

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

COMMITTEE SUBSTITUTE  
FOR

SENATE BILL NO. 102

By: Garvin and Hamilton

COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Police Pension and Retirement System; amending 11 O.S. 2021, Sections 50-101, as amended by Section 2, Chapter 306, O.S.L. 2022, 50-109, as amended by Section 1, Chapter 53, O.S.L. 2023, 50-110, as amended by Section 2, Chapter 53, O.S.L. 2023, and 50-111.1 (11 O.S. Supp. 2023, Sections 50-101, 50-109, and 50-110), which relate to definitions, employee and employer contributions, and termination of employment; modifying definitions; increasing minimum employee contribution for certain members of System; increasing computation of certain monthly benefits; providing for effective dates of certain increase; increasing employer contribution; updating statutory language; making language gender neutral; amending 62 O.S. 2021, Section 3103, as last amended by Section 1, Chapter 306, O.S.L. 2022 (62 O.S. Supp. 2023, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; updating statutory language; updating statutory references; modifying definition; providing effective dates; and declaring an emergency.

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

SECTION 1. AMENDATORY 11 O.S. 2021, Section 50-101, as amended by Section 2, Chapter 306, O.S.L. 2022 (11 O.S. Supp. 2023, Section 50-101), is amended to read as follows:

1 Section 50-101. As used in this article:

2 1. "System" means the Oklahoma Police Pension and Retirement  
3 System and all predecessor municipal ~~Police Pension and Retirement~~  
4 ~~Systems~~ police pension and retirement systems;

5 2. "Article" means Article 50 of this title;

6 3. "State Board" means the Oklahoma Police Pension and  
7 Retirement Board;

8 4. "Fund" means the Oklahoma Police Pension and Retirement  
9 Fund;

10 5. "Officer" means any duly appointed and sworn full-time  
11 officer of the regular police department of a municipality whose  
12 duties are to preserve the public peace, protect life and property,  
13 prevent crime, serve warrants, enforce all laws and municipal  
14 ordinances of this state, and any political subdivision thereof, and  
15 who is authorized to bear arms in the execution of such duties;

16 6. "Member" means all eligible officers of a participating  
17 municipality and any person hired by a participating municipality  
18 who is undergoing police training to become a permanent police  
19 officer of the municipality. Effective July 1, 1987, a member does  
20 not include a "leased employee" as defined under Section 414(n)(2)  
21 of the Internal Revenue Code of 1986, as amended. Effective July 1,  
22 1999, any individual who agrees with the participating municipality  
23 that the individual's services are to be performed as a leased  
24 employee or an independent contractor shall not be a member

1 regardless of any classification as a common law employee by the  
2 Internal Revenue Service or any other governmental agency, or any  
3 court of competent jurisdiction. A member shall include eligible  
4 commissioned officers of the Oklahoma State Bureau of Narcotics and  
5 Dangerous Drugs Control, the Oklahoma State Bureau of Investigation,  
6 and the Alcoholic Beverage Laws Enforcement Commission who elect to  
7 participate in the System pursuant to Section 50-111.5 of this  
8 title;

9 7. "Normal retirement date" means the date at which the member  
10 is eligible to receive the unreduced payments of the member's  
11 accrued retirement benefit. Such date shall be the first day of the  
12 month coinciding with or following the date the member completes  
13 twenty (20) years of credited service. If the member's employment  
14 continues past the normal retirement date of the member, the actual  
15 retirement date of the member shall be the first day of the month  
16 after the member terminates employment with more than twenty (20)  
17 years of credited service;

18 8. "Credited service" means the period of service used to  
19 determine the eligibility for and the amount of benefits payable to  
20 a member. Credited service shall consist of the period during which  
21 the member participated in the System or the predecessor municipal  
22 systems as an active employee in an eligible membership  
23 classification, plus any service prior to the establishment of the  
24 predecessor municipal systems which was credited under the

1 predecessor municipal systems or credited service granted by the  
2 State Board;

