

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2304 _____
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: Avery Frix _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 2304

By: Frix

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to public retirement systems;
amending 62 O.S. 2011, Section 3103, as last amended
by Section 2, Chapter 245, O.S.L. 2018 (62 O.S. Supp.
2018, Section 3103), which relates to the Oklahoma
Pension Legislation Actuarial Analysis Act; modifying
definition; authorizing benefit increase for certain
retired members of the Oklahoma Firefighters Pension
and Retirement System; providing for offset;
authorizing benefit increase for certain retired
members of the Oklahoma Police Pension and Retirement
System; providing for offset; authorizing retirement
benefit increase for certain retired members of the
Uniform Retirement System for Justices and Judges;
authorizing retirement benefit increase for certain
retired members of the Oklahoma Law Enforcement
Retirement System; providing for offset; authorizing
retirement benefit increase for certain retired
members of the Teachers' Retirement System of
Oklahoma; authorizing retirement benefit increase for
certain retired members of the Oklahoma Public
Employees Retirement System; providing for
codification; and providing effective dates.

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 3103, as
last amended by Section 2, Chapter 245, O.S.L. 2018 (62 O.S. Supp.
2018, Section 3103), is amended to read as follows:

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

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

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

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

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

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

- 22 a. which does not affect the cost or funding factors of a
23 retirement system, or
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- 1 b. which affects such factors only in a manner which does
2 not:
- 3 (1) grant a benefit increase under the retirement
4 system affected by the bill,
- 5 (2) create an actuarial accrued liability for or
6 increase the actuarial accrued liability of the
7 retirement system affected by the bill, or
- 8 (3) increase the normal cost of the retirement system
9 affected by the bill,
- 10 c. which authorizes the purchase by an active member of
11 the retirement system, at the actuarial cost for the
12 purchase as computed pursuant to the statute in effect
13 on the effective date of the measure allowing such
14 purchase, of years of service for purposes of reaching
15 a normal retirement date in the applicable retirement
16 system, but which cannot be used in order to compute
17 the number of years of service for purposes of
18 computing the retirement benefit for the member,
- 19 d. which provides for the computation of a service-
20 connected disability retirement benefit for members of
21 the Oklahoma Law Enforcement Retirement System
22 pursuant to Section 2-305 of Title 47 of the Oklahoma
23 Statutes if the members were unable to complete twenty
24 (20) years of service as a result of the disability,

1 e. which requires membership in the defined benefit plan
2 authorized by Section 901 et seq. of Title 74 of the
3 Oklahoma Statutes for persons whose first elected or
4 appointed service occurs on or after November 1, 2018,
5 if such persons had any prior service in the Oklahoma
6 Public Employees Retirement System prior to November
7 1, 2015, ~~or~~

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

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

22 (2) the lesser of two percent (2%) of the gross
23 annual retirement benefit of the member or One
24 Thousand Two Hundred Dollars (\$1,200.00) and

1 requires that the benefit may only be provided if
2 the funded ratio of the affected retirement
3 system would be greater than eighty percent (80%)
4 but not greater than one hundred percent (100%)
5 after the benefit increase is paid,

6 (3) the lesser of two percent (2%) of the gross
7 annual retirement benefit of the member or One
8 Thousand Four Hundred Dollars (\$1,400.00) and
9 requires that the benefit may only be provided if
10 the funded ratio of the affected retirement
11 system would be greater than one hundred percent
12 (100%) after the benefit increase is paid, or

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

21 As used in this subparagraph, "funded ratio" means the
22 figure derived by dividing the actuarial value of
23 assets of the applicable retirement system by the
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1 actuarial accrued liability of the applicable
2 retirement system, or

3 g. which provides a cost-of-living adjustment as
4 prescribed by Sections 2 through 7 of this act.

