

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

HOUSE BILL 4130

By: May

AS INTRODUCED

An Act relating to public retirement systems; amending 62 O.S. 2021, Section 3103, which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying definition; amending 11 O.S. 2021, Sections 49-100.1, 49-103, 49-104, and 49-122, which relate to the Oklahoma Firefighters Pension and Retirement System; modifying definition; providing for membership by certain firefighters employed by federally recognized Native American tribes; modifying provisions related to local retirement boards; providing for service in designated capacities with respect to federally recognized Native American tribes; providing for actuarial analysis of normal cost; requiring reports; prescribing procedures; and providing effective dates.

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

SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, is amended to read as follows:

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

1. "Amendment" means any amendment, including a substitute bill, made to a retirement bill by any committee of the House or

1 Senate, any conference committee of the House or Senate or by the  
2 House or Senate;

3 2. "RB number" means that number preceded by the letters "RB"  
4 assigned to a retirement bill by the respective staffs of the  
5 Oklahoma State Senate and the Oklahoma House of Representatives when  
6 the respective staff office prepares a retirement bill for a member  
7 of the Legislature;

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

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

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

18 a. which does not affect the cost or funding factors of a  
19 retirement system,

20 b. which affects such factors only in a manner which does  
21 not:

22 (1) grant a benefit increase under the retirement  
23 system affected by the bill,

24

- 1 (2) create an actuarial accrued liability for or  
2 increase the actuarial accrued liability of the  
3 retirement system affected by the bill, or  
4 (3) increase the normal cost of the retirement system  
5 affected by the bill,

- 6 c. which authorizes the purchase by an active member of  
7 the retirement system, at the actuarial cost for the  
8 purchase as computed pursuant to the statute in effect  
9 on the effective date of the measure allowing such  
10 purchase, of years of service for purposes of reaching  
11 a normal retirement date in the applicable retirement  
12 system, but which cannot be used in order to compute  
13 the number of years of service for purposes of  
14 computing the retirement benefit for the member,  
15 d. which provides for the computation of a service-  
16 connected disability retirement benefit for members of  
17 the Oklahoma Law Enforcement Retirement System  
18 pursuant to Section 2-305 of Title 47 of the Oklahoma  
19 Statutes if the members were unable to complete twenty  
20 (20) years of service as a result of the disability,  
21 e. which requires membership in the defined benefit plan  
22 authorized by Section 901 et seq. of Title 74 of the  
23 Oklahoma Statutes for persons whose first elected or  
24 appointed service occurs on or after November 1, 2018,

1 if such persons had any prior service in the Oklahoma  
2 Public Employees Retirement System prior to November  
3 1, 2015,

4 f. which provides for a one-time increase in retirement  
5 benefits if the increase in retirement benefits is not  
6 a permanent increase in the gross annual retirement  
7 benefit payable to a member or beneficiary, occurs  
8 only once pursuant to a single statutory authorization  
9 and does not exceed:

10 (1) the lesser of two percent (2%) of the gross  
11 annual retirement benefit of the member or One  
12 Thousand Dollars (\$1,000.00) and requires that  
13 the benefit may only be provided if the funded  
14 ratio of the affected retirement system would not  
15 be less than sixty percent (60%) but not greater  
16 than eighty percent (80%) after the benefit  
17 increase is paid,

18 (2) the lesser of two percent (2%) of the gross  
19 annual retirement benefit of the member or One  
20 Thousand Two Hundred Dollars (\$1,200.00) and  
21 requires that the benefit may only be provided if  
22 the funded ratio of the affected retirement  
23 system would be greater than eighty percent (80%)  
24

1 but not greater than one hundred percent (100%)  
2 after the benefit increase is paid,

3 (3) the lesser of two percent (2%) of the gross  
4 annual retirement benefit of the member or One  
5 Thousand Four Hundred Dollars (\$1,400.00) and  
6 requires that the benefit may only be provided if  
7 the funded ratio of the affected retirement  
8 system would be greater than one hundred percent  
9 (100%) after the benefit increase is paid, or

10 (4) the greater of two percent (2%) of the gross  
11 annual retirement benefit of the volunteer  
12 firefighter or One Hundred Dollars (\$100.00) for  
13 persons who retired from the Oklahoma  
14 Firefighters Pension and Retirement System as  
15 volunteer firefighters and who did not retire  
16 from the Oklahoma Firefighters Pension and  
17 Retirement System as a paid firefighter.

