  
22 a member is physically or mentally disabled and that the disability  
23 is permanent and partial or permanent and total as was incurred  
24 while in, and in consequence of, the performance or duty as an



officer, the member shall be awarded a disability benefit on the basis of the percentage of impairment to the whole person, as defined by the most current standards of the impairment as outlined in the "American Medical Association's Guides to the Evaluation of Permanent Impairment", as provided in the following table or as prescribed by paragraph 2 of this subsection with respect to injuries sustained as a result of a violent act:

1% to 49% impairment to whole person =	50% of the normal disability benefit
50% to 74% impairment to whole person =	75% of the normal disability benefit
75% to 100% impairment to whole person =	100% of the normal disability benefit.

2. If an injury to a member results from a violent act as defined by this paragraph while in the performance of their duties as a police officer, the State Board shall make a determination that the member has sustained a one-hundred-percent disability and shall make the benefit award in accordance with that standard. As used in this paragraph, "violent act" means a violent attack upon the member by means of a dangerous weapon, including, but not limited to, a firearm, knife, automobile, explosive device or other dangerous weapon.

E. If the participating municipality denies a disabled member the option of continuing employment instead of retiring on a

1 disability pension, then the burden of proof rests with the  
2 participating municipality to show cause to the State Board that  
3 there is no position as a sworn officer within the police department  
4 of that municipality which the member can fill.

5 F. Upon determination by the State Board that a member is  
6 physically or mentally disabled and that the disability is permanent  
7 and total and that the member has completed ten (10) years of  
8 credited service and is disabled by any cause, the member shall  
9 receive a disability benefit on the basis of the member's accrued  
10 retirement benefit. A permanent and total impairment equates to one  
11 hundred percent (100%) of accrued retirement benefit.

12 G. Upon determination by the State Board that a member is  
13 physically or mentally disabled and that the disability is permanent  
14 and partial and that the member has completed ten (10) years of  
15 credited service as a member and is disabled from any cause, the  
16 member shall be awarded a disability benefit on the basis of the  
17 member's years of credited service as a member and the percentage of  
18 impairment to the whole person, as defined by the most current  
19 standards of the impairment as outlined in the "American Medical  
20 Association's Guides to the Evaluation of Permanent Impairment", on  
21 the basis of the following table:

22	1% to 24% impaired = 25% of accrued retirement benefit
23	25% to 49% impaired = 50% of accrued retirement benefit
24	50% to 74% impaired = 75% of accrued retirement benefit

1       75% to 99% impaired = 90% of accrued retirement benefit.

2       H. Before making a finding as to the disability of a member,  
3 the State Board shall require that, if the member is able, the  
4 member shall make a certificate as to the disability which shall be  
5 subscribed and sworn to by the member. It shall also require a  
6 certificate as to such disability to be made by some physician  
7 licensed to practice in this state as selected by the State Board.  
8 The State Board may require other evidence of disability before  
9 making the disability benefit. The salary of any such member shall  
10 continue while the member is so necessarily confined to such  
11 hospital bed or home and necessarily requires medical care or  
12 professional nursing on account of such sickness or disability for a  
13 period of not more than six (6) months, after which said period the  
14 other provisions of this article may apply. The State Board, in  
15 making disability benefits, shall act upon the written request of  
16 the member or without such request, if it deem it for the good of  
17 the police department. Any disability benefits shall cease when the  
18 member receiving same shall be restored to active service at a  
19 salary not less than three-fourths (3/4) of the member's average  
20 monthly salary.

21       I. Any member of a police department of any municipality who,  
22 in the line of duty, has been exposed to hazardous substances,  
23 including but not limited to chemicals used in the manufacture of a  
24 controlled dangerous substance or chemicals resulting from the

1 manufacture of a controlled dangerous substance, or to blood-borne  
2 pathogens and who is later disabled from a condition that was the  
3 result of such exposure and that was not revealed by the physical  
4 examination passed by the member upon entry into the System shall be  
5 presumed to have incurred such disability while performing the  
6 officer's duties unless the contrary is shown by competent evidence.  
7 The presumption created by this subsection shall have no application  
8 whatever to any workers' compensation claim or claims, and it shall  
9 not be applied or be relied upon in any way in workers' compensation  
10 proceedings. All compensation or benefits due to any member  
11 pursuant to the presumption created by this subsection shall be paid  
12 solely by the system.

13 J. If the requirements of Section 50-114.4 of this title are  
14 satisfied, a member who, by reason of disability, is separated from  
15 service as a public safety officer with the member's participating  
16 municipality, may elect to have payment made directly to the  
17 provider for qualified health insurance premiums by deduction from  
18 his or her monthly disability benefit, after December 31, 2006, in  
19 accordance with Section 402(1) of the Internal Revenue Code of 1986,  
20 as amended.

21 SECTION 4. Section 2 of this act shall become effective October  
22 1, 2020.  
23  
24

SECTION 5. Sections 1 and 3 of this act shall become effective  
November 1, 2020.

57-2-11220 MAH 02/20/20