3 9. "Participating municipality" means a municipality which is  
4 making contributions to the System on behalf of its officers. The  
5 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the  
6 Oklahoma State Bureau of Investigation, and the Alcoholic Beverage  
7 Laws Enforcement Commission shall be treated in the same manner as a  
8 participating municipality only regarding those members who elect to  
9 participate in the System pursuant to Section 50-111.5 of this  
10 title;

11 10. "Permanent total disability" means incapacity due to  
12 accidental injury or occupational disease, to earn any wages in the  
13 employment for which the member is physically suited and reasonably  
14 fitted through education, training or experience. Further, the  
15 member must be declared one hundred percent (100%) impaired as  
16 defined by the ~~"American Medical Association's Guides to the~~  
17 ~~Evaluation of Permanent Impairment"~~ American Medical Association  
18 Guides to the Evaluation of Permanent Impairment on the basis of a  
19 physical medical examination by a physician licensed to practice  
20 medicine in this state, as selected by the State Board;

21 11. "Permanent partial disability" means permanent disability  
22 which is less than permanent total disability as defined in this  
23 section. The member must be declared no greater than ninety-nine  
24 percent (99%) impaired as defined by the ~~"American Medical~~

1 ~~Association's Guides to the Evaluation of Permanent Impairment"~~  
2 American Medical Association Guides to the Evaluation of Permanent  
3 Impairment on the basis of a physical medical examination by a  
4 physician licensed to practice medicine in this state, as selected  
5 by the State Board;

6 12. "Permanent in-line disability" means when a police officer  
7 serving in any capacity at a regular police department of a  
8 participating municipality becomes so physically or mentally  
9 disabled, as determined by an independent medical examiner,  
10 psychiatrist, or psychologist selected by the State Board, while in,  
11 and in consequence of, the performance of authorizing activities  
12 while on duty as an officer that he or she is unable to perform the  
13 required duties of a police officer;

14 13. "Beneficiary" means a member's surviving spouse or any  
15 surviving children, including biological and adopted children, at  
16 the time of the member's death. The surviving spouse must have been  
17 married to the member for the thirty (30) continuous months  
18 immediately preceding the member's death, provided a surviving  
19 spouse of a member who died while in, and as a consequence of, the  
20 performance of the member's duty for a participating municipality,  
21 shall not be subject to the thirty-month marriage requirement for  
22 survivor benefits. A surviving child of a member shall be a  
23 beneficiary until reaching eighteen (18) years of age or twenty-two  
24 (22) years of age if the child is enrolled ~~full-time~~ full-time and

1 regularly attending a public or private school or any institution of  
2 higher education. Any child adopted by a member after the member's  
3 retirement shall be a beneficiary only if the child is adopted by  
4 the member for the thirty (30) continuous months preceding the  
5 member's death. Any child who is adopted by a member after the  
6 member's retirement and such member dies accidentally or as a  
7 consequence of the performance of the member's duty as a police  
8 officer shall not be subject to the thirty-month adoption  
9 requirement. This definition of beneficiary shall be in addition to  
10 any other requirement set forth in this article;

11 14. "Executive Director" means the managing officer of the  
12 System employed by the State Board;

13 15. "Eligible employer" means any municipality with a municipal  
14 police department;

15 16. "Entry date" means the date as of which an eligible  
16 employer joins the System. The first entry date pursuant to this  
17 article shall be January 1, 1981;

18 17. "Final average salary" means the average paid base salary  
19 of the member for normally scheduled hours over the highest salaried  
20 thirty (30) consecutive months of the last sixty (60) months of  
21 credited service. Effective July 1, 2016, the following shall apply  
22 in computing final average salary:  
23  
24