18 As used in this subparagraph, "funded ratio" means the  
19 figure derived by dividing the actuarial value of  
20 assets of the applicable retirement system by the  
21 actuarial accrued liability of the applicable  
22 retirement system,

23 g. which modifies the disability pension standard for  
24 police officers who are members of the Oklahoma Police

1 Pension and Retirement System as provided by Section 3  
2 of this act, or

3 h. which provides a cost-of-living benefit increase  
4 pursuant to the provisions of Sections 2 through 7 of  
5 this act, or

6 i. which allows for the participation of firefighters of  
7 a fire department, within Oklahoma, of an Oklahoma-  
8 based federally recognized Native American tribe  
9 pursuant to the provisions of Sections 2 through 5 of  
10 this act.

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

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

22 7. "Retirement bill" means any bill or joint resolution  
23 introduced or any bill or joint resolution amended by a member of  
24 the Oklahoma Legislature which creates or amends any law directly

1 affecting a retirement system. A retirement bill shall not mean a  
2 bill or resolution that impacts the revenue of any state tax in  
3 which a portion of the revenue generated from such tax is earmarked  
4 for the benefit of a retirement system;

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

8 9. "Retirement system" means the Teachers' Retirement System of  
9 Oklahoma, the Oklahoma Public Employees Retirement System, the  
10 Uniform Retirement System for Justices and Judges, the Oklahoma  
11 Firefighters Pension and Retirement System, the Oklahoma Police  
12 Pension and Retirement System, the Oklahoma Law Enforcement  
13 Retirement System, or a retirement system established after January  
14 1, 2006.

15 SECTION 2. AMENDATORY 11 O.S. 2021, Section 49-100.1, is  
16 amended to read as follows:

17 Section 49-100.1 As used in this article:

18 1. "System" means the Oklahoma Firefighters Pension and  
19 Retirement System and all predecessor municipal firefighters pension  
20 and retirement systems;

21 2. "Article" means Article 49 of this title;

22 3. "State Board" means the Oklahoma Firefighters Pension and  
23 Retirement Board;

24

1       4. "Local board" means the local firefighters pension and  
2 retirement boards;

3       5. "Fund" means the Oklahoma Firefighters Pension and  
4 Retirement Fund;

5       6. "Member" means all eligible firefighters of a participating  
6 municipality or a fire protection district who perform the essential  
7 functions of fire suppression, prevention, and life safety duties in  
8 a fire department. The term "member" shall include but not be  
9 limited to the person serving as fire chief of any participating  
10 municipality, provided that a person serving as fire chief of a  
11 participating municipality shall meet the age, agility, physical and  
12 other eligibility requirements required by law at the time said  
13 person becomes a member of the System. Effective July 1, 1987, a  
14 member does not include a "leased employee". The term "leased  
15 employee" means any person (other than an employee of the recipient)  
16 who pursuant to an agreement between the recipient and any other  
17 person ("leasing organization") has performed services for the  
18 recipient (or for the recipient and related persons determined in  
19 accordance with Section 414(n)(6) of the Internal Revenue Code of  
20 1986, as amended) on a substantially full-time basis for a period of  
21 at least one (1) year, and such services are performed under primary  
22 direction or control by the recipient. Contributions or benefits  
23 provided a leased employee by the leasing organization which are  
24 attributable to services performed for the recipient employer shall

