

HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

ENGROSSED SENATE
BILL NO. 453

By: Garvin and Stephens of the
Senate

and

Moore of the House

**[Oklahoma Firefighters Pension and Retirement System
- volunteer firefighter pension amounts -
compensation determination - Oklahoma Pension
Legislation Actuarial Analysis Act - definition -
effective dates -
emergency]**

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

SECTION 1. AMENDATORY 11 O.S. 2021, Section 49-101, as
amended by Section 3, Chapter 232, O.S.L. 2022 (11 O.S. Supp. 2023,
Section 49-101), is amended to read as follows:

1 Section 49-101. A. All retired volunteer firefighters who
2 qualify for retirement shall be entitled to a monthly pension. The
3 monthly pension of a volunteer firefighter who retires prior to the
4 effective date of this act shall be in the amount retired volunteer
5 firefighters are receiving at the time the volunteer firefighter
6 begins to receive a pension for each year of credited service not to
7 exceed thirty (30) years. Volunteer firefighters who retire on and
8 after the effective date of this act shall receive a monthly pension
9 in the amount of Ten Dollars (\$10.00) for each year of credited
10 service not to exceed thirty (30) years. In determining the number
11 of years of credited service, a fractional year of six (6) months or
12 more shall be counted as one (1) full year and a fractional year of
13 less than six (6) months shall not be counted in such determination.
14 Retired volunteer firefighters of a municipality shall receive a
15 pension of not less than that which retired volunteer firefighters
16 of such municipality were receiving on June 30, 1985.

17 B. A volunteer firefighter who terminates service after
18 completing ten (10) years of credited service, but less than twenty
19 (20) years of credited service, shall be entitled to receive a
20 vested benefit commencing on the date the firefighter reaches fifty
21 (50) years of age or the date the firefighter would have had twenty
22 (20) years of credited service had the firefighter's service
23 continued uninterrupted, whichever is later. The monthly amount of
24 such retirement benefit shall be the amount being paid to volunteer

1 firefighters at the time the member vests multiplied by the number
2 of years of credited service. Credited service must be established
3 at the time of the volunteer firefighter's termination. If a
4 volunteer firefighter who terminated employment and elected, or was
5 eligible to elect, a vested benefit dies prior to being eligible to
6 receive benefits, the volunteer firefighter's beneficiary, as
7 defined in paragraph 16 of Section 49-100.1 of this title, shall be
8 entitled to the volunteer firefighter's normal monthly retirement
9 benefit on the date the deceased volunteer firefighter would have
10 been eligible to receive the benefit.

11 SECTION 2. AMENDATORY 11 O.S. 2021, Section 49-101.2, as
12 amended by Section 4, Chapter 232, O.S.L. 2022 (11 O.S. Supp. 2023,
13 Section 49-101.2), is amended to read as follows:

14 Section 49-101.2. Any member serving as an active volunteer
15 firefighter who receives annual compensation from the fire
16 department the firefighter is enrolled in as a member of the
17 Oklahoma Firefighters Pension and Retirement System for services
18 related to firefighting, other than reimbursement of expenses in
19 excess of ~~five and one-half (5 1/2) times the annual pension benefit~~
20 ~~paid by the System to a retired volunteer firefighter with twenty~~
21 ~~(20) years credited service~~ Nine Thousand Nine Hundred Thirty-nine
22 Dollars and sixty-nine cents (\$9,939.69), shall be considered a paid
23 firefighter and must meet the physical and agility requirements
24 pursuant to Section 49-116 of this title to continue as an active

1 member of the System. Credited service earned as a paid firefighter
2 pursuant to this section shall not be considered actual experience
3 as a paid firefighter for purposes of meeting the qualifications of
4 a paid fire chief as provided in Section 29-102 of this title. No
5 fire department of a participating municipality shall employ a
6 volunteer firefighter from another fire department to perform
7 services relating to firefighting for any compensation of any kind.