- 1 a. only paid base salary on which required contributions  
2 have been made shall be used in computing a member's  
3 final average salary,
- 4 b. for purposes of determining the normal disability  
5 benefit only, final average salary shall be based on  
6 the member's total service if less than thirty (30)  
7 months,
- 8 c. in addition to other applicable limitations, and  
9 notwithstanding any other provision to the contrary,  
10 for plan years beginning on or after July 1, 2002, the  
11 annual compensation of each ~~"Noneligible Member"~~  
12 noneligible member taken into account under the System  
13 shall not exceed the Economic Growth and Tax Relief  
14 Reconciliation Act of 2001 (EGTRRA) annual  
15 compensation limit. The EGTRRA annual compensation  
16 limit is Two Hundred Thousand Dollars (\$200,000.00),  
17 as adjusted by the Commissioner for increases in the  
18 cost of living in accordance with Section  
19 401(a)(17)(B) of the Internal Revenue Code of 1986, as  
20 amended. The annual compensation limit in effect for  
21 a calendar year applies to any period, not exceeding  
22 twelve (12) months, over which compensation is  
23 determined ("determination period") beginning in such  
24 calendar year. If a determination period consists of

1 fewer than twelve (12) months, the EGTRRA annual  
2 compensation limit will be multiplied by a fraction,  
3 the numerator of which is the number of months in the  
4 determination period, and the denominator of which is  
5 twelve (12). For purposes of this section, a  
6 ~~"Noneligible Member"~~ noneligible member is any member  
7 who first became a member during a plan year  
8 commencing on or after July 1, 1996,

9 d. for plan years beginning on or after July 1, 2002, any  
10 reference in the System to the annual compensation  
11 limit under Section 401(a)(17) of the Internal Revenue  
12 Code of 1986, as amended, shall mean the EGTRRA annual  
13 compensation limit set forth in this provision, and

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

21 18. "Accrued retirement benefit" means, for benefits computed  
22 prior to the effective date of this act, two and one-half percent (2  
23 1/2%) of the member's final average salary multiplied by the  
24 member's years of credited service not to exceed thirty (30) years.



1 For a member who retires on or after the effective date of this  
2 act, accrued retirement benefit shall mean:

3 a. for members who retire and terminate employment at  
4 least one year after the effective date of this act,  
5 and have at least twenty-five (25) years of credited  
6 service, two and three-quarters percent (2.75%) of the  
7 member's final average salary multiplied by the  
8 member's years of credited service, not to exceed  
9 thirty (30) years,

10 b. for members who retire and terminate employment at  
11 least two (2) years after the effective date of this  
12 act, and have at least twenty (20) years of credited  
13 service, two and three-quarters percent (2.75%) of the  
14 member's final average salary multiplied by the  
15 member's years of credited service, not to exceed  
16 thirty (30) years,

17 c. for members who retire and terminate employment at  
18 least five (5) years after the effective date of this  
19 act, two and three-quarters percent (2.75%) of the  
20 member's final average salary multiplied by the  
21 member's years of credited service, not to exceed  
22 thirty (30) years, and

23 d. for members who retire and terminate employment on or  
24 after the effective date of this act, but do not have

1 the minimum years of credited service to qualify for  
2 the benefit outlined in subparagraphs a and b of this  
3 paragraph, or retire and terminate employment prior to  
4 the date outlined in subparagraph c of this paragraph,  
5 two and one-half percent (2.5%) of the member's final  
6 average salary multiplied by the member's years of  
7 credited service, not to exceed thirty (30) years;

8 19. "Normal disability benefit" means:

9 a. for benefits computed prior to the effective date of  
10 this act, the greater of:

11 ~~a.~~ (1) two and one-half percent (2 1/2%) of the  
12 member's final average salary multiplied by  
13 twenty (20) years, notwithstanding the years of  
14 actual credited service, or

15 ~~b.~~ (2) two and one-half percent (2 1/2%) of the  
16 member's final average salary multiplied by the  
17 years of credited service of the member, not to  
18 exceed thirty (30) years, if the officer has more  
19 than twenty (20) years of credited service,

20 b. for benefits computed on or after the effective date  
21 of this act, the greater of:

22 (1) two and three-quarters percent (2.75%) of the  
23 member's final average salary multiplied by  
24

1           twenty (20) years, notwithstanding the years of  
2           actual credited service, or

3           (2) two and three-quarters percent (2.75%) of the  
4           member's final average salary multiplied by the  
5           years of credited service of the member, not to  
6           exceed thirty (30) years, if the officer has more  
7           than twenty (20) years of credited service;

8           20. "Limitation year" means the year used in applying the  
9 limitations of Section 415 of the Internal Revenue Code of 1986, as  
10 amended, which year shall be the calendar year;

11           21. "Paid base salary" means, effective July 1, 2016, any  
12 compensation described in subparagraph a of this paragraph that is  
13 not described in subparagraph b of this paragraph.