1 be treated as provided by the recipient employer. A leased employee  
2 shall not be considered an employee of the recipient if the  
3 requirements of the safe harbor provisions of Section 414(n)(5) of  
4 the Internal Revenue Code of 1986, as amended, are satisfied.  
5 Effective July 1, 1999, any individual who agrees with the  
6 participating municipality that the individual's services are to be  
7 performed as a leased employee or an independent contractor shall  
8 not be a member regardless of any classification as a common law  
9 employee by the Internal Revenue Service or any other governmental  
10 agency, or any court of competent jurisdiction. Effective November  
11 1, 2022, member shall include any firefighter who otherwise meets  
12 the requirements to become a member, including but not limited to  
13 the age requirements in Section 49-135 of this title, and who is  
14 employed by a fire department, within Oklahoma, of an Oklahoma-based  
15 federally recognized Native American tribe that adopts a resolution  
16 or other affirmative act allowing a fire department to become a  
17 participating municipality as defined in paragraph 9 of this  
18 section;

19 7. "Normal retirement date" means the date at which the member  
20 is eligible to receive the unreduced payments of the member's  
21 accrued retirement benefit. Such date shall be the first day  
22 following the date the member completes twenty (20) years of  
23 credited service. For a member whose first employment with a  
24 participating employer of the System occurs on or after November 1,

1 2013, such date shall be the first day following the date the member  
2 completes twenty-two (22) years of credited service and has attained  
3 the age of at least fifty (50) years. If the member's employment  
4 continues past the normal retirement date of the member, the actual  
5 retirement date of the member shall be the first day following the  
6 date the member terminates employment with more than twenty (20)  
7 years of credited service, or with respect to members who are  
8 required to complete twenty-two (22) years of service, the first day  
9 following the date the member terminates employment with more than  
10 twenty-two (22) years of service and who has also attained the age  
11 of at least fifty (50) years;

12 8. "Credited service" means the period of service used to  
13 determine the eligibility for and the amount of benefits payable to  
14 a member. Credited service shall consist of the period during which  
15 the member participated in the System or the predecessor municipal  
16 systems as an active employee in an eligible membership  
17 classification, plus any service prior to the establishment of the  
18 predecessor municipal systems which was credited under the  
19 predecessor municipal systems; provided, however, "credited service"  
20 for members from a fire protection district shall not begin accruing  
21 before July 1, 1982;

22 9. "Participating municipality" means a municipality, county  
23 fire department organized pursuant to subsection D of Section 351 of  
24 Title 19 of the Oklahoma Statutes, or fire protection district which

1 is making contributions to the System on behalf of its firefighters.

2 All participating municipalities shall appoint a fire chief who  
3 shall supervise and administer the fire department;

4 10. "Disability" means the complete inability of the  
5 firefighter to perform any and every duty of the firefighter's  
6 regular occupation; provided further, that once benefits have been  
7 paid for twenty-four (24) months the provisions of Section 49-110 of  
8 this title shall apply to the firefighter;

9 11. "Executive Director" means the managing officer of the  
10 System employed by the State Board;

11 12. "Eligible employer" means any municipality with a municipal  
12 fire department, any county fire department organized pursuant to  
13 subsection D of Section 351 of Title 19 of the Oklahoma Statutes or  
14 any fire protection district with an organized fire department, and  
15 effective November 1, 2022, a fire department within Oklahoma of an  
16 Oklahoma-based federally recognized Native American tribe with  
17 respect to firefighters employed by such fire department on or after  
18 November 1, 2022, if the tribe adopts a resolution or other  
19 affirmative act allowing such fire department to become a  
20 participating employer of the system as defined in paragraph 9 of  
21 this section;

22 13. "Entry date" means the date as of which an eligible  
23 employer joins the System. The first entry date pursuant to this  
24 article shall be January 1, 1981;

