

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2687 _____
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: Chris Kannady

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

FLOOR SUBSTITUTE
FOR

HOUSE BILL NO. 2687

By: George

FLOOR SUBSTITUTE

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; providing that certain members may make election to participate in the Oklahoma Law Enforcement 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; providing effective dates; providing for contingent effective dates based on outcome of approval of the emergency clause; and declaring an emergency.

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. 2023, 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 (1) grant a benefit increase under the retirement
2 system affected by the bill,
3 (2) create an actuarial accrued liability for or
4 increase the actuarial accrued liability of the
5 retirement system affected by the bill, or
6 (3) increase the normal cost of the retirement system
7 affected by the bill,

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

1 Oklahoma Statutes for persons whose first elected or
2 appointed service occurs on or after November 1, 2018,
3 if such persons had any prior service in the Oklahoma
4 Public Employees Retirement System prior to November
5 1, 2015,

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

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

20 (2) the lesser of two percent (2%) of the gross
21 annual retirement benefit of the member or One
22 Thousand Two Hundred Dollars (\$1,200.00) and
23 requires that the benefit may only be provided if
24 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,

24

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 of this act,

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 authorizes membership in the Oklahoma Law
23 Enforcement Retirement System for certain individuals
24 pursuant to Sections 2 and 3 of this act.

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

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

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

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

22 9. "Retirement system" means the Teachers' Retirement System of
23 Oklahoma, the Oklahoma Public Employees Retirement System, the
24 Uniform Retirement System for Justices and Judges, the Oklahoma

1 Firefighters Pension and Retirement System, the Oklahoma Police
2 Pension and Retirement System, the Oklahoma Law Enforcement
3 Retirement System, or a retirement system established after January
4 1, 2006.

5 SECTION 2. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 2-309.9 of Title 47, unless
7 there is created a duplication in numbering, reads as follows:

8 A. Members of the Oklahoma Public Employees Retirement System
9 who are active commissioned or Council on Law Enforcement Education
10 and Training (CLEET) certified agents of the Office of the Attorney
11 General on June 30, 2024, may make an irrevocable written election
12 within sixty (60) days of the effective date of this act to
13 participate in the Oklahoma Law Enforcement Retirement System.
14 Commissioned or CLEET-certified agents of the Office of the Attorney
15 General who are hired on or after July 1, 2024, shall participate in
16 and make contributions to the Oklahoma Law Enforcement Retirement
17 System as other participating employers and members of the System.
18 Officers who make the election as provided by this section shall be
19 subject to the following:

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

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

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

1 the Oklahoma Public Employees Retirement System pursuant to this
2 subsection. Payments made by such transferring members pursuant to
3 this paragraph shall be made pursuant to subsection B of Section 2-
4 307.5 of Title 47 of the Oklahoma Statutes;

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

21 5. All service credit with the Oklahoma Public Employees
22 Retirement System which is ineligible for transfer to the Oklahoma
23 Law Enforcement Retirement System shall be canceled.

24

1 B. Members participating in the defined contribution system,
2 pursuant to Section 935.1 et seq. of Title 74 of the Oklahoma
3 Statutes, who are active commissioned or Council on Law Enforcement
4 Education and Training (CLEET) certified agents of the Office of the
5 Attorney General on June 30, 2024, may make an irrevocable written
6 election within sixty (60) days of the effective date of this act to
7 participate in the Oklahoma Law Enforcement Retirement System.
8 Commissioned or CLEET-certified agents of the Office of the Attorney
9 General who are hired on or after July 1, 2024, shall participate in
10 and make contributions to the Oklahoma Law Enforcement Retirement
11 System as other participating employers and members of the System.
12 Officers who make the election as provided by this section shall be
13 subject to the following:

14 1. Upon the date the commissioned or CLEET-certified agent
15 makes the election pursuant to this section, he or she shall cease
16 participating in and making contributions to the defined
17 contribution system and shall commence accruing benefits in the
18 Oklahoma Law Enforcement Retirement System;

19 2. Prior to the beginning of the month following receipt of the
20 commissioned or CLEET-certified agent's election by the defined
21 contributions system, the Oklahoma Public Employees Retirement
22 System shall transfer to the Oklahoma Law Enforcement Retirement
23 System all employee contributions and employer contributions. The
24 Oklahoma Public Employees Retirement System shall also send to the

