

## STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 172

By: Bullard

AS INTRODUCED

An Act relating to retirement; amending 11 O.S. 2021, Sections 49-100.9 and 50-105.4, which relate to the Oklahoma Firefighters Pension and Retirement System and the Oklahoma Police Pension and Retirement System; allowing the Oklahoma Firefighters Pension and Retirement Board and the Oklahoma Police Pension and Retirement Board to approve cost-of-living adjustment under certain circumstances; amending 20 O.S. 2021, Section 1108, which relates to the Uniform Retirement System for Justices and Judges; allowing the Board of Trustees of the Oklahoma Public Employees Retirement System to approve cost-of-living adjustment under certain circumstances; amending 47 O.S. 2021, Section 2-303.1, which relates to the Oklahoma Law Enforcement Retirement System; allowing the Oklahoma Law Enforcement Retirement Board to approve cost-of-living adjustment under certain circumstances; amending 70 O.S. 2021, Section 17-106.1, which relates to the Teachers' Retirement System of Oklahoma; allowing Board of Trustees of the Teachers' Retirement System of Oklahoma to approve cost-of-living adjustment under certain circumstances; amending 74 O.S. 2021, Section 905, which relates to the Oklahoma Public Employees Retirement System; allowing Board of Trustees of the Oklahoma Public Employees Retirement System to approve cost-of-living adjustment under certain circumstances; amending 62 O.S. 2021, Section 3103, as last amended by Section 127, Chapter 452, O.S.L. 2024 (62 O.S. Supp. 2024, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying definition; updating statutory language; updating statutory references; making language gender neutral; and providing effective dates.

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

SECTION 1. AMENDATORY 11 O.S. 2021, Section 49-100.9, is amended to read as follows:

Section 49-100.9. A. The Oklahoma Firefighters Pension and Retirement Board shall discharge their duties with respect to the Oklahoma Firefighters Pension and Retirement System solely in the interest of the participants and beneficiaries and:

1. For the exclusive purpose of:
  - a. providing benefits to participants and their beneficiaries, and
  - b. defraying reasonable expenses of administering the System;
2. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;
3. By diversifying the investments of the System so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and
4. In accordance with the laws, documents and instruments governing the System.

1 B. The ~~State~~ Board may procure insurance indemnifying the  
2 members of the ~~State~~ Board from personal loss or accountability from  
3 liability resulting from a member's action or inaction as a member  
4 of the ~~State~~ Board.

5 C. The ~~State~~ Board may establish an investment committee. The  
6 investment committee shall be composed of not more than five (5)  
7 members of the ~~State~~ Board appointed by the chairman of the ~~State~~  
8 Board. The committee shall make recommendations to the full ~~State~~  
9 Board on all matters related to the choice of custodians and  
10 managers of the assets of the System, on the establishment of  
11 investment and fund management guidelines, and in planning future  
12 investment policy. The committee shall have no authority to act on  
13 behalf of the ~~State~~ Board in any circumstances whatsoever. No  
14 recommendation of the committee shall have effect as an action of  
15 the ~~State~~ Board nor take effect without the approval of the ~~State~~  
16 Board as provided by law.

17 D. The Board shall retain qualified investment managers to  
18 provide for the investment of the monies of the System. The  
19 investment managers shall be chosen by a solicitation of proposals  
20 on a competitive bid basis pursuant to standards set by the ~~State~~  
21 Board. Subject to the overall investment guidelines set by the  
22 ~~State~~ Board, the investment managers shall have full discretion in  
23 the management of those monies of the System allocated to the  
24 investment managers. The ~~State~~ Board shall manage those monies not

1 specifically allocated to the investment managers. The monies of  
2 the System allocated to the investment managers shall be actively  
3 managed by the investment managers, which may include selling  
4 investments and realizing losses if such action is considered  
5 advantageous to longer term return maximization. Because of the  
6 total return objective, no distinction shall be made for management  
7 and performance evaluation purposes between realized and unrealized  
8 capital gains and losses.

