

FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2171 _____
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

Adopted: _____

Amendment submitted by: Ross Ford

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

FLOOR SUBSTITUTE

FOR

HOUSE BILL NO. 2171

By: Ford

FLOOR SUBSTITUTE

An Act relating to public retirement systems; 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 for retirement benefit distribution for certain retired members of the Oklahoma Firefighters Pension and Retirement System; providing for retirement benefit distribution for certain retired members of the Oklahoma Police Pension and Retirement System; providing for retirement benefit distribution for certain retired members of the Uniform Retirement System for Justices and Judges; providing for retirement benefit distribution for certain retired members of the Oklahoma Law Enforcement Retirement System; providing for retirement benefit distribution for certain retired members of the Teachers' Retirement System of Oklahoma; providing for retirement benefit distribution for certain retired members of the Oklahoma Public Employees Retirement System; providing for codification; providing effective dates if emergency clause is not approved; and declaring an emergency.

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

1 SECTION 1. AMENDATORY 62 O.S. 2021, Section 3103, as
2 amended by Section 1, Chapter 306, O.S.L. 2022 (62 O.S. Supp. 2022,
3 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,
- 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,
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

- (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 system would be greater than eighty percent (80%) but not greater than one hundred percent (100%) 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 the funded ratio of the affected retirement system would be greater than one hundred percent (100%) after the benefit increase is paid, or
- (4) the greater of two percent (2%) of the gross annual retirement benefit of the volunteer firefighter or One Hundred Dollars (\$100.00) for persons who retired from the Oklahoma Firefighters Pension and Retirement System as volunteer firefighters and who did not retire from the Oklahoma Firefighters Pension and Retirement System as a paid firefighter.

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,

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 50-115 of ~~this act~~ Title 11 of the Oklahoma Statutes,

10 h. which provides a cost-of-living benefit increase
11 pursuant to the provisions of:

12 (1) Section 49-143.7 of Title 11 of the Oklahoma
13 Statutes,

14 (2) Section 50-136.9 of Title 11 of the Oklahoma
15 Statutes,

16 (3) Section 1104K of Title 20 of the Oklahoma
17 Statutes,

18 (4) Section 2-305.12 of Title 47 of the Oklahoma
19 Statutes,

20 (5) Section 17-116.22 of Title 70 of the Oklahoma
21 Statutes,

22 (6) Section 930.11 of Title 74 of the Oklahoma
23 Statutes, ~~or~~

- 1 i. which modifies the computation of the line-of-duty
2 disability benefit pursuant to the provisions of this
3 act, or
4 j. which provides a retirement benefit distribution
5 pursuant to the provisions of this act.

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

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

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

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

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

11 SECTION 2. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 49-143.8 of Title 11, unless
13 there is created a duplication in numbering, reads as follows:

14 The board of trustees of the Oklahoma Firefighters Pension and
15 Retirement System shall provide a one-time retirement benefit
16 distribution subject to the following conditions:

17 1. The retirement benefit increase may only be provided to a
18 member of the System who has been retired for two (2) or more years
19 as of the effective date of the benefit increase;

20 2. The retirement benefit increase shall be One Thousand Five
21 Hundred Dollars (\$1,500.00) or greater but shall not exceed Three
22 Thousand Two Hundred Dollars (\$3,200.00). Provided, however, that
23 retired members who are seventy-five (75) years of age or older
24 shall receive Five Hundred Dollars (\$500.00), which shall not be

1 included in the benefit amount limitation, in addition to the
2 retirement benefit increase to be calculated pursuant to paragraph 4
3 of this section;

4 3. The retirement benefit increase shall not be a modification
5 of the final average compensation used in order to compute the
6 retirement benefit of the member; and

7 4. The retirement benefit increase may only be computed by
8 using the then-applicable gross annual retirement benefit for the
9 member divided by the whole number twelve (12). The resulting
10 amount may be paid to the retired member in addition to the
11 retirement benefits otherwise payable to the member.

12 SECTION 3. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 50-136.10 of Title 11, unless
14 there is created a duplication in numbering, reads as follows:

15 The board of trustees of the Oklahoma Police Pension and
16 Retirement System shall provide a one-time retirement benefit
17 distribution subject to the following conditions:

18 1. The retirement benefit increase may only be provided to a
19 member of the System who has been retired for two (2) or more years
20 as of the effective date of the benefit increase;

21 2. The retirement benefit increase shall be One Thousand Five
22 Hundred Dollars (\$1,500.00) or greater but shall not exceed Three
23 Thousand Two Hundred Dollars (\$3,200.00). Provided, however, that
24 retired members who are seventy-five (75) years of age or older

1 shall receive Five Hundred Dollars (\$500.00), which shall not be
2 included in the benefit amount limitation, in addition to the
3 retirement benefit increase to be calculated pursuant to paragraph 4
4 of this section;

5 3. The retirement benefit increase shall not be a modification
6 of the final average compensation used in order to compute the
7 retirement benefit of the member; and

8 4. The retirement benefit increase may only be computed by
9 using the then-applicable gross annual retirement benefit for the
10 member divided by the whole number twelve (12). The resulting
11 amount may be paid to the retired member in addition to the
12 retirement benefits otherwise payable to the member.

