1	ENGROSSED HOUSE
2	BILL NO. 2065 By: Ford and Moore of the House
3	and
4	Weaver of the Senate
5	
-	
6	[public retirement systems - Oklahoma Pension
7	Legislation Actuarial Analysis Act - Oklahoma Law
8	Enforcement Retirement System - contingent effect -
9	
10	emergency]
11	
12	
13	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
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	SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, is
15	amended to read as follows:
16	Section 3103. As used in the Oklahoma Pension Legislation
17	Actuarial Analysis Act:
18	1. "Amendment" means any amendment, including a substitute
19	bill, made to a retirement bill by any committee of the House or
20	Senate, any conference committee of the House or Senate or by the
21	House or Senate;
22	2. "RB number" means that number preceded by the letters "RB"
23	assigned to a retirement bill by the respective staffs of the
24	Oklahoma State Senate and the Oklahoma House of Representatives when

1 the respective staff office prepares a retirement bill for a member 2 of the Legislature;

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

8 4. "Nonfiscal amendment" means an amendment to a retirement 9 bill having a fiscal impact, which amendment does not change any 10 factor of an actuarial investigation specified in subsection A of 11 Section 3109 of this title;

- 12 5. "Nonfiscal retirement bill" means a retirement bill:
- a. which does not affect the cost or funding factors of aretirement system,
- b. which affects such factors only in a manner which doesnot:
- 17 (1) grant a benefit increase under the retirement
 18 system affected by the bill,
- 19 (2) create an actuarial accrued liability for or
 20 increase the actuarial accrued liability of the
 21 retirement system affected by the bill, or
 - (3) increase the normal cost of the retirement system affected by the bill,
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1	C.	which authorizes the purchase by an active member of
2		the retirement system, at the actuarial cost for the
3		purchase as computed pursuant to the statute in effect
4		on the effective date of the measure allowing such
5		purchase, of years of service for purposes of reaching
6		a normal retirement date in the applicable retirement
7		system, but which cannot be used in order to compute
8		the number of years of service for purposes of
9		computing the retirement benefit for the member,
10	d.	which provides for the computation of a service-
11		connected disability retirement benefit for members of
12		the Oklahoma Law Enforcement Retirement System
13		pursuant to Section 2-305 of Title 47 of the Oklahoma
14		Statutes if the members were unable to complete twenty
15		(20) years of service as a result of the disability,
16	e.	which requires membership in the defined benefit plan
17		authorized by Section 901 et seq. of Title 74 of the
18		Oklahoma Statutes for persons whose first elected or
19		appointed service occurs on or after November 1, 2018,
20		if such persons had any prior service in the Oklahoma
21		Public Employees Retirement System prior to November
22		1, 2015,
23	f.	which provides for a one-time increase in retirement

benefits if the increase in retirement benefits is not

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a permanent increase in the gross annual retirement benefit payable to a member or beneficiary, occurs only once pursuant to a single statutory authorization and does not exceed:

- 5 (1)the lesser of two percent (2%) of the gross annual retirement benefit of the member or One 6 7 Thousand Dollars (\$1,000.00) and requires that the benefit may only be provided if the funded 8 9 ratio of the affected retirement system would not 10 be less than sixty percent (60%) but not greater 11 than eighty percent (80%) after the benefit 12 increase is paid,
- 13 (2) the lesser of two percent (2%) of the gross 14 annual retirement benefit of the member or One 15 Thousand Two Hundred Dollars (\$1,200.00) and 16 requires that the benefit may only be provided if 17 the funded ratio of the affected retirement 18 system would be greater than eighty percent (80%) 19 but not greater than one hundred percent (100%) 20 after the benefit increase is paid,
- (3) the lesser of two percent (2%) of the gross
 annual retirement benefit of the member or One
 Thousand Four Hundred Dollars (\$1,400.00) and
 requires that the benefit may only be provided if