1        14. "Final average salary" means the average paid gross salary  
2 of the firefighter for normally scheduled hours over the highest  
3 salaried thirty (30) consecutive months of the last sixty (60)  
4 months of credited service. Gross salary shall not include payment  
5 for accumulated sick or annual leave upon termination of employment,  
6 any uniform allowances or any other compensation for reimbursement  
7 of out-of-pocket expenses. Only salary on which the required  
8 contributions have been made may be used in computing the final  
9 average salary. Effective January 1, 1988, gross salary shall  
10 include any amount of elective salary reduction under Section 125 of  
11 the Internal Revenue Code of 1986, as amended. Gross salary shall  
12 include any amount of elective salary reduction under Section 457 of  
13 the Internal Revenue Code of 1986, as amended, and any amount of  
14 nonelective salary reduction under Section 414(h) of the Internal  
15 Revenue Code of 1986, as amended. Effective July 1, 1998, for  
16 purposes of determining a member's compensation, any contribution by  
17 the member to reduce the member's regular cash remuneration under  
18 132(f)(4) of the Internal Revenue Code of 1986, as amended, shall be  
19 treated as if the member did not make such an election. Only salary  
20 on which required contributions have been made may be used in  
21 computing final average salary.

22        In addition to other applicable limitations, and notwithstanding  
23 any other provision to the contrary, for plan years beginning on or  
24 after July 1, 2002, the annual gross salary of each "Noneligible

1 Member" taken into account under the System shall not exceed the  
2 Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA")  
3 annual salary limit. The EGTRRA annual salary limit is Two Hundred  
4 Thousand Dollars (\$200,000.00), as adjusted by the Commissioner for  
5 increases in the cost of living in accordance with Section  
6 401(a)(17)(B) of the Internal Revenue Code of 1986, as amended. The  
7 annual salary limit in effect for a calendar year applies to any  
8 period, not exceeding twelve (12) months, over which salary is  
9 determined ("determination period") beginning in such calendar year.  
10 If a determination period consists of fewer than twelve (12) months,  
11 the EGTRRA salary limit will be multiplied by a fraction, the  
12 numerator of which is the number of months in the determination  
13 period, and the denominator of which is twelve (12). For purposes  
14 of this subsection, a "Noneligible Member" is any member who first  
15 became a member during a plan year commencing on or after July 1,  
16 1996.

17 For plan years beginning on or after July 1, 2002, any reference  
18 to the annual salary limit under Section 401(a)(17) of the Internal  
19 Revenue Code of 1986, as amended, shall mean the EGTRRA salary limit  
20 set forth in this subsection.

21 Effective June 9, 2010, gross salary shall also include gross  
22 salary, as described above, for services, but paid by the later of  
23 two and one-half (2 1/2) months after a firefighter's severance from  
24 employment or the end of the calendar year that includes the date

1 the firefighter terminated employment, if it is a payment that,  
2 absent a severance from employment, would have been paid to the  
3 firefighter while the firefighter continued in employment with the  
4 participating municipality.

5       Effective June 9, 2010, any payments not described above shall  
6 not be considered gross salary if paid after severance from  
7 employment, even if they are paid by the later of two and one-half  
8 (2 1/2) months after the date of severance from employment or the  
9 end of the calendar year that includes the date of severance from  
10 employment, except payments to an individual who does not currently  
11 perform services for the participating municipality by reason of  
12 qualified military service within the meaning of Section 414(u) (5)  
13 of the Internal Revenue Code of 1986, as amended, to the extent  
14 these payments do not exceed the amounts the individual would have  
15 received if the individual had continued to perform services for the  
16 participating municipality rather than entering qualified military  
17 service.

18       Effective June 9, 2010, back pay, within the meaning of Section  
19 1.415(c)-2(g) (8) of the Income Tax Regulations, shall be treated as  
20 gross salary for the year to which the back pay relates to the  
21 extent the back pay represents wages and compensation that would  
22 otherwise be included in this definition.