13 SECTION 4. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1104L of Title 20, unless there
15 is created a duplication in numbering, reads as follows:

16 The board of trustees of the Uniform Retirement System for
17 Justices and Judges shall provide a one-time retirement benefit
18 distribution subject to the following conditions:

19 1. The retirement benefit increase may only be provided to a
20 member of the System who has been retired for two (2) or more years
21 as of the effective date of the benefit increase;

22 2. The retirement benefit increase shall be One Thousand Five
23 Hundred Dollars (\$1,500.00) or greater but shall not exceed Three
24 Thousand Two Hundred Dollars (\$3,200.00). Provided, however, that

1 retired members who are seventy-five (75) years of age or older
2 shall receive Five Hundred Dollars (\$500.00), which shall not be
3 included in the benefit amount limitation, in addition to the
4 retirement benefit increase to be calculated pursuant to paragraph 4
5 of this section;

6 3. The retirement benefit increase shall not be a modification
7 of the final average compensation used in order to compute the
8 retirement benefit of the member; and

9 4. The retirement benefit increase may only be computed by
10 using the then-applicable gross annual retirement benefit for the
11 member divided by the whole number twelve (12). The resulting
12 amount may be paid to the retired member in addition to the
13 retirement benefits otherwise payable to the member.

14 SECTION 5. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 2-305.13 of Title 47, unless
16 there is created a duplication in numbering, reads as follows:

17 The board of trustees of the Oklahoma Law Enforcement Retirement
18 System shall provide a one-time retirement benefit distribution
19 subject to the following conditions:

20 1. The retirement benefit increase may only be provided to a
21 member of the System who has been retired for two (2) or more years
22 as of the effective date of the benefit increase;

23 2. The retirement benefit increase shall be One Thousand Five
24 Hundred Dollars (\$1,500.00) or greater but shall not exceed Three

1 Thousand Two Hundred Dollars (\$3,200.00). Provided, however, that
2 retired members who are seventy-five (75) years of age or older
3 shall receive Five Hundred Dollars (\$500.00), which shall not be
4 included in the benefit amount limitation, in addition to the
5 retirement benefit increase to be calculated pursuant to paragraph 4
6 of this section;

7 3. The retirement benefit increase shall not be a modification
8 of the final average compensation used in order to compute the
9 retirement benefit of the member; and

10 4. The retirement benefit increase may only be computed by
11 using the then-applicable gross annual retirement benefit for the
12 member divided by the whole number twelve (12). The resulting
13 amount may be paid to the retired member in addition to the
14 retirement benefits otherwise payable to the member.

15 SECTION 6. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 17-116.23 of Title 70, unless
17 there is created a duplication in numbering, reads as follows:

18 The board of trustees of the Teachers' Retirement System of
19 Oklahoma shall provide a one-time retirement benefit distribution
20 subject to the following conditions:

21 1. The retirement benefit increase may only be provided to a
22 member of the System who has been retired for two (2) or more years
23 as of the effective date of the benefit increase;

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1 2. The retirement benefit increase shall be One Thousand Five
2 Hundred Dollars (\$1,500.00) or greater but shall not exceed Three
3 Thousand Two Hundred Dollars (\$3,200.00). Provided, however, that
4 retired members who are seventy-five (75) years of age or older
5 shall receive Five Hundred Dollars (\$500.00), which shall not be
6 included in the benefit amount limitation, in addition to the
7 retirement benefit increase to be calculated pursuant to paragraph 4
8 of this section;

9 3. The retirement benefit increase shall not be a modification
10 of the final average compensation used in order to compute the
11 retirement benefit of the member; and

12 4. The retirement benefit increase may only be computed by
13 using the then-applicable gross annual retirement benefit for the
14 member divided by the whole number twelve (12). The resulting
15 amount may be paid to the retired member in addition to the
16 retirement benefits otherwise payable to the member.

17 SECTION 7. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 930.12 of Title 74, unless there
19 is created a duplication in numbering, reads as follows:

20 The board of trustees of the Oklahoma Public Employees
21 Retirement System shall provide a one-time retirement benefit
22 distribution subject to the following conditions:
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1 1. The retirement benefit increase may only be provided to a
2 member of the System who has been retired for two (2) or more years
3 as of the effective date of the benefit increase;

4 2. The retirement benefit increase shall be One Thousand Five
5 Hundred Dollars (\$1,500.00) or greater but shall not exceed Three
6 Thousand Two Hundred Dollars (\$3,200.00). Provided, however, that
7 retired members who are seventy-five (75) years of age or older
8 shall receive Five Hundred Dollars (\$500.00), which shall not be
9 included in the benefit amount limitation, in addition to the
10 retirement benefit increase to be calculated pursuant to paragraph 4
11 of this section;

12 3. The retirement benefit increase shall not be a modification
13 of the final average compensation used in order to compute the
14 retirement benefit of the member; and

15 4. The retirement benefit increase may only be computed by
16 using the then-applicable gross annual retirement benefit for the
17 member divided by the whole number twelve (12). The resulting
18 amount may be paid to the retired member in addition to the
19 retirement benefits otherwise payable to the member.

20 SECTION 8. If the Emergency Clause is not approved pursuant to
21 the requirements of the Oklahoma Constitution as part of this
22 measure, the effective date of Section 1 of this act shall be
23 October 1, 2023.

1 SECTION 9. If the Emergency Clause is not approved pursuant to
2 the requirements of the Oklahoma Constitution as part of this
3 measure, the effective date of Sections 2 through 7 of this act
4 shall be November 1, 2023.

5 SECTION 10. Except as otherwise provided by Section 8 of this
6 act, Section 1 of this act shall become effective immediately upon
7 signature by the Governor or as otherwise provided by Section 58 of
8 Article V of the Oklahoma Constitution.

9 SECTION 11. Except as otherwise provided by Section 9 of this
10 act, Sections 2 through 7 of this act shall become effective July 1,
11 2023.

12 SECTION 12. It being immediately necessary for the preservation
13 of the public peace, health or safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

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17 59-1-7977 CMA 03/07/23
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