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1		the funded ratio of the affected retirement
2		system would be greater than one hundred percent
3		(100%) after the benefit increase is paid, or
4		(4) the greater of two percent (2%) of the gross
5		annual retirement benefit of the volunteer
6		firefighter or One Hundred Dollars (\$100.00) for
7		persons who retired from the Oklahoma
8		Firefighters Pension and Retirement System as
9		volunteer firefighters and who did not retire
10		from the Oklahoma Firefighters Pension and
11		Retirement System as a paid firefighter.
12		As used in this subparagraph, "funded ratio" means the
13		figure derived by dividing the actuarial value of
14		assets of the applicable retirement system by the
15		actuarial accrued liability of the applicable
16		retirement system,
17	g.	which modifies the disability pension standard for
18		police officers who are members of the Oklahoma Police
19		Pension and Retirement System as provided by Section $\frac{3}{2}$
20		of this act 50-115 of Title 11 of the Oklahoma
21		<u>Statutes</u> , or
22	h.	which provides a cost-of-living benefit increase
23		pursuant to the provisions of Sections 2 through 7 of
24		this act:
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1 (1) Section 49-143.7 of Title 11 of the Oklahoma 2 Statutes, Section 50-136.9 of Title 11 of the Oklahoma 3 (2) 4 Statutes, 5 (3) Section 1104K of Title 20 of the Oklahoma 6 Statutes, 7 (4) Section 2-305.12 of Title 47 of the Oklahoma 8 Statutes, 9 (5) Section 17-116.22 of Title 70 of the Oklahoma 10 Statutes, or 11 (6) Section 930.11 of Title 74 of the Oklahoma 12 Statutes, or 13 i. which provides for the reinstatement of retirement 14 benefits for members of the Oklahoma Law Enforcement 15 Retirement System pursuant to Section 2-305 of Title 16 47 of the Oklahoma Statutes for those who were hired 17 on or after November 1, 2012, or May 24, 2013. 18 A nonfiscal retirement bill shall include any retirement bill that 19 has as its sole purpose the appropriation or distribution or 20 redistribution of monies in some manner to a retirement system for 21 purposes of reducing the unfunded liability of such system or the 22 earmarking of a portion of the revenue from a tax to a retirement 23 system or increasing the percentage of the revenue earmarked from a 24 tax to a retirement system;

6. "Reduction-in-cost amendment" means an amendment to a 1 2 retirement bill having a fiscal impact which reduces the cost of the bill as such cost is determined by the actuarial investigation for 3 the bill prepared pursuant to Section 3109 of this title; 4 5 7. "Retirement bill" means any bill or joint resolution introduced or any bill or joint resolution amended by a member of 6 7 the Oklahoma Legislature which creates or amends any law directly affecting a retirement system. A retirement bill shall not mean a 8 9 bill or resolution that impacts the revenue of any state tax in 10 which a portion of the revenue generated from such tax is earmarked for the benefit of a retirement system; 11 "Retirement bill having a fiscal impact" means any 12 8. 13 retirement bill creating or establishing a retirement system and any 14 other retirement bill other than a nonfiscal retirement bill; and 15 9. "Retirement system" means the Teachers' Retirement System of 16 Oklahoma, the Oklahoma Public Employees Retirement System, the 17 Uniform Retirement System for Justices and Judges, the Oklahoma 18 Firefighters Pension and Retirement System, the Oklahoma Police 19 Pension and Retirement System, the Oklahoma Law Enforcement 20 Retirement System, or a retirement system established after January 21 1, 2006.

22 SECTION 2. AMENDATORY 47 O.S. 2021, Section 2-305, is 23 amended to read as follows:

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1 Section 2-305. A. Except as otherwise provided in this title, 2 at any time after attaining normal retirement date, any member of the Oklahoma Law Enforcement Retirement System upon application for 3 unreduced retirement benefits made and approved, may retire, and, 4 5 during the remainder of the member's lifetime, receive annual retirement pay, payable in equal monthly payments, equal to two and 6 7 one-half percent (2 1/2%) of the final average salary times years of credited service. If such retired member is reemployed by a state 8 9 agency in a position which is not covered by the System, such 10 retired member shall continue to receive in-service distributions 11 from the System. Prior to September 19, 2002, if such retired 12 member was reemployed by a state agency in a position which is 13 covered by the System, such member shall continue to receive in-14 service distributions from the System and shall not accrue any 15 further credited service. If such a member is reemployed by a state 16 agency in a position which is covered by the System on or after 17 September 19, 2002, such member's monthly retirement payments shall 18 be suspended until such member retires and is not reemployed by a 19 state agency in a position which is covered by the System. 20 B. Beginning July 1, 1994, members who retired or were eligible