14           a. Paid base salary shall include only:

15           (1) normal compensation paid on a regularly scheduled  
16 pay period including, but not limited to, regular  
17 pay for holidays, paid time off, vacation or  
18 annual leave, sick leave or compensatory time in  
19 lieu of overtime, any lump sum payment paid in  
20 lieu of a normal wage increase, provided such  
21 lump sum payment is retroactively applied over  
22 the prior twelve-month period ending with the  
23 payment date, compensation for bomb squad pay,  
24 education pay, incentive pay, K-9 pay,

1 negotiation pay, shift differential, sniper pay,  
2 SWAT team pay, emergency response team pay, any  
3 other special unit pay, and any incremental  
4 increase in compensation which is not included by  
5 the employer in a member's regular base pay for  
6 salary increase purposes but is paid by the  
7 employer to the member for group health benefits  
8 based on an arrangement with a participating  
9 municipality that was in place on December 31,  
10 2015, so long as the arrangement continues  
11 uninterrupted for a member employed by a  
12 participating municipality on June 30, 2016, who  
13 has not since terminated employment and been  
14 rehired by such participating municipality,

15 (2) any amount of elective salary reduction under  
16 Section 125 of the Internal Revenue Code of 1986,  
17 as amended, that would have been treated as paid  
18 base salary but for the salary deferral reduction  
19 agreement,

20 (3) any amount of elective salary reduction not  
21 includable in the gross income of the member  
22 under Section 132(f)(4) of the Internal Revenue  
23 Code of 1986, as amended, that would have been  
24

1 treated as paid base salary but for the salary  
2 deferral reduction agreement,

3 (4) any amount of elective salary reduction under  
4 Section 457 of the Internal Revenue Code of 1986,  
5 as amended, that would have been treated as paid  
6 base salary but for the salary deferral reduction  
7 agreement,

8 (5) any amount of elective salary reduction under  
9 Section 401(k) of the Internal Revenue Code of  
10 1986, as amended, that would have been treated as  
11 paid base salary but for the salary deferral  
12 reduction agreement,

13 (6) any amount of nonelective salary reduction under  
14 Section 414(h) of the Internal Revenue Code of  
15 1986, as amended,

16 (7) educational allowances paid to obtain training  
17 certification or pursue an advanced degree,

18 (8) longevity payments made to members based upon a  
19 standardized plan which recognizes length of  
20 service to the participating municipality,

21 (9) paid base salary shall also include base salary,  
22 as described in divisions (1) through (8) of this  
23 subparagraph, for services, but paid by the later  
24 of two and one-half (2 1/2) months after a

1 member's severance from employment or the end of  
2 the calendar year that includes the date the  
3 member terminated employment, if it is a payment  
4 that, absent a severance from employment, would  
5 have been paid to the member while the member  
6 continued in employment with the participating  
7 municipality,

8 (10) any payments not described in divisions (1)  
9 through (9) of this subparagraph shall not be  
10 considered paid base salary if paid after  
11 severance from employment, even if they are paid  
12 by the later of two and one-half (2 1/2) months  
13 after the date of severance from employment or  
14 the end of the calendar year that includes the  
15 date of severance from employment, except  
16 payments to an individual who does not currently  
17 perform services for the participating  
18 municipality by reason of qualified military  
19 service within the meaning of Section 414(u) (5)  
20 of the Internal Revenue Code of 1986, as amended,  
21 to the extent these payments do not exceed the  
22 amounts the individual would have received if the  
23 individual had continued to perform services for  
24

1 the participating municipality rather than  
2 entering qualified military service,

3 (11) back pay, within the meaning of Section 1.415(c)-  
4 2(g) (8) of the Income Tax Regulations, shall be  
5 treated as paid base salary for the limitation  
6 year to which the back pay relates to the extent  
7 the back pay represents wages and compensation  
8 that would otherwise be included in this  
9 definition, and

10 (12) paid base salary shall also include differential  
11 wage payments under Section 414(u) (12) of the  
12 Internal Revenue Code of 1986, as amended.

