

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2206 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Mike Lay _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

PROPOSED POLICY
COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2206

By: Lay

PROPOSED POLICY COMMITTEE SUBSTITUTE

An Act relating to retirement; amending 47 O.S. 2021, Section 2-300, as last amended by Section 1, Chapter 361, O.S.L. 2024 (47 O.S. Supp. 2024, Section 2-300), which relates to the Oklahoma Law Enforcement Retirement System; defining term; providing for participation of certain new employees in the Oklahoma Law Enforcement Retirement System; authorizing certain members to make election to participate in the Oklahoma Law Enforcement Retirement System; providing for purchase of certain amount of service credit at actuarial cost; providing for payment; directing the Teachers' Retirement System of Oklahoma to transfer credited service upon request; providing that member shall forfeit all rights with respect to certain credited service in the Teachers' Retirement System of Oklahoma upon transfer; providing for codification; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 2-300, as last amended by Section 1, Chapter 361, O.S.L. 2024 (47 O.S. Supp. 2024, Section 2-300), is amended to read as follows:

1 Section 2-300. As used in Section 2-300 et seq. of this title:

2 1. "System" means the Oklahoma Law Enforcement Retirement
3 System;

4 2. "Act" means Section 2-300 et seq. of this title;

5 3. "Board" means the Oklahoma Law Enforcement Retirement Board
6 of the System;

7 4. "Executive Director" means the managing officer of the
8 System employed by the Board;

9 5. "Fund" means the Oklahoma Law Enforcement Retirement Fund;

10 6. "Participating employer" means any Oklahoma entity with one
11 or more employees who are members of the System;

12 7. a. "Member" means:

13 (1) all commissioned law enforcement officers of the
14 Oklahoma Highway Patrol Division of the
15 Department of Public Safety who have obtained
16 certification from the Council on Law Enforcement
17 Education and Training, and all cadets of a
18 Patrol Academy of the Department of Public
19 Safety,

20 (2) law enforcement officers and criminalists of the
21 Oklahoma State Bureau of Investigation,

22 (3) law enforcement officers of the Oklahoma State
23 Bureau of Narcotics and Dangerous Drugs Control
24 designated to perform duties in the investigation

1 and prevention of crime and the enforcement of
2 the criminal laws of this state,

3 (4) law enforcement officers of the Alcoholic
4 Beverage Laws Enforcement Commission designated
5 to perform duties in the investigation and
6 prevention of crime and the enforcement of the
7 criminal laws of this state,

8 (5) employees of the Communications Section of the
9 Oklahoma Highway Patrol Division, radio
10 technicians and tower technicians of the
11 Department of Public Safety, who are employed in
12 any such capacity as of June 30, 2008, and who
13 remain employed on or after July 1, 2008, until a
14 termination of service, or until a termination of
15 service with an election of a vested benefit from
16 the System, or until retirement. Effective July
17 1, 2008, a person employed for the first time as
18 an employee of the Department of Public Safety in
19 the Communications Division as an information
20 systems telecommunication technician of the
21 Department of Public Safety shall not be a member
22 of the System,

23 (6) park rangers of the Oklahoma Tourism and
24 Recreation Department and any park manager or

1 park supervisor of the Oklahoma Tourism and
2 Recreation Department, who was employed in such a
3 position prior to July 1, 1985, and who elects on
4 or before September 1, 1996, to participate in
5 the System,

6 (7) inspectors of the State Board of Pharmacy, ~~and~~

7 (8) active commissioned or CLEET-certified agents
8 hired by the Office of the Attorney General or
9 the Military Department of the State of Oklahoma
10 on or after the effective date of this act, and

11 (9) school resource officers who are employed by the
12 public schools of Oklahoma in such a position on
13 November 1, 2025, and who elect on or before
14 November 30, 2025, to participate in the System
15 or school resource officers who are employed by
16 the public schools of Oklahoma on or after the
17 effective date of this act.

18 b. Effective July 1, 1987, a member does not include a
19 "leased employee" as defined under Section 414(n) (2)
20 of the Internal Revenue Code of 1986, as amended.
21 Effective July 1, 1999, any individual who agrees with
22 the participating employer that the individual's
23 services are to be performed as a leased employee or
24 an independent contractor shall not be a member

1 regardless of any classification as a common-law
2 employee by the Internal Revenue Service or any other
3 governmental agency, or any court of competent
4 jurisdiction.