9 E. Funds and revenues for investment by the investment managers  
10 or the ~~State~~ Board shall be placed with a custodian selected by the  
11 ~~State~~ Board. The custodian shall be a bank or trust company  
12 offering pension fund master trustee and master custodial services  
13 and any related custodial agreement or trust agreement is  
14 incorporated herein by reference. The custodian shall be chosen by  
15 a solicitation of proposals on a competitive bid basis pursuant to  
16 standards set by the ~~State~~ Board. In compliance with the investment  
17 policy guidelines of the ~~State~~ Board, the custodian bank or trust  
18 company shall be contractually responsible for ensuring that all  
19 monies of the System are invested in income-producing investment  
20 vehicles at all times. If a custodian bank or trust company has not  
21 received direction from the investment managers of the System as to  
22 the investment of the monies of the System in specific investment  
23 vehicles, the custodian bank or trust company shall be contractually  
24 responsible to the ~~State~~ Board for investing the monies in

1 appropriately collateralized short-term interest-bearing investment  
2 vehicles. Any assets of the System may be invested in a collective  
3 investment fund or group trust that satisfies the requirements of  
4 Revenue Ruling 81-100, as further amended by Revenue Ruling 2004-67,  
5 Revenue Ruling 2008-40, and Revenue Ruling 2011-1, and as  
6 subsequently amended by future guidance. Each such collective  
7 investment fund or group trust is adopted, with respect to any  
8 monies invested therein, as part of the System, its trust, and  
9 custodial account and each such declaration of trust or trust  
10 agreement and related adoption, participation, investment  
11 management, subtrust or other agreements, as amended from time to  
12 time, with respect to any monies invested therein, are incorporated  
13 by reference into the System, its trust agreement(s) or custodial  
14 agreement(s), upon approval by the State Board.

15 F. By November 1, 1988, and prior to August 1 of each year  
16 thereafter, the ~~State~~ Board shall develop a written investment plan  
17 for the System.

18 G. The ~~State~~ Board shall compile a quarterly financial report  
19 of all the funds of the System on a fiscal year basis. The report  
20 shall be compiled pursuant to uniform reporting standards prescribed  
21 by the Oklahoma State Pension Commission for all state retirement  
22 systems. The report shall include several relevant measures of  
23 investment value, including acquisition cost and current fair market  
24 value with appropriate summaries of total holdings and returns. The

1 report shall contain combined and individual rate of returns of the  
2 investment managers by category of investment, over periods of time.  
3 The ~~State~~ Board shall include in the quarterly reports all  
4 commissions, fees or payments for investment services performed on  
5 behalf of the ~~State~~ Board. The report shall be distributed to the  
6 Governor, the Oklahoma State Pension Commission, the Legislative  
7 Service Bureau, the Speaker of the House of Representatives and the  
8 President Pro Tempore of the Senate.

9 H. After July 1 and before December 1 of each year, the ~~State~~  
10 Board shall publish widely an annual report presented in simple and  
11 easily understood language pursuant to uniform reporting standards  
12 prescribed by the Oklahoma State Pension Commission for all state  
13 retirement systems. The report shall be submitted to the Governor,  
14 the Speaker of the House of Representatives, the President Pro  
15 Tempore of the Senate, the Oklahoma State Pension Commission and the  
16 members of the System. The annual report shall cover the operation  
17 of the System during the past fiscal year, including income,  
18 disbursements, and the financial condition of the System at the end  
19 of the fiscal year. The annual report shall also contain the  
20 information issued in the quarterly reports required pursuant to  
21 subsection G of this section as well as a summary of the results of  
22 the most recent actuarial valuation to include total assets, total  
23 liabilities, unfunded liability or over funded status, contributions  
24 and any other information deemed relevant by the ~~State~~ Board. The

1 annual report shall be written in such a manner as to permit a  
2 readily understandable means for analyzing the financial condition  
3 and performance of the System for the fiscal year.

4 I. Effective July 1, 2000, the ~~State~~ Board is hereby authorized  
5 to do all acts and things necessary and proper to carry out the  
6 purpose of the System and to make the least costly amendments and  
7 changes, if any, as may be necessary to qualify the System under the  
8 applicable sections of the Internal Revenue Code of 1986, as  
9 amended.