20 B. Beginning Sury 1, 1994, members who retried of were engineer 21 to retire prior to July 1, 1980, or their surviving spouses shall 22 receive annual retirement pay, payable in equal monthly payments, 23 equal to the greater of their current retirement pay, or two and 24 one-half percent (2 1/2%) of the actual paid gross salary being

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1 currently paid to a highway patrol officer, at the time each such 2 monthly retirement payment is made, multiplied by the retired 3 member's years of credited service.

C. Except as otherwise provided by this subsection, members of the System whose salary is set by statute who have retired after completion of the mandatory twenty (20) years of service, and those members with statutory salaries who retire after reaching the mandatory twenty-year retirement shall receive an annual retirement pay, payable in equal monthly installments, based upon the greater of either:

The top base salary currently paid to the highest 11 1. 12 nonsupervisory position in the participating agency at the time each 13 such monthly retirement payment is made, limited to the annual 14 salary limit of the Economic Growth and Tax Relief Reconciliation 15 Act of 2001, as described in paragraph 9 of Section 2-300 of this 16 title, multiplied by two and one-half percent $(2 \ 1/2\%)$ multiplied by 17 the number of years of credited service and fraction thereof for the 18 following positions:

- 19 a. Oklahoma Highway Patrolman,
- 20 b. Communications Dispatcher,
- 21 c. Capitol Patrolman,
- d. Lake Patrolman, and
- e. Oklahoma State Bureau of Investigation Special Agent
 or Criminalist; or

2. The member's final average salary as set forth in paragraph
 9 of Section 2-300 of this title, multiplied by two and one-half
 9 percent (2 1/2%), and multiplied by the number of years of credited
 4 service and fraction thereof.

No member of the System retired prior to July 1, 2002, shall
receive a benefit less than the amount the member is receiving as of
June 30, 2002.

8 The provisions of paragraph 1 of this subsection shall not be 9 applicable to any member whose first participating service with the 10 System occurs on or after November 1, 2012.

D. Other members of the System whose retirement benefit is not otherwise prescribed by this section who have retired after completion of the mandatory twenty (20) years of service, and those members who retire after reaching the mandatory twenty-year retirement shall receive an annual retirement pay, payable in equal monthly payments, based upon the greater of either:

17 1. The actual average salary currently paid to the highest 18 nonsupervisory position in the participating agency at the time each 19 such monthly payment is made, limited to the annual salary limit of the Economic Growth and Tax Relief Reconciliation Act of 2001, as 20 21 described in paragraph 9 of Section 2-300 of this title, multiplied 22 by two and one-half percent $(2 \ 1/2^{\circ})$, multiplied by the number of 23 years of credited service and fraction thereof for the following 24 positions:

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1	a. Alcoholic Beverage Laws Enforcement Commission - ABLE
2	Commission Agent III,
3	b. Oklahoma State Bureau of Narcotics and Dangerous Drugs
4	Control - Narcotics Agent III,
5	c. Oklahoma Tourism and Recreation Department - Park
6	Ranger II,
7	d. State Board of Pharmacy - Pharmacy Inspector,
8	e. University of Oklahoma - Police Officer, and
9	f. Oklahoma State University - Police Officer; or
10	2. The other member's final average salary as set forth in
11	paragraph 9 of Section 2-300 of this title, multiplied by two and
12	one-half percent (2 $1/2$ %), multiplied by the number of years of
13	credited service and fraction thereof.
14	No member of the System retired prior to July 1, 2002, shall
15	receive a benefit less than the amount the member is receiving as of
16	June 30, 2002. The participating employer must certify to the
17	System in writing the actual average gross salary currently paid to
18	the highest nonsupervisory position. The Board of Trustees shall
19	promulgate such rules as are necessary to implement the provisions
20	of this section.
21	The provisions of paragraph 1 of this subsection shall not be
22	applicable to any member whose first participating service with the
23	System occurs on or after May 24, 2013.
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1	E. A member who meets the definition of disability as defined
2	in paragraph 11 of Section 2-300 of this title by direct reason of
3	the performance of the member's duties as an officer shall receive a
4	monthly benefit equal to:
5	1. Two and one-half percent (2 1/2%);
6	2. Multiplied by:
7	a. twenty (20) years of credited service, if the member
8	had performed less than twenty (20) years of credited
9	service, notwithstanding the actual number of years of
10	credited service performed by the member prior to the
11	date of disability, or
12	b. the actual number of years of credited service and
13	fraction thereof performed by the member prior to the
14	date of disability, if the member had performed twenty
15	(20) or more years of credited service;
16	3. Multiplied by the greater of subparagraph a of this
17	paragraph and division 1 of subparagraph b of this paragraph or
18	division 2 of subparagraph b of this paragraph, as applicable:
19	a. the final average salary of the member, as set forth
20	in paragraph 9 of Section 2-300 of this title, and
21	b. (1) the top base salary currently paid to the highest
22	nonsupervisory position in the participating
23	agency of the member whose first participating
24	service with the System occurred before November

1	1, 2012, at the time each monthly payment is
2	made, limited to the annual salary limit of the
3	Economic Growth and Tax Relief Reconciliation Act
4	of 2001 described in paragraph 9 of Section 2-300
5	of this title, for the following positions:
6	(a) Oklahoma Highway Patrolman,
7	(b) Communications Dispatcher,
8	(c) Capitol Patrolman,
9	(d) Lake Patrolman, and
10	(e) Oklahoma State Bureau of Investigation -
11	Special Agent or Criminalist,
12	Provided, the participating employer must certify to the System
13	in writing the top base salary currently paid to the highest
14	nonsupervisory position for division 1 of subparagraph b of this
15	paragraph, or
16	(2) the actual average salary currently paid to the
17	highest nonsupervisory position in the
18	participating agency of the member whose first
19	participating service with the System occurred
20	before May 24, 2013, at the time each monthly
21	payment is made, limited to the annual salary
22	limit of the Economic Growth and Tax Relief
23	Reconciliation Act of 2001, described in
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1	paragraph 9 of Section 2-300 of this title, for
2	the following positions:
3	(a) Alcoholic Beverage Laws Enforcement (ABLE)
4	Commission - ABLE Commission Agent III,
5	(b) Oklahoma State Bureau of Narcotics and
6	Dangerous Drugs Control - Narcotics Agent
7	III,
8	(c) Oklahoma Tourism and Recreation Department -
9	Park Ranger II,
10	(d) State Board of Pharmacy - Pharmacy
11	Inspector,
12	(e) University of Oklahoma - Police Officer, and
13	(f) Oklahoma State University - Police Officer,
14	Provided, the participating employer must certify to the System
15	in writing the actual average gross salary currently paid to the
16	highest nonsupervisory position for division 2 of subparagraph b of
17	this paragraph;
18	4. No member of the System receiving benefits prescribed by
19	this subsection who retired prior to July 1, 2002, shall receive a
20	benefit of less than the amount the member was receiving as of June
21	30, 2002;
22	5. The Board of Trustees shall promulgate rules as necessary to
23	implement the provisions of this subsection; and
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1	6. If such member participates in the Oklahoma Law Enforcement
2	Deferred Option Plan pursuant to Section 2-305.2 of this title, then
3	such member's disability pension provided pursuant to this
4	subsection shall be reduced to account for such member's
5	participation in the Oklahoma Law Enforcement Deferred Option Plan.
6	F. A member who meets the definition of disability as defined
7	in paragraph 11 of Section 2-300 of this title and whose disability
8	is by means of personal and traumatic injury of a catastrophic
9	nature and in the line of duty, shall receive a monthly benefit
10	equal to:
11	1. Two and one-half percent (2 1/2%);
12	2. Multiplied by:
13	a. twenty (20) years of service, regardless of the actual
14	number of years of credited service performed by the
15	member prior to the date of disability, if the member
16	had performed less than twenty (20) years of service,
17	or
18	b. the actual number of years of service performed by the
19	member if the member had performed twenty (20) or more
20	years of service;
21	3. Multiplied by a final average salary equal to:
22	a. the salary which the member would have received
23	pursuant to statutory salary schedules in effect upon
24	the date of the disability for twenty (20) years of