23

24

1 Effective for years beginning after December 31, 2008, gross  
2 salary shall also include differential wage payments under Section  
3 414(u) (12) of the Internal Revenue Code of 1986, as amended;

4 15. "Accrued retirement benefit" means two and one-half percent  
5 (2 1/2%) of the firefighter's final average salary multiplied by the  
6 member's years of credited service not to exceed thirty (30) years;

7 16. "Beneficiary" means a member's surviving spouse or any  
8 surviving children, including biological and adopted children, at  
9 the time of the member's death. The surviving spouse must have been  
10 married to the firefighter for the thirty (30) continuous months  
11 preceding the firefighter's death provided a surviving spouse of a  
12 member who died while in, or as a consequence of, the performance of  
13 the member's duty for a participating municipality, shall not be  
14 subject to the marriage limitation for survivor benefits. A  
15 surviving child of a member shall be a beneficiary until reaching  
16 eighteen (18) years of age or twenty-two (22) years of age if the  
17 child is enrolled full time and regularly attending a public or  
18 private school or any institution of higher education. Any child  
19 adopted by a member after the member's retirement shall be a  
20 beneficiary only if the child is adopted by the member for the  
21 thirty (30) continuous months preceding the member's death. Any  
22 child who is adopted by a member after the member's retirement and  
23 such member dies accidentally or as a consequence of the performance  
24 of the member's duty as a firefighter shall not be subject to the

1 thirty-month adoption requirement. This definition of beneficiary  
2 shall be in addition to any other requirement set forth in this  
3 article;

4 17. "Accumulated contributions" means the sum of all  
5 contributions made by a member to the System and includes both  
6 contributions deducted from the compensation of a member and  
7 contributions of a member picked up and paid by the participating  
8 municipality of the member. Accumulated contributions shall not  
9 include any interest on the contributions of the member, interest on  
10 any amount contributed by the municipality or state and any amount  
11 contributed by the municipality or state; and

12 18. "Limitation year" means the year used in applying the  
13 limitations of Section 415 of the Internal Revenue Code of 1986,  
14 which year shall be the calendar year.

15 SECTION 3. AMENDATORY 11 O.S. 2021, Section 49-103, is  
16 amended to read as follows:

17 Section 49-103. A. The mayor, the clerk and the treasurer of  
18 every incorporated municipality (or the equivalent officers of an  
19 Oklahoma-based federally recognized Native American tribe that is a  
20 participating municipality) are, in addition to the duties now  
21 required of them, hereby created and constituted, together with  
22 three members from the fire department of such municipality, a local  
23 firefighters pension and retirement board of each such municipality,  
24 which board shall be known as the Local Firefighters Pension and

1 Retirement Board. The fire department of each such municipality  
2 shall elect, by ballot, three members of such fire department, one  
3 of whom shall serve for the term of one (1) year, and one for the  
4 term of two (2) years, and one for the term of three (3) years, and  
5 thereafter such fire department shall, every year, elect by ballot  
6 one of its members to serve for the term of three (3) years upon the  
7 local board; provided, the provisions of this article shall not  
8 apply to any municipality where no regularly organized fire  
9 department is maintained, nor to any municipality where the fire  
10 department has firefighting apparatus of less than One Thousand  
11 Dollars (\$1,000.00) value.

12 B. Local firefighter pension and retirement boards of  
13 participating employers of the System shall be terminated on  
14 December 31, 2016, and all powers, duties and functions shall be  
15 assumed by the Executive Director unless a majority of the active  
16 firefighters of an affected fire department elect to continue their  
17 local firefighter pension and retirement board before the  
18 termination date prescribed by this subsection, provided that an  
19 election shall be held within twenty (20) days of the date a  
20 petition is presented to the fire chief of a fire department signed  
21 by at least ten percent (10%) of the active firefighters on the  
22 rolls as of the petition date requesting an election to continue the  
23 local firefighter pension and retirement board.

24

1 SECTION 4. AMENDATORY 11 O.S. 2021, Section 49-104, is  
2 amended to read as follows:

3 Section 49-104. The mayor shall be an ex officio member and  
4 chairman of the local board, the municipal clerk shall be ex officio  
5 secretary, and the municipal treasurer shall be ex officio treasurer  
6 of the local board. The mayor shall have a casting vote with the  
7 members only when necessary to avoid a tie vote among them. In the  
8 case of an Oklahoma-based federally recognized Native American tribe  
9 that is a participating municipality, the persons serving in  
10 equivalent offices to a mayor, municipal clerk and municipal  
11 treasurer shall serve in those positions for purposes of this  
12 section. The members shall elect a vice chairman from among them  
13 and promulgate such other rules and offices as may be necessary to  
14 insure the orderly conduct of business.