10 J. 1. The Board may approve a two percent (2%) cost-of-living  
11 adjustment, pursuant to the schedule prescribed by this subsection  
12 for persons who have received benefits from the System for one or  
13 more years. The Board may only approve a cost-of-living adjustment  
14 when the System's funded ratio, according to the latest annual  
15 actuarial valuation, exceeds a percentage as prescribed in paragraph  
16 2 of this subsection. The funded ratio shall be maintained on a  
17 rolling average for not less than three (3) years. Provided, a  
18 cost-of-living adjustment shall not be granted if the adjustment  
19 would cause the funding ratio of the System to drop below the  
20 percentage which authorized the adjustment.

21 2. Except as provided in paragraph 1 of this subsection, a  
22 cost-of-living adjustment may be approved by the Board if the funded  
23 ratio of the System exceeds eighty percent (80%). Subsequent cost-  
24 of-living adjustments may be approved each time thereafter that the

1 System's funded ratio increases by two and one-half percent (2 1/2%)  
2 from the percentage which authorized the previous cost-of-living  
3 adjustment.

4 SECTION 2. AMENDATORY 11 O.S. 2021, Section 50-105.4, is  
5 amended to read as follows:

6 Section 50-105.4. A. The Oklahoma Police Pension and  
7 Retirement Board shall discharge their duties with respect to the  
8 Oklahoma Police Pension and Retirement System solely in the interest  
9 of the participants and beneficiaries and:

10 1. For the exclusive purpose of:

11 a. providing benefits to participants and their

12 beneficiaries, and

13 b. defraying reasonable expenses of administering the  
14 System;

15 2. With the care, skill, prudence, and diligence under the  
16 circumstances then prevailing that a prudent person acting in a like  
17 capacity and familiar with such matters would use in the conduct of  
18 an enterprise of a like character and with like aims;

19 3. By diversifying the investments of the System so as to  
20 minimize the risk of large losses, unless under the circumstances it  
21 is clearly prudent not to do so; and

22 4. In accordance with the laws, documents and instruments  
23 governing the System.



1 B. The ~~State~~ Board may procure insurance indemnifying the  
2 members of the ~~State~~ Board from personal loss or accountability from  
3 liability resulting from a member's action or inaction as a member  
4 of the ~~State~~ Board.

5 C. The ~~State~~ Board may establish an investment committee. The  
6 investment committee shall be composed of not more than five (5)  
7 members of the ~~State~~ Board appointed by the chairman of the ~~State~~  
8 Board. The committee shall make recommendations to the full ~~State~~  
9 Board on all matters related to the choice of custodians and  
10 managers of the assets of the System, on the establishment of  
11 investment and fund management guidelines, and in planning future  
12 investment policy. The committee shall have no authority to act on  
13 behalf of the ~~State~~ Board in any circumstances whatsoever. No  
14 recommendation of the committee shall have effect as an action of  
15 the ~~State~~ Board nor take effect without the approval of the ~~State~~  
16 Board as provided by law.

17 D. The ~~State~~ Board shall retain qualified investment managers  
18 to provide for the investment of the monies of the System. The  
19 investment managers shall be chosen by a solicitation of proposals  
20 on a competitive bid basis pursuant to standards set by the ~~State~~  
21 Board unless the ~~State~~ Board deems it necessary and prudent to do  
22 otherwise to fulfill its fiduciary responsibility. Subject to the  
23 overall investment guidelines set by the ~~State~~ Board, the investment  
24 managers shall have full discretion in the management of those

1 monies of the System allocated to the investment managers. The  
2 ~~State~~ Board shall manage those monies not specifically allocated to  
3 the investment managers. The monies of the System allocated to the  
4 investment managers shall be actively managed by the investment  
5 managers, which may include selling investments and realizing losses  
6 if such action is considered advantageous to longer term return  
7 maximization. Because of the total return objective, no distinction  
8 shall be made for management and performance evaluation purposes  
9 between realized and unrealized capital gains and losses.