5 c. All persons offered a position described in
6 subparagraph a of this paragraph shall participate in
7 the System only upon meeting the requisite post-offer-
8 pre-employment examination standards which shall be
9 subject to the following requirements:

10 (1) all such persons shall be of good moral
11 character, free from deformities, mental or
12 physical conditions, or disease and alcohol or
13 drug addiction which would prohibit the person
14 from performing the duties of a law enforcement
15 officer,

16 (2) the physical-medical examination shall pertain to
17 age, sight, hearing, agility and other conditions
18 the requirements of which shall be established by
19 the Board,

20 (3) the person shall be required to meet the
21 conditions of this subsection prior to the
22 beginning of actual employment but after an offer
23 of employment has been tendered by a
24 participating employer,

1 (4) the Board shall have authority to deny or revoke
2 membership of any person submitting false
3 information in such person's membership
4 application, and

5 (5) the Board shall have final authority in
6 determining eligibility for membership in the
7 System, pursuant to the provisions of this
8 ~~subsection~~ paragraph;

9 8. "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:

13 a. completes twenty (20) years of vesting service, ~~or~~

14 b. attains sixty-two (62) years of age with ten (10)
15 years of vesting service, or

16 c. attains sixty-two (62) years of age, if:

17 (1) the member has been transferred to this System
18 from the Oklahoma Public Employees Retirement
19 System on or after July 1, 1981, and

20 (2) the member would have been vested had the member
21 continued to be a member of the Oklahoma Public
22 Employees Retirement System.

23 With respect to distributions under the System made for calendar
24 years beginning on or after January 1, 2005, the System shall apply

1 the minimum distribution incidental benefit requirements, incidental
2 benefit requirements, and minimum distribution requirements of
3 Section 401(a)(9) of the Internal Revenue Code of 1986, as amended,
4 in accordance with the final regulations under Section 401(a)(9) of
5 the Internal Revenue Code of 1986, as amended, including Treasury
6 Regulations Sections 1.401(a)(9)-1 through 1.401(a)(9)-9; provided,
7 that for individuals who attain seventy and one-half (70 1/2) years
8 of age after December 31, 2019, but before January 1, 2023, such
9 distributions shall take into account that "age 70 1/2" was stricken
10 and "age 72" was inserted in Sections 401(a)(9)(B)(iv)(I),
11 401(a)(9)(C)(i)(I) and 401(a)(9)(C)(ii)(I) of the Internal Revenue
12 Code of 1986, as amended, and, provided further, that for
13 individuals who attain seventy-two (72) years of age after December
14 31, 2022, such distributions shall take into account that "age 72"
15 was stricken and "the applicable age", as defined in Section
16 401(a)(9)(C)(v) of the Internal Revenue Code of 1986, as amended,
17 was inserted in Section 401(a)(9)(B)(iv)(I), Section
18 401(a)(9)(C)(i)(I) and Section 401(a)(9)(C)(ii)(I) of the Internal
19 Revenue Code of 1986, as amended, in all cases notwithstanding any
20 provision of the System to the contrary. With respect to
21 distributions under the System made for calendar years beginning on
22 or after January 1, 2001, through December 31, 2004, the System
23 shall apply the minimum distribution requirements and incidental
24 benefit requirements of Section 401(a)(9) of the Internal Revenue

1 Code of 1986, as amended, in accordance with the regulations under
2 Section 401(a)(9) of the Internal Revenue Code of 1986, as amended,
3 which were proposed in January 2001, notwithstanding any provision
4 of the System to the contrary.