13 b. Notwithstanding anything to the contrary in this  
14 section, paid base salary shall not include any:

15 (1) fringe benefits, reimbursements, or increases in  
16 compensation due to reimbursements to the extent  
17 not specifically included above in subparagraph a  
18 of this paragraph,

19 (2) incremental increase in compensation which is not  
20 included by the employer in a member's regular  
21 base pay for salary increase purposes but is paid  
22 by the employer to the member for group health  
23 benefits not otherwise included above in division  
24 (1) of subparagraph a of this paragraph,

- 1 (3) insurance benefits, including any reimbursements  
2 thereof, or insurance proceeds of any type not  
3 otherwise included above in division (1) of  
4 subparagraph a of this paragraph,
- 5 (4) bonuses, including signing bonuses, lump-sum  
6 payments or stipends made to the member not  
7 otherwise included above in division (1) of  
8 subparagraph a of this paragraph,
- 9 (5) overtime compensation,
- 10 (6) payments whether prior to or upon termination of  
11 employment for accumulated unused vacation or  
12 unused annual leave, accumulated unused sick  
13 leave, or accumulated unused paid time off or  
14 other unused leave,
- 15 (7) payments made in error to a member,
- 16 (8) payments made by the participating municipality  
17 for services rendered by the member, which  
18 services are not part of the member's job duties  
19 and responsibilities of his or her job position  
20 with the participating municipality,
- 21 (9) severance pay,
- 22 (10) unemployment payments, and
- 23 (11) uniform and equipment allowances; and
- 24



1        22. "Actuarial equivalent" means equality in value of the  
2 aggregate amounts expected to be received based on interest rate and  
3 mortality assumptions set by the State Board, in a manner that  
4 precludes employer discretion, and based upon recommendations from  
5 independent professional advisors, and which shall be published  
6 annually in the actuarial report.

7        SECTION 2.        AMENDATORY        11 O.S. 2021, Section 50-109, as  
8 amended by Section 1, Chapter 53, O.S.L. 2023 (11 O.S. Supp. 2023,  
9 Section 50-109), is amended to read as follows:

10        Section 50-109. Any municipality participating in the Oklahoma  
11 Police Pension and Retirement System shall appropriate funds, for  
12 the use and benefit of the System, as provided in the following  
13 schedule:

14        1. Prior to July 1, 1991, a minimum of ten percent (10%) of the  
15 actual paid base salary of each member of the System employed by the  
16 municipality;

17        2. Beginning July 1, 1991, a minimum of ten and one-half  
18 percent (10 1/2%) of the actual paid base salary of each member of  
19 the System employed by the municipality;

20        3. Beginning July 1, 1992, a minimum of eleven percent (11%) of  
21 the actual paid base salary of each member of the System employed by  
22 the municipality;

1 4. Beginning July 1, 1993, a minimum of eleven and one-half  
2 percent (11 1/2%) of the actual paid base salary of each member of  
3 the System employed by the municipality;

4 5. Beginning July 1, 1994, a minimum of twelve percent (12%) of  
5 the actual paid base salary of each member of the System employed by  
6 the municipality;

7 6. Beginning July 1, 1995, a minimum of twelve and one-half  
8 percent (12 1/2%) of the actual paid base salary of each member of  
9 the System employed by the municipality; ~~and~~

10 7. Beginning July 1, 1996, a minimum of thirteen percent (13%)  
11 of the actual paid base salary of each member of the System employed  
12 by the municipality; and

13 8. Beginning on the effective date of this act, a minimum of  
14 fourteen percent (14%) of the actual paid base salary of each member  
15 of the System employed by the municipality.