10 E. Funds and revenues for investment by the investment managers  
11 or the ~~State~~ Board shall be placed with a custodian selected by the  
12 ~~State~~ Board. The custodian shall be a bank or trust company  
13 offering pension fund master trustee and master custodial services  
14 and any related custodial agreement or trust agreement is  
15 incorporated herein by reference. The custodian shall be chosen by  
16 a solicitation of proposals on a competitive basis pursuant to  
17 standards set by the ~~State~~ Board. In compliance with the investment  
18 policy guidelines of the ~~State~~ Board, the custodian bank or trust  
19 company shall be contractually responsible for ensuring that all  
20 monies of the System are invested in income-producing investment  
21 vehicles at all times. If a custodian bank or trust company has not  
22 received direction from the investment managers of the System as to  
23 the investment of the monies of the System in specific investment  
24 vehicles, the custodian bank or trust company shall be contractually

1 responsible to the ~~State~~ Board for investing the monies in  
2 appropriately collateralized short-term interest-bearing investment  
3 vehicles. Any assets of the System may be invested in a collective  
4 investment fund or in a group trust that satisfies the requirements  
5 of ~~Rev. Rul.~~ Revenue Ruling 81-100, as further amended by ~~Rev. Rul.~~  
6 Revenue Ruling 2004-67, ~~Rev. Rul.~~ Revenue Ruling 2008-40, and ~~Rev.~~  
7 ~~Rul.~~ Revenue Ruling 2011-1, and as subsequently amended by future  
8 guidance. Each such collective investment fund or group trust is  
9 adopted, with respect to any monies invested therein, as part of the  
10 System, its trust, and custodial account and each such declaration  
11 of trust or trust agreement and related adoption, participation,  
12 investment management, subtrust or other agreements, as amended from  
13 time to time, with respect to any monies invested therein, are  
14 incorporated by reference into the System, its trust agreement(s) or  
15 custodial agreement(s), upon approval by the ~~State~~ Board.

16 F. By November 1, 1988, and prior to August 1 of each year  
17 thereafter, the ~~State~~ Board shall develop a written investment plan  
18 for the System.

19 G. After July 1 and before November 1 of each year, the ~~State~~  
20 Board shall publish widely an annual report presented in simple and  
21 easily understood language pursuant to uniform reporting standards  
22 prescribed by the Oklahoma State Pension Commission for all state  
23 retirement systems. The report shall be submitted to the Governor,  
24 the Speaker of the House of Representatives, the President Pro

1 Tempore of the Senate, the Oklahoma State Pension Commission and the  
2 members of the System. The annual report shall cover the operation  
3 of the System during the past fiscal year, including income,  
4 disbursements, and the financial condition of the System at the end  
5 of the fiscal year. The annual report shall also contain a summary  
6 of the results of the most recent actuarial valuation to include  
7 total assets, total liabilities, unfunded liability or over funded  
8 status, contributions and any other information deemed relevant by  
9 the ~~State~~ Board. The annual report shall be written in such a  
10 manner as to permit a readily understandable means for analyzing the  
11 financial condition and performances of the System for the fiscal  
12 year.

13 H. The ~~State~~ Board shall adopt a ~~cost-of-living~~ cost-of-living  
14 adjustment actuarial assumption in its annual actuarial valuation  
15 report.

16 I. 1. The Board may approve a two percent (2%) cost-of-living  
17 adjustment, pursuant to the schedule prescribed by this subsection  
18 for persons who have received benefits from the System for one or  
19 more years. The Board may only approve a cost-of-living adjustment  
20 when the System's funded ratio, according to the latest annual  
21 actuarial valuation, exceeds a percentage as prescribed in paragraph  
22 2 of this subsection. The funded ratio shall be maintained on a  
23 rolling average for not less than three (3) years. Provided, a  
24 cost-of-living adjustment shall not be granted if the adjustment

1 would cause the funding ratio of the System to drop below the  
 2 percentage which authorized the adjustment.

3 2. Except as provided in paragraph 1 of this subsection, a  
 4 cost-of-living adjustment may be approved by the Board if the funded  
 5 ratio of the System exceeds eighty percent (80%). Subsequent cost-  
 6 of-living adjustments may be approved each time thereafter that the  
 7 System's funded ratio increases by two and one-half percent (2 1/2%)  
 8 from the percentage which authorized the previous cost-of-living  
 9 adjustment.

