

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

POLICY COMMITTEE
RECOMMENDATION

FOR

HOUSE BILL NO. 2116

By: Lay

POLICY COMMITTEE RECOMMENDATION

An Act relating to public retirement systems;
amending 47 O.S. 2021, Section 2-300, as last amended
by Section 1, Chapter 361, O.S.L. 2024 (47 O.S. Supp.
2024, Section 2-300), which relates to the Oklahoma
Law Enforcement Retirement System; modifying term;
providing for participation of certain new employees
of certain agency in the Oklahoma Law Enforcement
Retirement System; providing for codification; and
declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 2-300, as
last amended by Section 1, Chapter 361, O.S.L. 2024 (47 O.S. Supp.
2024, Section 2-300), is amended to read as follows:

Section 2-300. As used in Section 2-300 et seq. of this title:

1. "System" means the Oklahoma Law Enforcement Retirement
System;

1 2. "Act" means Section 2-300 et seq. of this title;

2 3. "Board" means the Oklahoma Law Enforcement Retirement Board
3 of the System;

4 4. "Executive Director" means the managing officer of the
5 System employed by the Board;

6 5. "Fund" means the Oklahoma Law Enforcement Retirement Fund;

7 6. "Participating employer" means any Oklahoma entity with one
8 or more employees who are members of the System;

9 7. a. "Member" means:

10 (1) all commissioned law enforcement officers of the
11 Oklahoma Highway Patrol Division of the
12 Department of Public Safety who have obtained
13 certification from the Council on Law Enforcement
14 Education and Training, and all cadets of a
15 Patrol Academy of the Department of Public
16 Safety,

17 (2) law enforcement officers and criminalists of the
18 Oklahoma State Bureau of Investigation,

19 (3) law enforcement officers of the Oklahoma State
20 Bureau of Narcotics and Dangerous Drugs Control
21 designated to perform duties in the investigation
22 and prevention of crime and the enforcement of
23 the criminal laws of this state,

- 1 (4) law enforcement officers of the Alcoholic
2 Beverage Laws Enforcement Commission designated
3 to perform duties in the investigation and
4 prevention of crime and the enforcement of the
5 criminal laws of this state,
- 6 (5) employees of the Communications Section of the
7 Oklahoma Highway Patrol Division, radio
8 technicians and tower technicians of the
9 Department of Public Safety, who are employed in
10 any such capacity as of June 30, 2008, and who
11 remain employed on or after July 1, 2008, until a
12 termination of service, or until a termination of
13 service with an election of a vested benefit from
14 the System, or until retirement. Effective July
15 1, 2008, a person employed for the first time as
16 an employee of the Department of Public Safety in
17 the Communications Division as an information
18 systems telecommunication technician of the
19 Department of Public Safety shall not be a member
20 of the System,
- 21 (6) park rangers of the Oklahoma Tourism and
22 Recreation Department and any park manager or
23 park supervisor of the Oklahoma Tourism and
24 Recreation Department, who was employed in such a

1 position prior to July 1, 1985, and who elects on
2 or before September 1, 1996, to participate in
3 the System,

4 (7) inspectors of the State Board of Pharmacy, ~~and~~

5 (8) active commissioned or CLEET-certified agents

6 hired by the Office of the Attorney General or

7 the Military Department of the State of Oklahoma

8 on or after ~~the effective date of this act~~ July

9 1, 2024, and

10 (9) active commissioned or CLEET-certified officers

11 hired by the Office of the State Fire Marshal on

12 or after July 1, 2026.

- 13 b. Effective July 1, 1987, a member does not include a
14 "leased employee" as defined under Section 414(n)(2)
15 of the Internal Revenue Code of 1986, as amended.
16 Effective July 1, 1999, any individual who agrees with
17 the participating employer that the individual's
18 services are to be performed as a leased employee or
19 an independent contractor shall not be a member
20 regardless of any classification as a common-law
21 employee by the Internal Revenue Service or any other
22 governmental agency, or any court of competent
23 jurisdiction.

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1 c. All persons offered a position described in
2 subparagraph a of this paragraph shall participate in
3 the System only upon meeting the requisite post-offer-
4 pre-employment examination standards which shall be
5 subject to the following requirements:

6 (1) all such persons shall be of good moral
7 character, free from deformities, mental or
8 physical conditions, or disease and alcohol or
9 drug addiction which would prohibit the person
10 from performing the duties of a law enforcement
11 officer,

12 (2) the physical-medical examination shall pertain to
13 age, sight, hearing, agility and other conditions
14 the requirements of which shall be established by
15 the Board,

16 (3) the person shall be required to meet the
17 conditions of this subsection prior to the
18 beginning of actual employment but after an offer
19 of employment has been tendered by a
20 participating employer,

21 (4) the Board shall have authority to deny or revoke
22 membership of any person submitting false
23 information in such person's membership
24 application, and