16 The sum appropriated shall be paid online to the System within  
17 ten (10) days following the payroll period on which the contribution  
18 is based.

19 The state shall make such appropriation as is necessary to  
20 assure the retirement benefits provided by the article.

21 SECTION 3. AMENDATORY 11 O.S. 2021, Section 50-110, as  
22 amended by Section 2, Chapter 53, O.S.L. 2023 (11 O.S. Supp. 2023,  
23 Section 50-110), is amended to read as follows:

1 Section 50-110. A. Each member in the Oklahoma Police Pension  
2 and Retirement System prior to the effective date of this act shall  
3 contribute to the System a minimum of eight percent (8%) of the  
4 member's actual paid base salary. On or after the effective date of  
5 this act, each member shall contribute to the System a minimum of  
6 nine percent (9%).

7 At the option of the participating municipality, the  
8 participating municipality may pay all or any part of the member's  
9 required contribution. The sums contributed shall be paid online to  
10 the System as provided in this article within ten (10) days  
11 following the payroll period on which the contributions are based.  
12 Amounts deducted from the salary of a member and not paid to the  
13 System after thirty (30) days from each ending payroll date shall be  
14 subject to a monthly late charge of one and one-half percent (1  
15 1/2%) of the unpaid balance to be paid by the municipality to the  
16 System. All funds received by a participating municipality for  
17 police retirement purposes shall be forwarded to the State Oklahoma  
18 Police Pension and Retirement Board for credit to the Oklahoma  
19 Police Pension and Retirement Fund.

20 B. Each municipality shall pick up under the provisions of  
21 Section 414(h)(2) of the Internal Revenue Code of 1986 and pay the  
22 contribution which the member is required by law to make to the  
23 System for all compensation earned after December 31, 1988.  
24 Although the contributions so picked up are designated as member

1 contributions, such contributions shall be treated as contributions  
2 being paid by the municipality in lieu of contributions by the  
3 member in determining tax treatment under the Internal Revenue Code  
4 of 1986 and such ~~picked-up~~ picked-up contributions shall not be  
5 includable in the gross income of the member until such amounts are  
6 distributed or made available to the member or the beneficiary of  
7 the member. The member, by the terms of this System, shall not have  
8 any option to choose to receive the contributions so picked up  
9 directly and the ~~picked-up~~ picked-up contributions must be paid by  
10 the municipality to the System.

11 Member contributions which are picked up shall be treated in the  
12 same manner and to the same extent as member contributions made  
13 prior to the date on which member contributions were picked up by  
14 the municipality. Member contributions so picked up shall be  
15 included in gross salary for purposes of determining benefits and  
16 contributions under the System.

17 The municipality shall pay the member contributions from the  
18 same source of funds used in paying salary to the member, by  
19 effecting an equal cash reduction in gross salary of the member.

20 SECTION 4. AMENDATORY 11 O.S. 2021, Section 50-111.1, is  
21 amended to read as follows:

22 Section 50-111.1. A. A member who terminates service before  
23 normal retirement date, other than by death or disability, shall,  
24 upon application filed with the ~~State~~ Oklahoma Police Pension and

1 Retirement Board, be refunded from the Oklahoma Police Pension and  
2 Retirement Fund an amount equal to the accumulated contributions the  
3 member has made to the ~~Fund~~ fund, but excluding any interest or any  
4 amount contributed by the municipality or state. If a member  
5 withdraws the member's accumulated contributions, such member shall  
6 not have any recourse against the System for any type of additional  
7 benefits including, but not limited to, disability benefits. If a  
8 member has completed ten (10) years of credited service at the date  
9 of termination, the member may elect a vested benefit in lieu of  
10 receiving the member's accumulated contributions.