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service prior to disability. The final average salary 1 2 for a member who performed less than twenty (20) years of service prior to disability shall be computed 3 assuming that the member was paid the highest salary 4 5 allowable pursuant to the law in effect at the time of the member's disability based upon twenty (20) years 6 7 of service and with an assumption that the member was eligible for any and all increases in pay based upon 8 9 rank during the entire period. If the salary of a 10 member is not prescribed by a specific salary schedule 11 upon the date of the member's disability, the final 12 average salary for the member shall be computed by the 13 member's actual final average salary or the highest 14 median salary amount for a member whose salary was 15 prescribed by a specific salary schedule upon the date 16 of the member's disability, whichever final average 17 salary amount would be greater, or 18

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b. the actual final average salary of the member if the member had performed twenty (20) or more years of service prior to disability.

If such member participates in the Oklahoma Law Enforcement Deferred Option Plan pursuant to Section 2-305.2 of this title, such member's disability pension provided pursuant to this subsection shall be adjusted as provided in Section 2-305.2 of this title to account for such member's participation in the Oklahoma Law
 Enforcement Deferred Option Plan.

A member who meets the definition of disability as defined 3 G. 4 in Section 2-300 of this title and whose disability occurred prior 5 to the member's normal retirement date but after completing three (3) years of vesting service and not by reason of the performance of 6 7 the member's duties or as a result of the member's willful negligence shall receive a monthly benefit equal to two and one-half 8 9 percent (2 1/2%) of final average salary multiplied by the number of years of the member's credited service. 10

H. Payment of a disability pension shall commence as of the first day of the month coinciding or next following the date of retirement and shall continue as long as the member meets the definition of total and permanent disability provided in this section.

16 I. For the purpose of determining the member's disability under 17 subsection E, F or G of this section, the member shall be required 18 by the Board to be examined by a minimum of two recognized 19 physicians selected by the Board to determine the extent of the 20 member's injury or illness. The examining physicians shall furnish 21 the Board a detailed written report of the injury or illness of the 22 examined member establishing the extent of disability and the 23 possibilities of the disabled member being returned to his or her 24 regular duties or an alternate occupation or service covered by the

1 System after a normal recuperation period. The Board shall require all retired disabled members who have not attained their normal 2 retirement date to submit to a physical examination once each year 3 for a minimum of three (3) years following retirement. The Board 4 5 shall select a minimum of two physicians to examine the retired members and pay for their services from the fund. Any retired 6 7 disabled member found no longer disabled by the examining physicians to perform the occupation of the member or an alternate occupation 8 9 or service covered by the System shall be required to return to duty and complete twenty (20) years of service as provided in subsection 10 A of this section, or forfeit all his or her rights and claims under 11 12 Section 2-300 et seq. of this title.

J. The disability benefit under this section shall be for the lifetime of the member unless such member is found no longer disabled pursuant to subsection I of this section. Such member shall not be entitled to the retirement benefit pursuant to subsection A of this section unless such member returns to active duty and is eligible for a retirement benefit as provided in subsection A of this section.