1 (5) the Board shall have final authority in
2 determining eligibility for membership in the
3 System, ~~pursuant to the provisions of this~~
4 ~~subsection;~~

5 8. "Normal retirement date" means the date at which the member
6 is eligible to receive the unreduced payments of the member's
7 accrued retirement benefit. Such date shall be the first day of the
8 month coinciding with or following the date the member:

9 a. completes twenty (20) years of vesting service, or

10 b. attains sixty-two (62) years of age with ten (10)
11 years of vesting service, or

12 c. attains sixty-two (62) years of age, if:

13 (1) the member has been transferred to this System
14 from the Oklahoma Public Employees Retirement
15 System on or after July 1, 1981, and

16 (2) the member would have been vested had the member
17 continued to be a member of the Oklahoma Public
18 Employees Retirement System.

19 With respect to distributions under the System made for calendar
20 years beginning on or after January 1, 2005, the System shall apply
21 the minimum distribution incidental benefit requirements, incidental
22 benefit requirements, and minimum distribution requirements of
23 Section 401(a)(9) of the Internal Revenue Code of 1986, as amended,
24 in accordance with the final regulations under Section 401(a)(9) of

1 the Internal Revenue Code of 1986, as amended, including Treasury
2 Regulations Sections 1.401(a)(9)-1 through 1.401(a)(9)-9; provided,
3 that for individuals who attain seventy and one-half (70 1/2) years
4 of age after December 31, 2019, but before January 1, 2023, such
5 distributions shall take into account that "age 70 1/2" was stricken
6 and "age 72" was inserted in Sections 401(a)(9)(B)(iv)(I),
7 401(a)(9)(C)(i)(I) and 401(a)(9)(C)(ii)(I) of the Internal Revenue
8 Code of 1986, as amended, and, provided further, that for
9 individuals who attain seventy-two (72) years of age after December
10 31, 2022, such distributions shall take into account that "age 72"
11 was stricken and "the applicable age", as defined in Section
12 401(a)(9)(C)(v) of the Internal Revenue Code of 1986, as amended,
13 was inserted in Section 401(a)(9)(B)(iv)(I), Section
14 401(a)(9)(C)(i)(I) and Section 401(a)(9)(C)(ii)(I) of the Internal
15 Revenue Code of 1986, as amended, in all cases notwithstanding any
16 provision of the System to the contrary. With respect to
17 distributions under the System made for calendar years beginning on
18 or after January 1, 2001, through December 31, 2004, the System
19 shall apply the minimum distribution requirements and incidental
20 benefit requirements of Section 401(a)(9) of the Internal Revenue
21 Code of 1986, as amended, in accordance with the regulations under
22 Section 401(a)(9) of the Internal Revenue Code of 1986, as amended,
23 which were proposed in January 2001, notwithstanding any provision
24 of the System to the contrary.

1 Effective July 1, 1989, notwithstanding any other provision
2 contained herein to the contrary, in no event shall commencement of
3 distribution of the accrued retirement benefit of a member be
4 delayed beyond April 1 of the calendar year following the later of:
5 (1) the calendar year in which the member reaches seventy and one-
6 half (70 1/2) years of age for a member who attains this age before
7 January 1, 2020, or, for a member who attains this age on or after
8 January 1, 2020, but before January 1, 2023, the calendar year in
9 which the member reaches seventy-two (72) years of age, or effective
10 for distributions required to be made after December 31, 2022, the
11 calendar year in which the member reaches seventy-three (73) years
12 of age for an individual who attains age seventy-two (72) after
13 December 31, 2022, or "the applicable age", as defined in Section
14 401(a) (9) (C) (v) of the Internal Revenue Code of 1986, as amended, if
15 later; or (2) the actual retirement date of the member. A member
16 electing to defer the commencement of retirement benefits pursuant
17 to Section 2-308.1 of this title may not defer the benefit
18 commencement beyond the age of sixty-five (65).

19 Effective September 8, 2009, notwithstanding anything to the
20 contrary of the System, the System, which as a governmental plan
21 (within the meaning of Section 414(d) of the Internal Revenue Code
22 of 1986, as amended), is treated as having complied with Section
23 401(a) (9) of the Internal Revenue Code of 1986, as amended, for all
24 years to which Section 401(a) (9) of the Internal Revenue Code of

1 1986, as amended, applies to the System if the System complies with
2 a reasonable and good faith interpretation of Section 401(a)(9) of
3 the Internal Revenue Code of 1986, as amended.