11 If the member who has completed ten (10) or more years of  
12 credited service elects the vested benefit, the member shall be  
13 entitled to a monthly retirement annuity commencing on the date the  
14 member reaches fifty (50) years of age or the date the member would  
15 have had twenty (20) years of credited service had the member's  
16 employment continued uninterrupted, whichever is later. The annual  
17 amount of such retirement annuity shall be equal to two and one-half  
18 percent (2 1/2%) of the annualized final average salary multiplied  
19 by the number of years of credited service. For a monthly  
20 retirement annuity commencing on or after the effective date of this  
21 act, the annual amount of such retirement annuity shall be computed  
22 pursuant to the annualized final average salary as defined pursuant  
23 to paragraph 17 of Section 50-101 of this title multiplied by the  
24 number of years of credited service.

1 If a terminated member has elected a vested benefit and  
2 subsequently returns to work as a police officer of a participating  
3 municipality, ~~their~~ his or her vested benefit will be set aside and  
4 prior credited service will be reinstated.

5 B. If a member who terminates employment and elects a vested  
6 benefit dies prior to being eligible to receive benefits, the  
7 member's beneficiary shall be entitled to the member's normal  
8 monthly accrued retirement benefits on the date the deceased member  
9 would have been eligible to receive the benefit.

10 C. Whenever a member has terminated or hereafter terminates  
11 covered employment and has withdrawn or hereafter withdraws the  
12 member's accumulated contributions and has rejoined or hereafter  
13 rejoins the System, the member, upon proper application and approval  
14 by the Board, may pay to the System the sum of the accumulated  
15 contributions the member has withdrawn or hereafter withdraws plus  
16 ten percent (10%) annual interest from the date of withdrawal and  
17 shall receive the same benefits as if the member had never withdrawn  
18 the contributions. A lump-sum payment for repayment of any amounts  
19 received because of a member's prior termination may be repaid by  
20 trustee-to-trustee transfers of non-Roth funds from a Section 403(b)  
21 annuity, an eligible Section 457(b) plan, and/or a Section 401(a)  
22 qualified plan. Those members who at the time of termination of  
23 employment could not withdraw any of their accumulated contributions  
24 shall receive credited service for the time employed as an officer

1 prior to any such termination upon proper application and approval  
2 by the Board. To receive credit for such service, all required  
3 contributions and interest shall be paid within ninety (90) days of  
4 Board approval of the application. The provisions of this  
5 subsection shall not apply to any member who is receiving benefits  
6 from the System as of July 1, 1987.

7 D. If an active member dies and does not leave a surviving  
8 beneficiary under paragraph 13 of Section 50-101 of this title, the  
9 accumulated contributions made to the System by the member shall be  
10 paid to the member's estate or, if properly designated by the  
11 member, a trust.

12 SECTION 5. AMENDATORY 62 O.S. 2021, Section 3103, as  
13 last amended by Section 1, Chapter 306, O.S.L. 2022 (62 O.S. Supp.  
14 2023, Section 3103), is amended to read as follows:

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

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

21 2. "RB number" means that number preceded by the letters "RB"  
22 assigned to a retirement bill by the respective staffs of the  
23 ~~Oklahoma State~~ Senate and the ~~Oklahoma~~ House of Representatives when  
24

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, or

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~~ this section and Sections 50-101 and 50-115 of  
14 Title 11 of the Oklahoma Statutes,

15 j. which increases the computation factor used to  
16 calculate the accrued retirement benefit and normal  
17 disability benefit under paragraphs 18 and 19 of  
18 Section 50-101 of Title 11 of the Oklahoma Statutes,  
19 or

20 k. which increases the municipal contribution, employee  
21 contribution, or both for members of the Oklahoma  
22 Police Pension and Retirement System pursuant to  
23 paragraph 8 of Section 50-109 of Title 11 of the

1                   Oklahoma Statutes or subsection A of Section 50-110 of  
2                   Title 11 of the Oklahoma Statutes.

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

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

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

21           8. "Retirement bill having a fiscal impact" means any  
22 retirement bill creating or establishing a retirement system and any  
23 other retirement bill other than a nonfiscal retirement bill; and  
24

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

8 SECTION 6. Sections 1 through 4 of this act shall become  
9 effective in accordance with the provisions of Section 58 of Article  
10 V of the Oklahoma Constitution.

11 SECTION 7. Section 5 of this act shall become effective July 1,  
12 2024.

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

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