15 SECTION 5. AMENDATORY 11 O.S. 2021, Section 49-122, is  
16 amended to read as follows:

17 Section 49-122. A. Each municipality having a paid member of a  
18 fire department shall deduct monthly from the salary of each member  
19 of the fire department of such municipality an amount equal to nine  
20 percent (9%) of the actual paid gross salary of each member of the  
21 fire department. The deduction shall be considered the minimum  
22 deduction. At the option of the municipality, the municipality may  
23 pay all or any part of the member's required contribution. The  
24 treasurer of each municipality shall deduct the authorized

1 deductions from the salary of each paid member of the fire  
2 department. The treasurer of the municipality shall deposit within  
3 ten (10) days from each ending payroll date in the System the amount  
4 deducted from the salary of each member of the fire department.  
5 Amounts deducted from the salary of a member and not paid to the  
6 System after thirty (30) days from each ending payroll date shall be  
7 subject to a monthly late charge of one and one-half percent (1  
8 1/2%) of the unpaid balance to be paid by the municipality to the  
9 System.

10 Each municipality shall pick up under the provisions of Section  
11 414(h) (2) of the Internal Revenue Code of 1986, as amended, and pay  
12 the contribution which the member is required by law to make to the  
13 System for all compensation earned after December 31, 1988.  
14 Although the contributions so picked up are designated as member  
15 contributions, such contributions shall be treated as contributions  
16 being paid by the municipality in lieu of contributions by the  
17 member in determining tax treatment under the Internal Revenue Code  
18 of 1986, as amended, and such picked up contributions shall not be  
19 includable in the gross income of the member until such amounts are  
20 distributed or made available to the member or the beneficiary of  
21 the member. The member, by the terms of this System, shall not have  
22 any option to choose to receive the contributions so picked up  
23 directly and the picked up contributions must be paid by the  
24 municipality to the System.

1 Member contributions which are picked up shall be treated in the  
2 same manner and to the same extent as member contributions made  
3 prior to the date on which member contributions were picked up by  
4 the municipality. Member contributions so picked up shall be  
5 included in salary for purposes of the System.

6 The municipality shall pay the member contributions from the  
7 same source of funds used in paying salary to the member, by  
8 effecting an equal cash reduction in gross salary of the member, or  
9 by an offset against future salary increases, or by a combination of  
10 reduction in gross salary and offset against future salary  
11 increases.

12 The treasurer of each municipality shall deduct the picked up  
13 contributions from the salary of each paid member of the fire  
14 department. The treasurer of the municipality shall deposit monthly  
15 in the System the amount picked up from the salary of each member of  
16 the fire department.

17 B. Each municipality having a paid member of a fire department  
18 shall deposit monthly with the State Board an amount equal to the  
19 following:

20 1. Prior to July 1, 1991, ten percent (10%) of the total actual  
21 paid gross salaries of the members of the fire department;

22 2. Beginning July 1, 1991 through June 30, 1992, ten and one-  
23 half percent (10 1/2%) of the total actual paid gross salaries of  
24 the members of the fire department;

1 3. Beginning July 1, 1992 through June 30, 1993, eleven percent  
2 (11%) of the total actual paid gross salaries of the members of the  
3 fire department;

4 4. Beginning July 1, 1993 through June 30, 1994, eleven and  
5 one-half percent (11 1/2%) of the total actual paid gross salaries  
6 of the members of the fire department;

7 5. Beginning July 1, 1994 through June 30, 1995, twelve percent  
8 (12%) of the total actual paid gross salaries of the members of the  
9 fire department;

10 6. Beginning July 1, 1995 through June 30, 1996, twelve and  
11 one-half percent (12 1/2%) of the total actual paid gross salaries  
12 of the members of the fire department;

13 7. Beginning July 1, 1996, thirteen percent (13%) of the total  
14 actual paid gross salaries of the members of the fire department;  
15 and

16 8. Beginning November 1, 2013, fourteen percent (14%) of the  
17 total actual paid gross salaries of the members of the fire  
18 department.