5 Effective July 1, 1989, notwithstanding any other provision
6 contained herein to the contrary, in no event shall commencement of
7 distribution of the accrued retirement benefit of a member be
8 delayed beyond April 1 of the calendar year following the later of:
9 (1) the calendar year in which the member reaches seventy and one-
10 half (70 1/2) years of age for a member who attains this age before
11 January 1, 2020, or, for a member who attains this age on or after
12 January 1, 2020, but before January 1, 2023, the calendar year in
13 which the member reaches seventy-two (72) years of age, or effective
14 for distributions required to be made after December 31, 2022, the
15 calendar year in which the member reaches seventy-three (73) years
16 of age for an individual who attains age seventy-two (72) after
17 December 31, 2022, or "the applicable age", as defined in Section
18 401(a)(9)(C)(v) of the Internal Revenue Code of 1986, as amended, if
19 later; or (2) the actual retirement date of the member. A member
20 electing to defer the commencement of retirement benefits pursuant
21 to Section 2-308.1 of this title may not defer the benefit
22 commencement beyond the age of sixty-five (65).

23 Effective September 8, 2009, notwithstanding anything to the
24 contrary of the System, the System, which as a governmental plan

1 (within the meaning of Section 414(d) of the Internal Revenue Code
2 of 1986, as amended), is treated as having complied with Section
3 401(a)(9) of the Internal Revenue Code of 1986, as amended, for all
4 years to which Section 401(a)(9) of the Internal Revenue Code of
5 1986, as amended, applies to the System if the System complies with
6 a reasonable and good faith interpretation of Section 401(a)(9) of
7 the Internal Revenue Code of 1986, as amended.

8 A member who was required to join the System effective July 1,
9 1980, because of the transfer of the employing agency from the
10 Oklahoma Public Employees Retirement System to the System, and was
11 not a member of the Oklahoma Public Employees Retirement System on
12 the date of such transfer shall be allowed to receive credit for
13 prior law enforcement service rendered to this state, if the member
14 is not receiving or eligible to receive retirement credit or
15 benefits for such service in any other public retirement system,
16 upon payment to the System of the employee contribution the member
17 would have been subject to had the member been a member of the
18 System at the time, plus five percent (5%) interest. Service credit
19 received pursuant to this paragraph shall be used in determining the
20 member's retirement benefit, and shall be used in determining years
21 of service for retirement or vesting purposes;

22 9. "Actual paid base salary" means the salary received by a
23 member, excluding payment for any accumulated leave or uniform
24

1 allowance. Salary shall include any amount of nonelective salary
2 reduction under Section 414(h) of the Internal Revenue Code of 1986;

3 10. "Final average salary" means the average of the highest
4 thirty (30) consecutive complete months of actual paid gross salary.
5 Gross salary shall include any amount of elective salary reduction
6 under Section 457 of the Internal Revenue Code of 1986, as amended,
7 and any amount of nonelective salary reduction under Section 414(h)
8 of the Internal Revenue Code of 1986, as amended. Effective July 1,
9 1992, gross salary shall include any amount of elective salary
10 reduction under Section 125 of the Internal Revenue Code of 1986, as
11 amended. Effective July 1, 1998, gross salary shall include any
12 amount of elective salary reduction not includable in the gross
13 income of the member under Section 132(f)(4) of the Internal Revenue
14 Code of 1986, as amended. Effective July 1, 1998, for purposes of
15 determining a member's compensation, any contribution by the member
16 to reduce his or her regular cash remuneration under Section
17 132(f)(4) of the Internal Revenue Code of 1986, as amended, shall be
18 treated as if the member did not make such an election. Only salary
19 on which required contributions have been made may be used in
20 computing the final average salary. Gross salary shall not include
21 severance pay.

22 In addition to other applicable limitations, and notwithstanding
23 any other provision to the contrary, for plan years beginning on or
24 after July 1, 2002, the annual gross salary of each "Noneligible

1 Member" taken into account under the System shall not exceed the
2 Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA")
3 annual salary limit. The EGTRRA annual salary limit is Two Hundred
4 Thousand Dollars (\$200,000.00), as adjusted by the Commissioner for
5 increases in the cost of living in accordance with Section
6 401(a)(17)(B) of the Internal Revenue Code of 1986, as amended. The
7 annual salary limit in effect for a calendar year applies to any
8 period, not exceeding twelve (12) months, over which salary is
9 determined ("determination period") beginning in such calendar year.
10 If a determination period consists of fewer than twelve (12) months,
11 the EGTRRA salary limit will be multiplied by a fraction, the
12 numerator of which is the number of months in the determination
13 period, and the denominator of which is twelve (12). For purposes
14 of this section, a "Noneligible Member" is any member who first
15 became a member during a plan year commencing on or after July 1,
16 1996.