10 SECTION 3. AMENDATORY 20 O.S. 2021, Section 1108, is  
 11 amended to read as follows:

12 Section 1108. A. The Board of Trustees of the Oklahoma Public  
 13 Employees Retirement System shall have the responsibility for  
 14 management of the Uniform Retirement System for Justices and Judges  
 15 and the ~~State~~ Oklahoma Judicial Retirement Fund. All benefits  
 16 payable under ~~The~~ the Uniform Retirement System for Justices and  
 17 Judges, refunds of contributions and overpayments, purchases or  
 18 investments under the law, and all expenses in connection with the  
 19 System shall be paid from the Oklahoma Judicial Retirement Fund.  
 20 The ~~State~~ Oklahoma Judicial Retirement Fund shall be invested and  
 21 managed in the same manner as now or hereinafter provided by law for  
 22 the investment and management of funds belonging to the Oklahoma  
 23 Public Employees Retirement System. The Uniform Retirement System  
 24 for Justices and Judges shall be an instrumentality of ~~the State of~~

1 ~~Oklahoma~~ this state. The System shall be vested with the powers and  
2 duties specified in ~~this act~~ Section 1101 et seq. of this title and  
3 such other powers as may be necessary to enable it, its officers,  
4 employees, and agents to carry out fully and effectively the  
5 purposes and intent of ~~this act~~ Section 1101 et seq. of this title.

6 1. The Board shall distribute the corpus and income of the  
7 System to the members and their beneficiaries in accordance with the  
8 System's law. At no time prior to the satisfaction of all  
9 liabilities with respect to members and their beneficiaries shall  
10 any part of the corpus and income be used for, or diverted to,  
11 purposes other than the exclusive benefit of the members and their  
12 beneficiaries.

13 2. The Board may not engage in a transaction prohibited by  
14 Section 503(b) of the ~~federal~~ Internal Revenue Code of 1986, as  
15 amended.

16 3. The Board shall be responsible for the policies and rules  
17 for the general administration of the System, subject to the  
18 provisions of ~~this act~~ Section 1101 et seq. of this title. Except  
19 as specifically provided in this act, the Uniform Retirement System  
20 for Justices and Judges shall generally be managed in the same  
21 manner as now or hereinafter provided by law or by rule for the  
22 management of the Oklahoma Public Employees Retirement System.

23 4. The Board shall establish rules for the administration of  
24 the System and for the transaction of its business consistent with  
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1 law, which rules shall be promulgated in compliance with the  
2 Administrative Procedures Act.

3 5. The Board may adopt all necessary actuarial tables to be  
4 used in the operation of the System as recommended by the actuary  
5 and may compile such additional data as may be necessary for  
6 required actuarial valuation calculations.

7 6. All decisions of the Board as to questions of fact shall be  
8 final and conclusive on all persons except for the right of review  
9 as provided by law and except for fraud or such gross mistake of  
10 fact as to have effect equivalent to fraud.

11 7. Any person who shall knowingly make any false statement, or  
12 who shall falsify or permit to be falsified any record necessary for  
13 carrying out the intent of ~~this act~~ Section 1101 et seq. of this  
14 title for the purpose of committing fraud, shall be guilty of a  
15 misdemeanor, and upon conviction shall be punished by a fine not  
16 exceeding Five Hundred Dollars (\$500.00) or by imprisonment ~~for~~ not  
17 exceeding one (1) year. Should any error in any records of the  
18 Uniform Retirement System for Justices and Judges result in any  
19 member or beneficiary receiving more or less than he or she would  
20 have been entitled to receive had the records been correct, the  
21 Board shall correct such error, and, as far as practicable, make  
22 future payments in such manner that the actuarial equivalent of the  
23 benefit to which such member or beneficiary was entitled shall be  
24 paid, and to this end, may recover any overpayments.