1 Oklahoma Law Enforcement Retirement System the retirement records of
2 the transferring member; and

3 3. To receive service credit accrued by such transferring
4 member prior to the election, or prior to the date as of which the
5 person making the election ceases to be a member of the defined
6 contribution system, whichever date occurs last, the member shall
7 make an irrevocable written election. The election shall be to pay
8 the difference between the amount transferred by the Oklahoma Public
9 Employees Retirement System to the Oklahoma Law Enforcement
10 Retirement System in paragraph 2 of this subsection and the amount
11 determined by the Board of Trustees pursuant to Section 2-307.5 of
12 Title 47 of the Oklahoma Statutes to receive full eligible credit
13 for the years sought to be transferred or receive eligible prorated
14 service credit for only the amount received from the Oklahoma Public
15 Employees Retirement System pursuant to this subsection. Payments
16 made by such transferring members pursuant to this paragraph shall
17 be made pursuant to subsection B of Section 2-307.5 of Title 47 of
18 the Oklahoma Statutes.

19 C. The Office of the Attorney General shall be a participating
20 employer in the Oklahoma Law Enforcement Retirement System for all
21 Office of the Attorney General commissioned or CLEET-certified
22 agents who participate in the Oklahoma Law Enforcement Retirement
23 System pursuant to the provisions of this section.

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1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2-309.10 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Members of the Oklahoma Public Employees Retirement System
5 who are active commissioned or Council on Law Enforcement Education
6 and Training (CLEET) certified agents of the Oklahoma Military
7 Department on June 30, 2024, may make an irrevocable written
8 election within sixty (60) days of the effective date of this act to
9 participate in the Oklahoma Law Enforcement Retirement System.

10 Commissioned or CLEET-certified agents of the Oklahoma Military
11 Department who are hired on or after July 1, 2024, shall participate
12 in and make contributions to the Oklahoma Law Enforcement Retirement
13 System as other participating employers and members of the System.
14 Officers who make the election as provided by this section shall be
15 subject to the following:

16 1. Upon the date the commissioned or CLEET-certified agent
17 makes the election pursuant to this section, he or she shall cease
18 accruing benefits in the Oklahoma Public Employees Retirement System
19 and shall commence accruing benefits in the Oklahoma Law Enforcement
20 Retirement System;

21 2. Prior to the beginning of the month following receipt of the
22 commissioned or CLEET-certified agent's election by the Oklahoma
23 Public Employees Retirement System, the Oklahoma Public Employees
24 Retirement System shall transfer to the Oklahoma Law Enforcement

1 Retirement System all employee contributions and employer
2 contributions including any amounts received by the Oklahoma Public
3 Employees Retirement System on behalf of a transferring member
4 related to a purchase or transfer of credited service to the
5 Oklahoma Public Employees Retirement System. The Oklahoma Public
6 Employees Retirement System shall also send to the Oklahoma Law
7 Enforcement Retirement System the retirement records of the
8 transferring member;

9 3. To receive service credit accrued by such transferring
10 member prior to the election, or prior to the date as of which the
11 person making the election ceases to be a member of the Oklahoma
12 Public Employees Retirement System, whichever date occurs last, the
13 member shall make an irrevocable written election. The election
14 shall be to pay the difference between the amount transferred by the
15 Oklahoma Public Employees Retirement System to the Oklahoma Law
16 Enforcement Retirement System in paragraph 2 of this subsection and
17 the amount determined by the Board of Trustees pursuant to Section
18 2-307.5 of Title 47 of the Oklahoma Statutes to receive full
19 eligible credit for the years sought to be transferred or receive
20 eligible prorated service credit for only the amount received from
21 the Oklahoma Public Employees Retirement System pursuant to this
22 subsection. Payments made by such transferring members pursuant to
23 this paragraph shall be made pursuant to subsection B of Section 2-
24 307.5 of Title 47 of the Oklahoma Statutes;

1 4. Service credit shall only be transferable pursuant to this
2 section if the transferring member is not receiving or eligible to
3 receive service credit or benefits from said service in any other
4 public retirement system and has not received service credit for the
5 same years of service pursuant to Sections 2-307.1, 2-307.3, and 2-
6 307.4 of Title 47 of the Oklahoma Statutes. Provided further, that
7 only transferred credited service related to the commissioned or
8 CLEET-certified agent with the Oklahoma Military Department and any
9 other law enforcement related service, including service with the
10 Oklahoma Military Department as a commissioned or CLEET-certified
11 agent or any credited service that was purchased or transferred to
12 the Oklahoma Public Employees Retirement System from the Oklahoma
13 Law Enforcement Retirement System or the Oklahoma Police Pension and
14 Retirement System, shall be included in the determination of an
15 officer's normal retirement date or vesting date in the Oklahoma Law
16 Enforcement Retirement System; and

17 5. All service credit with the Oklahoma Public Employees
18 Retirement System which is ineligible for transfer to the Oklahoma
19 Law Enforcement Retirement System shall be canceled.