19 C. Each county or municipality having a volunteer member of a  
20 fire department shall deposit yearly with the State Board Sixty  
21 Dollars (\$60.00) for each volunteer member of the department.

22 Provided, the above-mentioned volunteer county or municipal  
23 contributions shall be reevaluated by the next scheduled actuarial  
24 study and the amounts adjusted so that in a nine-year period of

1 time, the amounts would reflect the actuarial recommendations at  
2 that time. Any county or municipality with an income of less than  
3 Twenty-five Thousand Dollars (\$25,000.00) to its general fund during  
4 a fiscal year shall be exempt from the provisions of this  
5 subsection.

6 Any municipality that fails to comply with the provisions of  
7 this section shall not be entitled to its proportionate share of the  
8 Motor Fuel Excise Tax which is received through the Oklahoma Tax  
9 Commission. Any county or municipality may exceed the amount of  
10 contribution required by this section.

11 The provisions of this section shall supersede any city charter  
12 provision in direct conflict with this section.

13 D. If a federally recognized Native American tribe authorizes  
14 one or more of its employees to become a participating member of the  
15 System pursuant to the provisions of this act, the tribe shall make  
16 the employer contributions required by the provisions of this  
17 section. If the tribe ceases to make the required employer  
18 contributions, the employee shall cease participation in the System  
19 and no service credit shall be provided to the member for any period  
20 of time with respect to which the required employer contributions  
21 are not paid.

22 E. Not later than ninety (90) days after the end of the first  
23 plan year during which the tribal firefighters have been members of  
24 the System, the System shall cause to be performed an actuarial

1 analysis of the normal cost of providing benefits to those members  
2 compared to the other members of the System. If the actuary  
3 determines that the normal cost for providing benefits to this  
4 population is greater than the normal cost for the other members of  
5 the System, the recommendation for increases in employer  
6 contribution rates or employee contribution rates or both such rates  
7 shall be communicated by the Board of Trustees to the Governor, the  
8 Speaker of the Oklahoma House of Representatives and the President  
9 Pro Tempore of the Oklahoma State Senate not later than December 1.

10 F. The normal cost analysis and report from the System as  
11 described by subsection E of this section shall be repeated each  
12 year unless the actuary for the System determines, for any  
13 applicable period, that no modifications to the employer  
14 contribution rate or the employee contribution rate or both such  
15 rates would be required in the plan year beginning on the next  
16 ensuing July 1 date in order for the normal cost of the tribal  
17 employee members of the System to be equalized with the normal cost  
18 of the other members of the System.

19 SECTION 6. Section 1 of this act shall become effective  
20 October 1, 2022.

21 SECTION 7. Sections 2 through 5 of this act shall become  
22 effective November 1, 2022.

23  
24 58-2-9495 CMA 12/21/21

**THOMAS E. CUMMINS CONSULTING ACTUARY, INC.**

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January 13, 2022

Representative May  
Room 300.4

Re: RBH No. 9495

RBH No. 9495 would Native American Tribes to become participating employers in Oklahoma Firefighters Pension and Retirement System. The firefighters employed by the Native American tribes will become participants in the Oklahoma Firefighters Pension and Retirement System.

This bill amends the definition of a nonfiscal bill in OPLAAA to allow the participation of firefighters employed by the Native American tribes in the Oklahoma Firefighters Pension and Retirement System.

This bill is a non fiscal bill under OPLAAA because of the change in definition of OPLAAA nonfiscal bill.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

*Thomas E. Cummins*

Thomas E. Cummins, MAAA