4 A member who was required to join the System effective July 1,
5 1980, because of the transfer of the employing agency from the
6 Oklahoma Public Employees Retirement System to the System, and was
7 not a member of the Oklahoma Public Employees Retirement System on
8 the date of such transfer shall be allowed to receive credit for
9 prior law enforcement service rendered to this state, if the member
10 is not receiving or eligible to receive retirement credit or
11 benefits for such service in any other public retirement system,
12 upon payment to the System of the employee contribution the member
13 would have been subject to had the member been a member of the
14 System at the time, plus five percent (5%) interest. Service credit
15 received pursuant to this paragraph shall be used in determining the
16 member's retirement benefit, and shall be used in determining years
17 of service for retirement or vesting purposes;

18 9. "Actual paid base salary" means the salary received by a
19 member, excluding payment for any accumulated leave or uniform
20 allowance. Salary shall include any amount of nonelective salary
21 reduction under Section 414(h) of the Internal Revenue Code of 1986;

22 10. "Final average salary" means the average of the highest
23 thirty (30) consecutive complete months of actual paid gross salary.
24 Gross salary shall include any amount of elective salary reduction

1 under Section 457 of the Internal Revenue Code of 1986, as amended,
2 and any amount of nonelective salary reduction under Section 414(h)
3 of the Internal Revenue Code of 1986, as amended. Effective July 1,
4 1992, gross salary shall include any amount of elective salary
5 reduction under Section 125 of the Internal Revenue Code of 1986, as
6 amended. Effective July 1, 1998, gross salary shall include any
7 amount of elective salary reduction not includable in the gross
8 income of the member under Section 132(f)(4) of the Internal Revenue
9 Code of 1986, as amended. Effective July 1, 1998, for purposes of
10 determining a member's compensation, any contribution by the member
11 to reduce his or her regular cash remuneration under Section
12 132(f)(4) of the Internal Revenue Code of 1986, as amended, shall be
13 treated as if the member did not make such an election. Only salary
14 on which required contributions have been made may be used in
15 computing the final average salary. Gross salary shall not include
16 severance pay.

17 In addition to other applicable limitations, and notwithstanding
18 any other provision to the contrary, for plan years beginning on or
19 after July 1, 2002, the annual gross salary of each "Noneligible
20 Member" taken into account under the System shall not exceed the
21 Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA")
22 annual salary limit. The EGTRRA annual salary limit is Two Hundred
23 Thousand Dollars (\$200,000.00), as adjusted by the Commissioner for
24 increases in the cost of living in accordance with Section

1 401(a)(17)(B) of the Internal Revenue Code of 1986, as amended. The
2 annual salary limit in effect for a calendar year applies to any
3 period, not exceeding twelve (12) months, over which salary is
4 determined ("determination period") beginning in such calendar year.
5 If a determination period consists of fewer than twelve (12) months,
6 the EGTRRA salary limit will be multiplied by a fraction, the
7 numerator of which is the number of months in the determination
8 period, and the denominator of which is twelve (12). For purposes
9 of this section, a "Noneligible Member" is any member who first
10 became a member during a plan year commencing on or after July 1,
11 1996.

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

16 Effective January 1, 2008, gross salary for a plan year shall
17 also include gross salary, as described above, for services, but
18 paid by the later of two and one-half (2 1/2) months after a
19 member's severance from employment or the end of the calendar year
20 that includes the date the member terminated employment, if it is a
21 payment that, absent a severance from employment, would have been
22 paid to the member while the member continued in employment with the
23 employer.

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1 Effective January 1, 2008, any payments not described above
2 shall not be considered gross salary if paid after severance from
3 employment, even if they are paid by the later of two and one-half
4 (2 1/2) months after the date of severance from employment or the
5 end of the calendar year that includes the date of severance from
6 employment, except payments to an individual who does not currently
7 perform services for the employer by reason of qualified military
8 service within the meaning of Section 414(u) (5) of the Internal
9 Revenue Code of 1986, as amended, to the extent these payments do
10 not exceed the amounts the individual would have received if the
11 individual had continued to perform services for the employer rather
12 than entering qualified military service.

13 Effective January 1, 2008, back pay, within the meaning of
14 Section 1.415(c)-2(g) (8) of the Income Tax Regulations, shall be
15 treated as gross salary for the limitation year to which the back
16 pay relates to the extent the back pay represents wages and
17 compensation that would otherwise be included in this definition.

18 Effective for years beginning after December 31, 2008, gross
19 salary shall also include differential wage payments under Section
20 414(u) (12) of the Internal Revenue Code of 1986, as amended;

21 11. "Credited service" means the period of service used to
22 determine the amount of benefits payable to a member. Credited
23 service shall consist of the period during which the member
24 participated in the System or the predecessor Plan as an active