20 B. Members participating in the defined contribution system,
21 pursuant to Section 935.1 et seq. of Title 74 of the Oklahoma
22 Statutes, who are active commissioned or Council on Law Enforcement
23 Education and Training (CLEET) certified agents of the Oklahoma
24 Military Department on June 30, 2024, may make an irrevocable

1 written election within sixty (60) days of the effective date of
2 this act to participate in the Oklahoma Law Enforcement Retirement
3 System. Commissioned or CLEET-certified agents of the Oklahoma
4 Military Department who are hired on or after July 1, 2024, shall
5 participate in and make contributions to the Oklahoma Law
6 Enforcement Retirement System as other participating employers and
7 members of the System. Officers who make the election as provided
8 by this section shall be subject to the following:

9 1. Upon the date the commissioned or CLEET-certified agent
10 makes the election pursuant to this section, he or she shall cease
11 participating in and making contributions to the defined
12 contribution system and shall commence accruing benefits in the
13 Oklahoma Law Enforcement Retirement System;

14 2. Prior to the beginning of the month following receipt of the
15 commissioned or CLEET-certified agent's election by the defined
16 contributions system, the Oklahoma Public Employees Retirement
17 System shall transfer to the Oklahoma Law Enforcement Retirement
18 System all employee contributions and employer contributions. The
19 Oklahoma Public Employees Retirement System shall also send to the
20 Oklahoma Law Enforcement Retirement System the retirement records of
21 the transferring member; and

22 3. To receive service credit accrued by such transferring
23 member prior to the election, or prior to the date as of which the
24 person making the election ceases to be a member of the defined

1 contribution system, whichever date occurs last, the member shall
2 make an irrevocable written election. The election shall be to pay
3 the difference between the amount transferred by the Oklahoma Public
4 Employees Retirement System to the Oklahoma Law Enforcement
5 Retirement System in paragraph 2 of this subsection and the amount
6 determined by the Board of Trustees pursuant to Section 2-307.5 of
7 Title 47 of the Oklahoma Statutes to receive full eligible credit
8 for the years sought to be transferred or receive eligible prorated
9 service credit for only the amount received from the Oklahoma Public
10 Employees Retirement System pursuant to this subsection. Payments
11 made by such transferring members pursuant to this paragraph shall
12 be made pursuant to subsection B of Section 2-307.5 of Title 47 of
13 the Oklahoma Statutes.

14 C. The Oklahoma Military Department shall be a participating
15 employer in the Oklahoma Law Enforcement Retirement System for all
16 Oklahoma Military Department commissioned or CLEET-certified agents
17 who participate in the Oklahoma Law Enforcement Retirement System
18 pursuant to the provisions of this section.

19 SECTION 4. If the Emergency Clause is not approved pursuant to
20 the requirements of the Oklahoma Constitution as part of this
21 measure, the effective date of Section 1 of this act shall be
22 October 1, 2024.

23 SECTION 5. If the Emergency Clause is not approved pursuant to
24 the requirements of the Oklahoma Constitution as part of this

1 measure, the effective date of Sections 2 and 3 of this act shall be
2 November 1, 2024.

3 SECTION 6. Except as otherwise provided by Section 4 of this
4 act, Section 1 of this act shall become effective immediately upon
5 signature by the Governor or as otherwise provided by Section 58 of
6 Article V of the Oklahoma Constitution.

7 SECTION 7. Except as otherwise provided by Section 5 of this
8 act, Sections 2 and 3 of this act shall become effective July 1,
9 2024.

10 SECTION 8. It being immediately necessary for the preservation
11 of the public peace, health or safety, an emergency is hereby
12 declared to exist, by reason whereof this act shall take effect and
13 be in full force from and after its passage and approval.

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15 59-2-10687 CMA 03/05/24

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