

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 HOUSE BILL 2991

By: West (Josh) of the House

5 and

6 **Gollihare** of the Senate

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9 AS INTRODUCED

10 An Act relating to retirement; amending 11 O.S. 2021,
11 Section 49-106, as amended by Section 1, Chapter 151,
12 O.S.L. 2023 (11 O.S. Supp. 2023, Section 49-106),
13 which relates to the Oklahoma Firefighters Pension
and Retirement System; updating reference; directing
that revisions be taken into account; and declaring
an emergency.

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

17 SECTION 1. AMENDATORY 11 O.S. 2021, Section 49-106, as
18 amended by Section 1, Chapter 151, O.S.L. 2023 (11 O.S. Supp. 2023,
19 Section 49-106), is amended to read as follows:

20 Section 49-106. A. Any firefighter who reaches the
21 firefighter's normal retirement date shall be entitled, upon written
22 request, to retire from such service and be paid from the Oklahoma
23 Firefighters Pension and Retirement System a monthly pension equal
24 to the member's accrued retirement benefit; provided, that the

1 pension shall cease during any period of time the member may
2 thereafter serve for compensation in any municipal fire department
3 in the state. If such a member is reemployed by a participating
4 municipality in a position which is not covered by the System,
5 retirement shall also include receipt by such member of in-service
6 distributions from the System.

7 B. With respect to distributions under the System made for
8 calendar years beginning on or after January 1, 2005, the System
9 shall apply the minimum distribution incidental benefit
10 requirements, incidental benefit requirements, and minimum
11 distribution requirements of Section 401(a)(9) of the Internal
12 Revenue Code of 1986, as amended, in accordance with the final
13 regulations under Section 401(a)(9) of the Internal Revenue Code of
14 1986, as amended, including Treasury Regulations Sections
15 1.401(a)(9)-1 through 1.401(a)(9)-9; provided, however, that for
16 distributions required to be made after December 31, 2019, for
17 individuals who attain seventy and one-half (70 1/2) years of age
18 after December 31, 2019, but before January 1, 2023, such
19 distributions shall take into account that age 70 1/2 was stricken
20 and age 72 was inserted in Section 401(a)(9)(B)(iv)(I), Section
21 401(a)(9)(C)(i)(I) and Section 401(a)(9)(C)(ii)(I) of the Internal
22 Revenue Code of 1986, as amended, and, provided further, that for
23 individuals who attain seventy-two (72) years of age after December
24 31, 2022, such distributions shall take into account that "age 72"

1 was stricken and "the applicable age", as defined in Section
2 401(a)(9)(C)(v) of the Internal Revenue Code of 1986, as amended,
3 was inserted in Section 401(a)(9)(B)(iv)(I) of the Internal Revenue
4 Code of 1986, as amended (applicable to calendar year 2023), Section
5 401(a)(9)(C)(i)(I) and Section 401(a)(9)(C)(ii)(I) of the Internal
6 Revenue Code of 1986, as amended, and that the further revision of
7 Section 401(a)(9)(B)(iv) of the Internal Revenue Code of 1986, as
8 amended, effective for calendar years after 2023 with respect to
9 certain distributions shall be taken into account, in all cases
10 notwithstanding any provision of the System to the contrary. With
11 respect to distributions under the System made for calendar years
12 beginning on or after January 1, 2001, through December 31, 2004,
13 the System shall apply the minimum distribution requirements and
14 incidental benefit requirements of Section 401(a)(9) of the Internal
15 Revenue Code of 1986, as amended, in accordance with the regulations
16 under Section 401(a)(9) of the Internal Revenue Code of 1986, as
17 amended, which were proposed in January 2001, notwithstanding any
18 provision of the System to the contrary. Effective July 1, 1989,
19 notwithstanding any other provision contained herein to the
20 contrary, in no event shall commencement of distribution of the
21 accrued retirement benefit of a member be delayed beyond April 1 of
22 the calendar year following the later of:

- 23 1. The calendar year in which the member reaches seventy and
24 one-half (70 1/2) years of age for a member who attains age seventy

1 and one-half (70 1/2) before January 1, 2020, or effective for
2 distributions required to be made after December 31, 2019, but
3 before January 1, 2023, the calendar year in which the member
4 reaches seventy-two (72) years of age for an individual who attains
5 age seventy and one-half (70 1/2) after December 31, 2019, or
6 effective for distributions required to be made after December 31,
7 2022, the calendar year in which the member reaches seventy-three
8 (73) years of age for an individual who attains age seventy-two (72)
9 after December 31, 2022, or "the applicable age", as defined in
10 Section 401(a)(9)(C)(v) of the Internal Revenue Code of 1986, as
11 amended, if later; or

12 2. The actual retirement date of the member.

13 Effective September 8, 2009, notwithstanding anything to the
14 contrary of the System, the System, which is a governmental plan
15 (within the meaning of Section 414(d) of the Internal Revenue Code
16 of 1986, as amended) is treated as having complied with Section
17 401(a)(9) of the Internal Revenue Code of 1986, as amended, for all
18 years to which Section 401(a)(9) of the Internal Revenue Code of
19 1986, as amended, applies to the System if the System complies with
20 a reasonable and good-faith interpretation of Section 401(a)(9) of
21 the Internal Revenue Code of 1986, as amended.

22 C. Any member or beneficiary eligible to receive a monthly
23 benefit from the System may make an election to waive all or a
24 portion of monthly benefits.

1 D. If the requirements of Section 49-106.5 of this title are
2 satisfied, a member who, by reason of attainment of normal
3 retirement date or age, is separated from service as a public safety
4 officer with the member's participating municipality, may elect to
5 have payment made directly to the provider for qualified health
6 insurance premiums by deduction from his or her monthly pension
7 payment, after December 31, 2006, in accordance with Section 402(1)
8 of the Internal Revenue Code of 1986, as amended. For distributions
9 made after December 29, 2022, the election provided for under
10 Section 402(1) of the Internal Revenue Code of 1986, as amended, may
11 be made whether payment of the premiums is made directly to the
12 provider of the accident or health plan or qualified long-term care
13 insurance contract by deduction from a distribution from the System
14 or is made to the member.

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

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20 COMMITTEE REPORT BY: COMMITTEE ON BANKING, FINANCIAL SERVICES AND
21 PENSIONS, dated 02/27/2024 - DO PASS, As Coauthored.

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