1 B. The Board of Trustees of the Oklahoma Public Employees  
2 Retirement System shall compile a quarterly financial report of all  
3 the funds of the ~~State~~ Oklahoma Judicial Retirement Fund on a fiscal  
4 year basis. The report shall be compiled pursuant to uniform  
5 reporting standards prescribed by the Oklahoma State Pension  
6 Commission for all state retirement systems. The report shall  
7 include several relevant measures of investment value, including  
8 acquisition cost and current fair market value with appropriate  
9 summaries of total holdings and returns. The report shall contain  
10 combined and individual rate of returns of the investment managers  
11 by category of investment, over periods of time. The Board of  
12 Trustees shall include in the quarterly reports all commissions,  
13 fees or payments for investment services performed on behalf of the  
14 Board of Trustees with respect to the ~~State~~ Oklahoma Judicial  
15 Retirement Fund. The report shall be distributed to the Governor,  
16 the Oklahoma State Pension Commission, the Legislative Service  
17 Bureau, the Speaker of the House of Representatives and the  
18 President Pro Tempore of the Senate. In lieu of compiling and  
19 distributing the quarterly report, the Board may provide the Pension  
20 Commission with direct access to the same data from the custodian  
21 bank for the System.

22 C. There is hereby created the Retirement Medical Benefit Fund.  
23 ~~The fund shall~~ to be maintained as a subaccount of the ~~State~~  
24 Oklahoma Judicial Retirement Fund. The Retirement Medical Benefit



1 Fund is composed of all assets which may be contributed to this  
2 subaccount to pay the retirement system's portion of the monthly  
3 retiree health insurance premium benefit described by Section 1316.2  
4 of Title 74 of the Oklahoma Statutes. All such allocated assets and  
5 any earnings thereon in the Retirement Medical Benefit Fund shall be  
6 held for the exclusive purpose of providing retiree medical  
7 benefits. The Retirement Medical Benefit Fund is to be administered  
8 in accordance with the requirements of Section 401(h) of the  
9 Internal Revenue Code of 1986, as amended, from time to time. The  
10 Board of Trustees may promulgate such rules as are necessary to  
11 implement the funding and administration of the fund pursuant to the  
12 provisions of this subsection.

13 D. After July 1 and before December 1 of each year, the Board  
14 of Trustees of the Oklahoma Public Employees Retirement System shall  
15 publish widely an annual report presented in simple and easily  
16 understood language pursuant to uniform reporting standards  
17 prescribed by the Oklahoma State Pension Commission for all state  
18 retirement systems. The report shall be submitted to the Governor,  
19 the Speaker of the House of Representatives, the President Pro  
20 Tempore of the Senate, the Oklahoma State Pension Commission and the  
21 members of the System. The annual report shall cover the operation  
22 of the System during the past fiscal year, including income,  
23 disbursements, and the financial condition of the System at the end  
24 of the fiscal year. The annual report shall also contain the

1 information issued in the quarterly reports required pursuant to  
2 subsection B of this section as well as a summary of the results of  
3 the most recent actuarial valuation to include total assets, total  
4 liabilities, unfunded liability or overfunded status, contributions  
5 and any other information deemed relevant by the Board of Trustees.  
6 The annual report shall be written in such a manner as to permit a  
7 readily understandable means for analyzing the financial condition  
8 and performance of the System for the fiscal year.

9 E. The Board shall adopt a ~~cost-of-living~~ cost-of-living  
10 adjustment actuarial assumption in its annual actuarial valuation  
11 report.

12 F. 1. The Board may approve a two percent (2%) cost-of-living  
13 adjustment, pursuant to the schedule prescribed by this subsection  
14 for persons who have received benefits from the System for one or  
15 more years. The Board may only approve a cost-of-living adjustment  
16 when the System's funded ratio, according to the latest annual  
17 actuarial valuation, exceeds a percentage as prescribed in paragraph  
18 2 of this subsection. The funded ratio shall be maintained on a  
19 rolling average for not less than three (3) years. Provided, a  
20 cost-of-living adjustment shall not be granted if the adjustment  
21 would cause the funding ratio of the System to drop below the  
22 percentage which authorized the adjustment.

23 2. Except as provided in paragraph 1 of this subsection, a  
24 cost-of-living adjustment may be approved by the Board if the funded

1 ratio of the System exceeds eighty percent (80%). Subsequent cost-  
2 of-living adjustments may be approved each time thereafter that the  
3 System's funded ratio increases by two and one-half percent (2 1/2%)  
4 from the percentage which authorized the previous cost-of-living  
5 adjustment.

