

**SENATE FLOOR VERSION**

April 12, 2023

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

ENGROSSED HOUSE  
BILL NO. 2171

By: Hilbert, Fugate, Deck, and  
Rosecrants of the House

and

Montgomery and Pemberton of  
the Senate

[ public retirement systems - retirement benefit  
distribution - codification - effective dates -  
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. 2022,  
Section 3103), is amended to read as follows:

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

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

2. "RB number" means that number preceded by the letters "RB"  
assigned to a retirement bill by the respective staffs of the  
Oklahoma State Senate and the Oklahoma House of Representatives when

1 the respective staff office prepares a retirement bill for a member  
2 of the Legislature;

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

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

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

13 a. which does not affect the cost or funding factors of a  
14 retirement system,

15 b. which affects such factors only in a manner which does  
16 not:

17 (1) grant a benefit increase under the retirement  
18 system affected by the bill,

19 (2) create an actuarial accrued liability for or  
20 increase the actuarial accrued liability of the  
21 retirement system affected by the bill, or

22 (3) increase the normal cost of the retirement system  
23 affected by the bill,

24

- 1           c.    which authorizes the purchase by an active member of  
2                    the retirement system, at the actuarial cost for the  
3                    purchase as computed pursuant to the statute in effect  
4                    on the effective date of the measure allowing such  
5                    purchase, of years of service for purposes of reaching  
6                    a normal retirement date in the applicable retirement  
7                    system, but which cannot be used in order to compute  
8                    the number of years of service for purposes of  
9                    computing the retirement benefit for the member,
- 10           d.    which provides for the computation of a service-  
11                   connected disability retirement benefit for members of  
12                   the Oklahoma Law Enforcement Retirement System  
13                   pursuant to Section 2-305 of Title 47 of the Oklahoma  
14                   Statutes if the members were unable to complete twenty  
15                   (20) years of service as a result of the disability,
- 16           e.    which requires membership in the defined benefit plan  
17                   authorized by Section 901 et seq. of Title 74 of the  
18                   Oklahoma Statutes for persons whose first elected or  
19                   appointed service occurs on or after November 1, 2018,  
20                   if such persons had any prior service in the Oklahoma  
21                   Public Employees Retirement System prior to November  
22                   1, 2015,
- 23           f.    which provides for a one-time increase in retirement  
24                   benefits if the increase in retirement benefits is not

1 a permanent increase in the gross annual retirement  
2 benefit payable to a member or beneficiary, occurs  
3 only once pursuant to a single statutory authorization  
4 and does not exceed:

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

13 (2) the lesser of two percent (2%) of the gross  
14 annual retirement benefit of the member or One  
15 Thousand Two Hundred Dollars (\$1,200.00) and  
16 requires that the benefit may only be provided if  
17 the funded ratio of the affected retirement  
18 system would be greater than eighty percent (80%)  
19 but not greater than one hundred percent (100%)  
20 after the benefit increase is paid,

21 (3) the lesser of two percent (2%) of the gross  
22 annual retirement benefit of the member or One  
23 Thousand Four Hundred Dollars (\$1,400.00) and  
24 requires that the benefit may only be provided if

1 the funded ratio of the affected retirement  
2 system would be greater than one hundred percent  
3 (100%) after the benefit increase is paid, or  
4 (4) the greater of two percent (2%) of the gross  
5 annual retirement benefit of the volunteer  
6 firefighter or One Hundred Dollars (\$100.00) for  
7 persons who retired from the Oklahoma  
8 Firefighters Pension and Retirement System as  
9 volunteer firefighters and who did not retire  
10 from the Oklahoma Firefighters Pension and  
11 Retirement System as a paid firefighter.