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

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

16 7. "Retirement bill" means any bill or joint resolution
17 introduced or any bill or joint resolution amended by a member of
18 the Oklahoma Legislature which creates or amends any law directly
19 affecting a retirement system. A retirement bill shall not mean a
20 bill or resolution that impacts the revenue of any state tax in
21 which a portion of the revenue generated from such tax is earmarked
22 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 49-143.7 of Title 11, unless
13 there is created a duplication in numbering, reads as follows:

14 A. Except as provided in subsection B of this section and
15 except for persons receiving benefits pursuant to Section 49-101 of
16 Title 11 of the Oklahoma Statutes, effective November 1, 2020, any
17 person receiving benefits from the Oklahoma Firefighters Pension and
18 Retirement System as of October 30, 2019, who continues to receive
19 benefits on or after November 1, 2020, shall receive a two-percent
20 increase in said benefits on November 1, 2020.

21 B. Any increase in benefits a person is eligible to receive
22 pursuant to repealed Section 49-136 of Title 11 of the Oklahoma
23 Statutes after June 30, 2008, shall be used to offset the increase
24 in benefits provided in subsection A of this section.

1 C. Effective November 1, 2020, any persons receiving benefits
2 pursuant to Section 49-101 of Title 11 of the Oklahoma Statutes
3 shall each receive a benefit equal to Seven Dollars and sixty-eight
4 cents (\$7.68) for each year of credited service not to exceed thirty
5 (30) years of service.

6 SECTION 3. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 50-136.9 of Title 11, unless
8 there is created a duplication in numbering, reads as follows:

9 A. Except as provided in subsection B of this section, any
10 person receiving benefits from the Oklahoma Police Pension and
11 Retirement System as of October 30, 2019, who continues to receive
12 benefits on or after November 1, 2020, shall receive a two-percent
13 increase in said benefits on November 1, 2020.

14 B. Any increase in benefits a person is eligible to receive
15 pursuant to repealed Section 50-120 of Title 11 of the Oklahoma
16 Statutes, after October 30, 2018, shall be offset by the increase in
17 benefits, if any, provided by this section.

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

21 Any person receiving benefits from the Uniform Retirement System
22 for Justices and Judges as of October 30, 2019, who continues to
23 receive benefits on or after November 1, 2020, shall receive a two-
24 percent increase in said benefits beginning in November 2020.

1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2-305.12 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Except as provided in subsection B of this section, any
5 person receiving benefits from the Oklahoma Law Enforcement
6 Retirement System as of October 30, 2019, who continues to receive
7 benefits on or after November 1, 2020, shall receive a two-percent
8 increase in said benefits beginning in November 2020.

9 B. Any increase in benefits a person is eligible to receive
10 pursuant to subsection B, C or D of Section 2-305 of Title 47 of the
11 Oklahoma Statutes, after November 1, 2020, shall be offset by the
12 increase in benefits, if any, provided by this section.

13 SECTION 6. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 17-116.22 of Title 70, unless
15 there is created a duplication in numbering, reads as follows:

16 A. Any person receiving benefits from the Teachers' Retirement
17 System of Oklahoma as of October 30, 2019, other than those benefits
18 specified in subsection B of this section, who continues to receive
19 benefits on or after November 1, 2020, shall receive a two-percent
20 increase in said benefits beginning in November 2020.

21 B. Any person receiving benefits pursuant to subsection (3) of
22 Section 17-105 of Title 70 of the Oklahoma Statutes whose benefits
23 commenced prior to November 1, 2019, and who continues to receive
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1 benefits on or after November 1, 2020, shall receive a two-percent
2 increase in said benefits beginning in November 2020.

3 SECTION 7. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 930.11 of Title 74, unless there
5 is created a duplication in numbering, reads as follows:

6 Any person receiving benefits from the Oklahoma Public Employees
7 Retirement System as of October 30, 2019, who continues to receive
8 benefits on or after November 1, 2020, shall receive a two-percent
9 increase in said benefits beginning in November 2020.

10 SECTION 8. Section 1 of this act shall become effective October
11 1, 2020.

12 SECTION 9. Sections 2 through 7 of this act shall become
13 effective November 1, 2020.

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