1 employee in an eligible membership classification, plus any service
2 prior to the establishment of the predecessor Plan which was
3 credited under the predecessor Plan and for law enforcement officers
4 and criminalists of the Oklahoma State Bureau of Investigation and
5 the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control
6 who became members of the System on July 1, 1980, any service
7 credited under the Oklahoma Public Employees Retirement System as of
8 June 30, 1980, and for members of the Communications and Lake Patrol
9 Divisions of the Oklahoma Department of Public Safety, who became
10 members of the System on July 1, 1981, any service credited under
11 the predecessor Plan or the Oklahoma Public Employees Retirement
12 System as of June 30, 1981, and for law enforcement officers of the
13 Alcoholic Beverage Laws Enforcement Commission who became members of
14 the System on July 1, 1982, any service credited under the Oklahoma
15 Public Employees Retirement System as of June 30, 1982, and for park
16 rangers of the Oklahoma Tourism and Recreation Department who became
17 members of the System on July 1, 1985, any service credited under
18 the Oklahoma Public Employees Retirement System as of June 30, 1985,
19 and for inspectors of the State Board of Pharmacy who became members
20 of the System on July 1, 1986, any service credited under the
21 Oklahoma Public Employees Retirement System as of June 30, 1986, for
22 law enforcement officers of the Oklahoma Capitol Patrol Division of
23 the Department of Public Safety who became members of the System
24 effective July 1, 1993, any service credited under the Oklahoma

1 Public Employees Retirement System as of June 30, 1993, and for all
2 commissioned officers in the Gunsmith/Ammunition Reloader Division
3 of the Department of Public Safety who became members of the System
4 effective July 1, 1994, any service credited under the Oklahoma
5 Public Employees Retirement System as of June 30, 1994, and for the
6 park managers or park supervisors of the Oklahoma Tourism and
7 Recreation Department who were employed in such a position prior to
8 July 1, 1985, and who elect to become members of the System
9 effective September 1, 1996, any service transferred pursuant to
10 subsection C of Section 2-309.6 of this title and any service
11 purchased pursuant to subsection B of Section 2-307.2 of this title.
12 Effective August 5, 1993, an authorized leave of absence shall
13 include a period of absence pursuant to the Family and Medical Leave
14 Act of 1993;

15 12. "Disability" means a physical or mental condition which, in
16 the judgment of the Board, totally and presumably permanently
17 prevents the member from engaging in the usual and customary duties
18 of the occupation of the member and thereafter prevents the member
19 from performing the duties of any occupation or service for which
20 the member is qualified by reason of training, education or
21 experience. A person is not under a disability when capable of
22 performing a service to the employer, regardless of occupation,
23 providing the salary of the employee is not diminished thereby;

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1 13. "Limitation year" means the year used in applying the
2 limitations of Section 415 of the Internal Revenue Code of 1986,
3 which year shall be the calendar year;

4 14. "Line of duty" means any action which a member whose
5 primary function is crime control or reduction or enforcement of the
6 criminal law is obligated or authorized by rule, regulations,
7 condition of employment or service, or law to perform including
8 those social, ceremonial or athletic functions to which the member
9 is assigned, or for which the member is compensated, by the agency
10 the member serves;

11 15. "Personal injury" or "injury" means any traumatic injury as
12 well as diseases which are caused by or result from such an injury,
13 but not occupational diseases;

14 16. "Catastrophic nature" means consequences of an injury that
15 permanently prevent an individual from performing any gainful work;

16 17. "Traumatic injury" means a wound or a condition of the body
17 caused by external force including injuries inflicted by bullets,
18 explosives, sharp instruments, blunt objects or other physical
19 blows, chemicals, electricity, climatic conditions, infectious
20 diseases, radiation and bacteria, but excluding stress and strain;
21 and

22 18. "Beneficiary" means the individual designated by the member
23 on a beneficiary designation form supplied by the Oklahoma Law
24 Enforcement Retirement System, or, if there is no designated

1 beneficiary or if the designated beneficiary predeceases the member,
2 the estate of the member. If the member's spouse is not designated
3 as the sole primary beneficiary, the member's spouse must sign a
4 consent.

5 SECTION 2. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 2-309.11 of Title 47, unless
7 there is created a duplication in numbering, reads as follows:

8 Commissioned or CLEET-certified officers of the Office of the
9 State Fire Marshal who are hired on or after July 1, 2026, shall
10 participate in and make contributions to the Oklahoma Law
11 Enforcement Retirement System as other participating employers and
12 members of the System. Such employees shall not make contributions
13 to any plan offered by the Oklahoma Public Employees Retirement
14 System, other than the Oklahoma State Employees Deferred
15 Compensation Plan and the Oklahoma State Employees Deferred Savings
16 Incentive Plan. The Office of the State Fire Marshal shall be a
17 participating employer in the Oklahoma Law Enforcement Retirement
18 System for all Office of the State Fire Marshal commissioned or
19 CLEET-certified officers who participate in the Oklahoma Law
20 Enforcement Retirement System pursuant to the provisions of this
21 section.

22 SECTION 3. It being immediately necessary for the preservation
23 of the public peace, health or safety, an emergency is hereby
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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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