K. At the postoffer, preemployment physical examination required under paragraph 6 of Section 2-300 of this title, the physician selected by the Board shall determine the extent to which a new member is disabled. If a member is determined to be partially disabled, the physician shall assign a percentage of disability to

1 such partial disability. If such member then becomes entitled to a disability benefit under either subsection E or subsection G of this 2 section, the benefit payable shall be reduced by the percentage 3 4 which such member was determined to be disabled at the postoffer, 5 preemployment physical unless the Board makes a determination that the initially determined percentage of disability at the 6 7 preemployment physical examination is unrelated to the reason for the disability currently sought pursuant to subsection E or 8 9 subsection G of this section. Upon employment, the member shall 10 disclose to the Board any disability payments received from any 11 The amount of disability to be paid to any member cannot source. 12 exceed one hundred percent (100%) disability from all sources. The 13 provisions of this subsection shall apply only to members whose 14 effective date of membership is on or after July 1, 2000.

15 In addition to the pension provided for under subsection F L. 16 of this section, if the member has one or more children under the 17 age of eighteen (18) years or under the age of twenty-two (22) years 18 if the child is enrolled full time in and is regularly attending a 19 public or private school or any institution of higher education, 20 Four Hundred Dollars (\$400.00) a month shall be paid from the Fund 21 for the support of each surviving child to the member or person 22 having the care and custody of such children until each child 23 reaches the age of eighteen (18) years or reaches the age of twenty-24 two (22) years if the child is enrolled full time in and is

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1 regularly attending a public or private school or any institution of 2 higher education.

Notwithstanding any other provisions in Section 2-300 3 Μ. 4 through 2-315 of this title, in order to be eligible to receive 5 disability benefits, a member who meets the definition of disability as defined in paragraph 11 of Section 2-300 of this title shall file 6 7 the member's completed application for disability benefits with the System before such member's date of termination from service and 8 9 provide such additional information that the System's rules require 10 within six (6) months of the System's receipt of such application. 11 If the member's completed application for disability benefits is not 12 filed with the System before the member's date of termination from 13 service or such additional information as is required under the 14 System's rules is not provided within six (6) months of the System's 15 receipt of such application, such member shall be eligible only for 16 such other benefits as are available to members of the System and 17 shall not be eligible to receive any disability benefits. For good 18 cause shown, the Board of Trustees may waive the requirement that 19 the disability application be filed before the member's date of 20 termination from service. In no event shall a member be eligible to 21 receive any disability benefit if the member's completed application 22 is filed more than six (6) months after the member's date of 23 termination from service.

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1 N. If the requirements of Section 2-305.1C of this title are 2 satisfied, a member who, by reason of disability or attainment of normal retirement date or age, is separated from service as a public 3 safety officer with the member's participating employer may elect to 4 5 have payment made directly to the provider for qualified health insurance premiums by deduction from his or her monthly disability 6 7 benefit or monthly retirement payment, after December 31, 2006, in accordance with Section 402(1) of the Internal Revenue Code of 1986, 8 9 as amended.

10 SECTION 3. If the Emergency Clause is not approved pursuant to 11 the requirements of the Oklahoma Constitution as part of this 12 measure, the effective date of Section 1 of this act shall be 13 October 1, 2022.

14 SECTION 4. If the Emergency Clause is not approved pursuant to 15 the requirements of the Oklahoma Constitution as part of this 16 measure, the effective date of Section 2 of this act shall be 17 November 1, 2022.

SECTION 5. Except as otherwise provided by Section 3 of this act, Section 1 of this act shall become effective immediately upon signature by the Governor or as otherwise provided by Section 58 of Article V of the Oklahoma Constitution.

SECTION 6. Except as otherwise provided by Section 4 of this
act, Section 2 of this act shall become effective July 1, 2022.

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1	SECTION 7. It being immediately necessary for the preservation
2	of the public peace, health or safety, an emergency is hereby
3	declared to exist, by reason whereof this act shall take effect and
4	be in full force from and after its passage and approval.
5	Passed the House of Representatives the 15th day of March, 2022.
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7	Presiding Officer of the House
8	of Representatives
9	Passed the Senate the day of, 2022.
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12	Presiding Officer of the Senate
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