17 For plan years beginning on or after July 1, 2002, any reference
18 in the System to the annual salary limit under Section 401(a)(17) of
19 the Internal Revenue Code of 1986, as amended, shall mean the EGTRRA
20 salary limit set forth in this provision.

21 Effective January 1, 2008, gross salary for a plan year shall
22 also include gross salary, as described above, for services, but
23 paid by the later of two and one-half (2 1/2) months after a
24 member's severance from employment or the end of the calendar year

1 that includes the date the member terminated employment, if it is a
2 payment that, absent a severance from employment, would have been
3 paid to the member while the member continued in employment with the
4 employer.

5 Effective January 1, 2008, any payments not described above
6 shall not be considered gross salary if paid after severance from
7 employment, even if they are paid by the later of two and one-half
8 (2 1/2) months after the date of severance from employment or the
9 end of the calendar year that includes the date of severance from
10 employment, except payments to an individual who does not currently
11 perform services for the employer by reason of qualified military
12 service within the meaning of Section 414(u) (5) of the Internal
13 Revenue Code of 1986, as amended, to the extent these payments do
14 not exceed the amounts the individual would have received if the
15 individual had continued to perform services for the employer rather
16 than entering qualified military service.

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

22 Effective for years beginning after December 31, 2008, gross
23 salary shall also include differential wage payments under Section
24 414(u) (12) of the Internal Revenue Code of 1986, as amended;

1 11. "Credited service" means the period of service used to
2 determine the amount of benefits payable to a member. Credited
3 service shall consist of the period during which the member
4 participated in the System or the predecessor Plan as an active
5 employee in an eligible membership classification, plus any service
6 prior to the establishment of the predecessor Plan which was
7 credited under the predecessor Plan and for law enforcement officers
8 and criminalists of the Oklahoma State Bureau of Investigation and
9 the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control
10 who became members of the System on July 1, 1980, any service
11 credited under the Oklahoma Public Employees Retirement System as of
12 June 30, 1980, and for members of the Communications and Lake Patrol
13 Divisions of the Oklahoma Department of Public Safety, who became
14 members of the System on July 1, 1981, any service credited under
15 the predecessor Plan or the Oklahoma Public Employees Retirement
16 System as of June 30, 1981, and for law enforcement officers of the
17 Alcoholic Beverage Laws Enforcement Commission who became members of
18 the System on July 1, 1982, any service credited under the Oklahoma
19 Public Employees Retirement System as of June 30, 1982, and for park
20 rangers of the Oklahoma Tourism and Recreation Department who became
21 members of the System on July 1, 1985, any service credited under
22 the Oklahoma Public Employees Retirement System as of June 30, 1985,
23 and for inspectors of the State Board of Pharmacy who became members
24 of the System on July 1, 1986, any service credited under the

1 Oklahoma Public Employees Retirement System as of June 30, 1986, for
2 law enforcement officers of the Oklahoma Capitol Patrol Division of
3 the Department of Public Safety who became members of the System
4 effective July 1, 1993, any service credited under the Oklahoma
5 Public Employees Retirement System as of June 30, 1993, and for all
6 commissioned officers in the Gunsmith/Ammunition Reloader Division
7 of the Department of Public Safety who became members of the System
8 effective July 1, 1994, any service credited under the Oklahoma
9 Public Employees Retirement System as of June 30, 1994, and for the
10 park managers or park supervisors of the Oklahoma Tourism and
11 Recreation Department who were employed in such a position prior to
12 July 1, 1985, and who elect to become members of the System
13 effective September 1, 1996, any service transferred pursuant to
14 subsection C of Section 2-309.6 of this title and any service
15 purchased pursuant to subsection B of Section 2-307.2 of this title.
16 Effective August 5, 1993, an authorized leave of absence shall
17 include a period of absence pursuant to the Family and Medical Leave
18 Act of 1993;

