

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2688 _____
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

Amendment submitted by: John George

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 2688

By: George

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Law Enforcement Retirement System; amending 62 O.S. 2021, Section 3103, as amended by Section 1, Chapter 306, O.S.L. 2022 (62 O.S. Supp. 2022, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying definition; providing that certain members may make election to participate in retirement system; providing who shall be members of retirement system; providing for the transfer of certain contributions and records; providing that member shall pay the difference to receive credit; providing exception; prohibiting the transfer of service credit under certain circumstances; providing for codification; and providing effective dates.

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

SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, as amended by Section 1, Chapter 306, O.S.L. 2022 (62 O.S. Supp. 2022, Section 3103), is amended to read as follows:

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

1 1. "Amendment" means any amendment, including a substitute
2 bill, made to a retirement bill by any committee of the House or
3 Senate, any conference committee of the House or Senate or by the
4 House or Senate;

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

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

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

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

- 20 a. which does not affect the cost or funding factors of a
21 retirement system,
22 b. which affects such factors only in a manner which does
23 not:

- (1) grant a benefit increase under the retirement system affected by the bill,
 - (2) create an actuarial accrued liability for or increase the actuarial accrued liability of the retirement system affected by the bill, or
 - (3) increase the normal cost of the retirement system affected by the bill,
- c. which authorizes the purchase by an active member of the retirement system, at the actuarial cost for the purchase as computed pursuant to the statute in effect on the effective date of the measure allowing such purchase, of years of service for purposes of reaching a normal retirement date in the applicable retirement system, but which cannot be used in order to compute the number of years of service for purposes of computing the retirement benefit for the member,
- d. which provides for the computation of a service-connected disability retirement benefit for members of the Oklahoma Law Enforcement Retirement System pursuant to Section 2-305 of Title 47 of the Oklahoma Statutes if the members were unable to complete twenty (20) years of service as a result of the disability,
- e. which requires membership in the defined benefit plan authorized by Section 901 et seq. of Title 74 of the

Oklahoma Statutes for persons whose first elected or appointed service occurs on or after November 1, 2018, if such persons had any prior service in the Oklahoma Public Employees Retirement System prior to November 1, 2015,

f. which provides for a one-time increase in retirement benefits if the increase in retirement benefits is not 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:

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

(2) the lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Two Hundred Dollars (\$1,200.00) and requires that the benefit may only be provided if the funded ratio of the affected retirement

1 system would be greater than eighty percent (80%)
2 but not greater than one hundred percent (100%)
3 after the benefit increase is paid,

4 (3) the lesser of two percent (2%) of the gross
5 annual retirement benefit of the member or One
6 Thousand Four Hundred Dollars (\$1,400.00) and
7 requires that the benefit may only be provided if
8 the funded ratio of the affected retirement
9 system would be greater than one hundred percent
10 (100%) after the benefit increase is paid, or

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

19 As used in this subparagraph, "funded ratio" means the
20 figure derived by dividing the actuarial value of
21 assets of the applicable retirement system by the
22 actuarial accrued liability of the applicable
23 retirement system,
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- 1 g. which modifies the disability pension standard for
2 police officers who are members of the Oklahoma Police
3 Pension and Retirement System as provided by Section ~~3~~
4 50-115 of this act Title 11 of the Oklahoma Statutes,
5 h. which provides a cost-of-living benefit increase
6 pursuant to the provisions of:
7 (1) Section 49-143.7 of Title 11 of the Oklahoma
8 Statutes,
9 (2) Section 50-136.9 of Title 11 of the Oklahoma
10 Statutes,
11 (3) Section 1104K of Title 20 of the Oklahoma
12 Statutes,
13 (4) Section 2-305.12 of Title 47 of the Oklahoma
14 Statutes,
15 (5) Section 17-116.22 of Title 70 of the Oklahoma
16 Statutes,
17 (6) Section 930.11 of Title 74 of the Oklahoma
18 Statutes, ~~or~~
19 i. which modifies the computation of the line-of-duty
20 disability benefit pursuant to the provisions of this
21 act, or
22 j. which allows for participation of active commissioned
23 or Council on Law Enforcement Education and Training
24 (CLEET) certified agents of the Office of the Attorney

General in the Oklahoma Law Enforcement Retirement
System pursuant to Section 2 of this act.