8 SECTION 3. AMENDATORY 62 O.S. 2021, Section 3103, as
9 last amended by Section 1, Chapter 306, O.S.L. 2022 (62 O.S. Supp.
10 2023, Section 3103), is amended to read as follows:

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

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

17 2. "RB number" means that number preceded by the letters "RB"
18 assigned to a retirement bill by the respective staffs of the
19 ~~Oklahoma State~~ Senate and the ~~Oklahoma~~ House of Representatives when
20 the respective staff office prepares a retirement bill for a member
21 of the Legislature;

22 3. "Legislative Actuary" means the firm or entity that enters
23 into a contract with the Legislative Service Bureau pursuant to
24 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the

1 actuarial services and other duties provided for in the Oklahoma
2 Pension Legislation Actuarial Analysis Act;

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

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

8 a. which does not affect the cost or funding factors of a
9 retirement system,

10 b. which affects such factors only in a manner which does
11 not:

12 (1) grant a benefit increase under the retirement
13 system affected by the bill,

14 (2) create an actuarial accrued liability for or
15 increase the actuarial accrued liability of the
16 retirement system affected by the bill, or

17 (3) increase the normal cost of the retirement system
18 affected by the bill,

19 c. which authorizes the purchase by an active member of
20 the retirement system, at the actuarial cost for the
21 purchase as computed pursuant to the statute in effect
22 on the effective date of the measure allowing such
23 purchase, of years of service for purposes of reaching
24 a normal retirement date in the applicable retirement

- 1 system, but which cannot be used in order to compute
2 the number of years of service for purposes of
3 computing the retirement benefit for the member,
- 4 d. which provides for the computation of a service-
5 connected disability retirement benefit for members of
6 the Oklahoma Law Enforcement Retirement System
7 pursuant to Section 2-305 of Title 47 of the Oklahoma
8 Statutes if the members were unable to complete twenty
9 (20) years of service as a result of the disability,
- 10 e. which requires membership in the defined benefit plan
11 authorized by Section 901 et seq. of Title 74 of the
12 Oklahoma Statutes for persons whose first elected or
13 appointed service occurs on or after November 1, 2018,
14 if such persons had any prior service in the Oklahoma
15 Public Employees Retirement System prior to November
16 1, 2015,
- 17 f. which provides for a one-time increase in retirement
18 benefits if the increase in retirement benefits is not
19 a permanent increase in the gross annual retirement
20 benefit payable to a member or beneficiary, occurs
21 only once pursuant to a single statutory authorization
22 and does not exceed:
- 23 (1) the lesser of two percent (2%) of the gross
24 annual retirement benefit of the member or One

1 Thousand Dollars (\$1,000.00) and requires that
2 the benefit may only be provided if the funded
3 ratio of the affected retirement system would not
4 be less than sixty percent (60%) but not greater
5 than eighty percent (80%) after the benefit
6 increase is paid,

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

15 (3) the lesser of two percent (2%) of the gross
16 annual retirement benefit of the member or One
17 Thousand Four Hundred Dollars (\$1,400.00) and
18 requires that the benefit may only be provided if
19 the funded ratio of the affected retirement
20 system would be greater than one hundred percent
21 (100%) after the benefit increase is paid, or

22 (4) the greater of two percent (2%) of the gross
23 annual retirement benefit of the volunteer
24 firefighter or One Hundred Dollars (\$100.00) for

1 persons who retired from the Oklahoma
2 Firefighters Pension and Retirement System as
3 volunteer firefighters and who did not retire
4 from the Oklahoma Firefighters Pension and
5 Retirement System as a paid firefighter.

6 As used in this subparagraph, "funded ratio" means the
7 figure derived by dividing the actuarial value of
8 assets of the applicable retirement system by the
9 actuarial accrued liability of the applicable
10 retirement system,

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

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

18 (1) Section 49-143.7 of Title 11 of the Oklahoma
19 Statutes,

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

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

24

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

3 (5) Section 17-116.22 of Title 70 of the Oklahoma
4 Statutes, or

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

7 i. which modifies the computation of the line-of-duty
8 disability benefit pursuant to the provisions of this
9 ~~act~~ section and Sections 50-101 and 50-115 of Title 11
10 of the Oklahoma Statutes, or

11 j. which provides for a benefits increase for volunteer
12 firefighters pursuant to Sections 49-101 and 49-101.2
13 of Title 11 of the Oklahoma Statutes.

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

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

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

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

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

18 SECTION 4. Sections 1 and 2 of this act shall become effective
19 in accordance with the provisions of Section 58 of Article V of the
20 Oklahoma Constitution.

21 SECTION 5. Section 3 of this act shall become effective July 1,
22 2024.

23 SECTION 6. It being immediately necessary for the preservation
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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4 COMMITTEE REPORT BY: COMMITTEE ON BANKING, FINANCIAL SERVICES AND
5 PENSIONS, dated 04/01/2024 - DO PASS, As Amended.

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