19 12. "Disability" means a physical or mental condition which, in
20 the judgment of the Board, totally and presumably permanently
21 prevents the member from engaging in the usual and customary duties
22 of the occupation of the member and thereafter prevents the member
23 from performing the duties of any occupation or service for which
24 the member is qualified by reason of training, education or

1 experience. A person is not under a disability when capable of
2 performing a service to the employer, regardless of occupation,
3 providing the salary of the employee is not diminished thereby;

4 13. "Limitation year" means the year used in applying the
5 limitations of Section 415 of the Internal Revenue Code of 1986,
6 which year shall be the calendar year;

7 14. "Line of duty" means any action which a member whose
8 primary function is crime control or reduction or enforcement of the
9 criminal law is obligated or authorized by rule, regulations,
10 condition of employment or service, or law to perform including
11 those social, ceremonial or athletic functions to which the member
12 is assigned, or for which the member is compensated, by the agency
13 the member serves;

14 15. "Personal injury" or "injury" means any traumatic injury as
15 well as diseases which are caused by or result from such an injury,
16 but not occupational diseases;

17 16. "Catastrophic nature" means consequences of an injury that
18 permanently prevent an individual from performing any gainful work;

19 17. "Traumatic injury" means a wound or a condition of the body
20 caused by external force including injuries inflicted by bullets,
21 explosives, sharp instruments, blunt objects or other physical
22 blows, chemicals, electricity, climatic conditions, infectious
23 diseases, radiation and bacteria, but excluding stress and strain;
24 and

1 18. "Beneficiary" means the individual designated by the member
2 on a beneficiary designation form supplied by the Oklahoma Law
3 Enforcement Retirement System, or, if there is no designated
4 beneficiary or if the designated beneficiary predeceases the member,
5 the estate of the member. If the member's spouse is not designated
6 as the sole primary beneficiary, the member's spouse must sign a
7 consent.

8 SECTION 2. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 2-309.11 of Title 47, unless
10 there is created a duplication in numbering, reads as follows:

11 A. School resource officers employed by public schools of
12 Oklahoma who are hired on or after November 1, 2025, shall
13 participate in and make contributions to the Oklahoma Law
14 Enforcement Retirement System as other participating employers and
15 members of the System. Such employees shall not make contributions
16 to any plan offered by the Teachers' Retirement System of Oklahoma.
17 The public schools of Oklahoma shall be participating employers in
18 the Oklahoma Law Enforcement Retirement System for all school
19 resource officers employed by public schools of Oklahoma who
20 participate in the Oklahoma Law Enforcement Retirement System
21 pursuant to the provisions of this section.

22 B. Beginning November 1, 2025, a school resource officer who is
23 employed by a public school of Oklahoma and who is a member of the
24 Teachers' Retirement System of Oklahoma may elect to become a member

1 of the Oklahoma Law Enforcement Retirement System prior to November
2 30, 2025. A member who makes such an election may receive up to
3 five (5) years of credited service accumulated by the member while a
4 member of the Teachers' Retirement System of Oklahoma if the member
5 is not receiving or eligible to receive retirement credit or
6 benefits from said service. The member shall decide the number of
7 years of credited service, not to exceed five (5) years, to
8 purchase. The Law Enforcement Retirement Board shall determine the
9 amount for the purchase pursuant to Section 2-307.5 of Title 47 of
10 the Oklahoma Statutes. The amount may be paid through a trustee-to-
11 trustee transfer to the Oklahoma Law Enforcement Retirement System
12 from the Teachers' Retirement System of Oklahoma, or through
13 payments made by the member. The transferred credited service of
14 the member from the Teacher's Retirement System of Oklahoma pursuant
15 to this section shall not alter the member's normal retirement date
16 or vesting requirements. The transferred credited service will be
17 added after the member reaches normal retirement date or vesting
18 date.

19 C. The Teachers' Retirement System of Oklahoma shall transfer
20 credited service to the Oklahoma Law Enforcement Retirement System
21 upon request of former members. Upon transfer, the former member
22 shall have forfeited all rights in the Teachers' Retirement System
23 of Oklahoma with respect to the credited service transferred
24 pursuant to this section.

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

SECTION 3. This act shall become effective November 1, 2025.

60-1-12281 CMA 02/06/25