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

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

7. "Retirement bill" means any bill or joint resolution introduced or any bill or joint resolution amended by a member of the Oklahoma Legislature which creates or amends any law directly affecting a retirement system. A retirement bill shall not mean a bill or resolution that impacts the revenue of any state tax in which a portion of the revenue generated from such tax is earmarked for the benefit of a retirement system;

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

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

8 SECTION 2. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 2-317 of Title 47, unless there
10 is created a duplication in numbering, reads as follows:

11 A. Members of the Oklahoma Public Employees Retirement System
12 who are active commissioned or Council on Law Enforcement Education
13 and Training (CLEET) certified agents of the Office of the Attorney
14 General on June 30, 2024, may make an irrevocable written election
15 to participate in the Oklahoma Law Enforcement Retirement System.
16 Commissioned or CLEET certified agents of the Office of the Attorney
17 General who are hired on or after July 1, 2024, shall participate in
18 and make contributions to the Oklahoma Law Enforcement Retirement
19 System as other participating employers and members of the System.
20 Officers who make the election as provided by this section shall be
21 subject to the following:

22 1. Upon the date the commissioned or CLEET certified agent
23 makes the election pursuant to this section, he or she shall cease
24 accruing benefits in the Oklahoma Public Employees Retirement System

1 and shall commence accruing benefits in the Oklahoma Law Enforcement
2 Retirement System;

3 2. Prior to the beginning of the month following receipt of the
4 commissioned or CLEET certified agent's election by the Oklahoma
5 Public Employees Retirement System, the Oklahoma Public Employees
6 Retirement System shall transfer to the Oklahoma Law Enforcement
7 Retirement System all employee contributions and employer
8 contributions including any amounts received by the Oklahoma Public
9 Employees Retirement System on behalf of a transferring member
10 related to a purchase or transfer of credited service to the
11 Oklahoma Public Employees Retirement System. The Oklahoma Public
12 Employees Retirement System shall also send to the Oklahoma Law
13 Enforcement Retirement System the retirement records of the
14 transferring member;

15 3. To receive service credit accrued by such transferring
16 member prior to the election, or prior to the date as of which the
17 person making the election ceases to be a member of the Oklahoma
18 Public Employees Retirement System, whichever date occurs last, the
19 member shall make an irrevocable written election. The election
20 shall be to pay the difference between the amount transferred by the
21 Oklahoma Public Employees Retirement System to the Oklahoma Law
22 Enforcement Retirement System in paragraph 2 of this subsection and
23 the amount determined by the Board of Trustees pursuant to Section
24 2-307.5 of Title 47 of the Oklahoma Statutes to receive full

1 eligible credit for the years sought to be transferred or receive
2 eligible prorated service credit for only the amount received from
3 the Oklahoma Public Employees Retirement System pursuant to this
4 subsection. Payments made by such transferring members pursuant to
5 this paragraph shall be made pursuant to subsection B of Section 2-
6 307.5 of Title 47 of the Oklahoma Statutes;

7 4. Service credit shall only be transferable pursuant to this
8 section if the transferring member is not receiving or eligible to
9 receive service credit or benefits from said service in any other
10 public retirement system and has not received service credit for the
11 same years of service pursuant to Sections 2-307.1, 2-307.3, and 2-
12 307.4 of Title 47 of the Oklahoma Statutes. Provided further, that
13 only transferred credited service related to the commissioned or
14 CLEET certified agent with the Office of the Attorney General and
15 any other law enforcement related service, including service with
16 the Office of the Attorney General as a commissioned or CLEET
17 certified agent or any credited service that was purchased or
18 transferred to the Oklahoma Public Employees Retirement System from
19 the Oklahoma Law Enforcement Retirement System or the Oklahoma
20 Police Pension and Retirement System, shall be included in the
21 determination of an officer's normal retirement date or vesting date
22 in the Oklahoma Law Enforcement Retirement System; and
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1 5. All service credit with the Oklahoma Public Employees
2 Retirement System which is ineligible for transfer to the Oklahoma
3 Law Enforcement Retirement System shall be canceled.

4 B. The Office of the Attorney General shall be a participating
5 employer in the Oklahoma Law Enforcement Retirement System for all
6 Office of the Attorney General commissioned or CLEET certified
7 agents who participate in the Oklahoma Law Enforcement Retirement
8 System pursuant to the provisions of this section.

9 SECTION 3. Section 1 of this act shall become effective October
10 1, 2023.

11 SECTION 4. Section 2 of this act shall become effective
12 November 1, 2023.

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14 59-1-7466 CMA 02/15/23
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