12 As used in this subparagraph, "funded ratio" means the  
13 figure derived by dividing the actuarial value of  
14 assets of the applicable retirement system by the  
15 actuarial accrued liability of the applicable  
16 retirement system,

17 g. which modifies the disability pension standard for  
18 police officers who are members of the Oklahoma Police  
19 Pension and Retirement System as provided by Section ~~3~~  
20 50-115 of this act Title 11 of the Oklahoma Statutes,

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

23 (1) Section 49-143.7 of Title 11 of the Oklahoma  
24 Statutes,

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

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

5 (4) Section 2-305.12 of Title 47 of the Oklahoma  
 6 Statutes,

7 (5) Section 17-116.22 of Title 70 of the Oklahoma  
 8 Statutes,

9 (6) Section 930.11 of Title 74 of the Oklahoma  
 10 Statutes, ~~or~~

11 i. which modifies the computation of the line-of-duty  
 12 disability benefit pursuant to the provisions of this  
 13 act, or

14 j. which provides a retirement benefit distribution  
 15 pursuant to the provisions of this act.

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

23 6. "Reduction-in-cost amendment" means an amendment to a  
 24 retirement bill having a fiscal impact which reduces the cost of the

1 bill as such cost is determined by the actuarial investigation for  
2 the bill prepared pursuant to Section 3109 of this title;

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

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

13 9. "Retirement system" means the Teachers' Retirement System of  
14 Oklahoma, the Oklahoma Public Employees Retirement System, the  
15 Uniform Retirement System for Justices and Judges, the Oklahoma  
16 Firefighters Pension and Retirement System, the Oklahoma Police  
17 Pension and Retirement System, the Oklahoma Law Enforcement  
18 Retirement System, or a retirement system established after January  
19 1, 2006.

20 SECTION 2. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 49-143.8 of Title 11, unless  
22 there is created a duplication in numbering, reads as follows:  
23  
24

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

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

7 2. The retirement benefit increase for members receiving a  
8 benefit pursuant to Section 49-106 of Title 11 of the Oklahoma  
9 Statutes shall be One Thousand Five Hundred Dollars (\$1,500.00) or  
10 greater but shall not exceed Three Thousand Two Hundred Dollars  
11 (\$3,200.00). Provided, however, that retired members receiving a  
12 benefit pursuant to Section 49-106 of Title 11 of the Oklahoma  
13 Statutes who are seventy-five (75) years of age or older shall  
14 receive Five Hundred Dollars (\$500.00), which shall not be included  
15 in the benefit amount limitation, in addition to the retirement  
16 benefit increase to be calculated pursuant to paragraph 4 of this  
17 section. The retirement benefit increase for members receiving a  
18 benefit pursuant to Section 49-101 of Title 11 of the Oklahoma  
19 Statutes shall be One Hundred Fifty Dollars (\$150.00);

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

23 4. The retirement benefit increase may only be computed by  
24 using the then-applicable gross annual retirement benefit for the



1 member divided by the whole number twelve (12). The resulting  
2 amount may be paid to the retired member in addition to the  
3 retirement benefits otherwise payable to the member.

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

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

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

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

21 3. The retirement benefit increase shall not be a modification  
22 of the final average compensation used in order to compute the  
23 retirement benefit of the member; and  
24

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

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

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

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

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

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

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

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

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

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

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

1 retirement benefit increase to be calculated pursuant to paragraph 4  
2 of this section;

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

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

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

14 The board of trustees of the Teachers' Retirement System of  
15 Oklahoma shall provide a one-time retirement benefit distribution  
16 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 7. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 930.12 of Title 74, unless there  
14 is created a duplication in numbering, reads as follows:

15 The board of trustees of the Oklahoma Public Employees  
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 8. If the Emergency Clause is not approved pursuant to  
14 the requirements of the Oklahoma Constitution as part of this  
15 measure, the effective date of Section 1 of this act shall be  
16 October 1, 2023.

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

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

1 SECTION 11. Except as otherwise provided by Section 9 of this  
2 act, Sections 2 through 7 of this act shall become effective July 1,  
3 2023.

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

8 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS  
9 April 12, 2023 - DO PASS

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24