6 SECTION 4. AMENDATORY 47 O.S. 2021, Section 2-303.1, is  
7 amended to read as follows:

8 Section 2-303.1. A. The Oklahoma Law Enforcement Retirement  
9 Board shall discharge its duties with respect to the Oklahoma Law  
10 Enforcement Retirement System solely in the interest of the  
11 participants and beneficiaries and:

12 1. For the exclusive purpose of:

- 13 a. providing benefits to participants and their
- 14 beneficiaries, and
- 15 b. defraying reasonable expenses of administering the
- 16 System;

17 2. With the care, skill, prudence, and diligence under the  
18 circumstances then prevailing that a prudent person acting in a like  
19 capacity and familiar with such matters would use in the conduct of  
20 an enterprise of a like character and with like aims;

21 3. By diversifying the investments of the System so as to  
22 minimize the risk of large losses, unless under the circumstances it  
23 is clearly prudent not to do so; and

1           4. In accordance with the laws, documents and instruments  
2 governing the System.

3           B. The Board may procure insurance indemnifying the members of  
4 the Board from personal loss or accountability from liability  
5 resulting from a member's action or inaction as a member of the  
6 Board.

7           C. The Board may establish an investment committee. The  
8 investment committee shall be composed of not more than five (5)  
9 members of the Board appointed by the president of the Board. The  
10 committee shall make recommendations to the full Board on all  
11 matters related to the choice of custodians and managers of the  
12 assets of the System, on the establishment of investment and fund  
13 management guidelines, and in planning future investment policy.  
14 The committee shall have no authority to act on behalf of the Board  
15 in any circumstances whatsoever. No recommendation of the committee  
16 shall have effect as an action of the Board nor take effect without  
17 the approval of the Board as provided by law.

18           D. The Board shall retain qualified investment managers to  
19 provide for the investment of the monies of the System. The  
20 investment managers shall be chosen by a solicitation of proposals  
21 on a competitive bid basis pursuant to standards set by the Board.  
22 Subject to the overall investment guidelines set by the Board, the  
23 investment managers shall have full discretion in the management of  
24 those monies of the System allocated to the investment managers.

1 The Board shall manage those monies not specifically allocated to  
2 the investment managers. The monies of the System allocated to the  
3 investment managers shall be actively managed by the investment  
4 managers, which may include selling investments and realizing losses  
5 if such action is considered advantageous to longer term return  
6 maximization. Because of the total return objective, no distinction  
7 shall be made for management and performance evaluation purposes  
8 between realized and unrealized capital gains and losses.

9 E. All assets of the System shall be held in trust for the  
10 exclusive purpose of providing benefits for the members and  
11 beneficiaries of the System, including defraying reasonable expenses  
12 of administering the System, and shall not be encumbered for or  
13 diverted to any other purposes. Funds and revenues for investment  
14 by the investment managers or the Board shall be placed with a  
15 custodian selected by the Board. The custodian shall be a bank or  
16 trust company offering pension fund master trustee and master  
17 custodial services, and any related custodial agreement or trust  
18 agreement is incorporated herein by reference. The custodian shall  
19 be chosen by a solicitation of proposals on a competitive bid basis  
20 pursuant to standards set by the Board. In compliance with the  
21 investment policy guidelines of the Board, the custodian bank or  
22 trust company shall be contractually responsible for ensuring that  
23 all monies of the System are invested in income-producing investment  
24 vehicles at all times. If a custodian bank or trust company has not

1 received direction from the investment managers of the System as to  
2 the investment of the monies of the System in specific investment  
3 vehicles, the custodian bank or trust company shall be contractually  
4 responsible to the Board for investing the monies in appropriately  
5 collateralized short-term interest-bearing investment vehicles. Any  
6 assets of the System may be invested in a collective investment fund  
7 or in a group trust provided the investment in such collective  
8 investment fund or group trust is in compliance with the provisions  
9 of ~~Rev. Rul.~~ Revenue Ruling 81-100, as further amended by ~~Rev. Rul.~~  
10 Revenue Ruling 2004-67, ~~Rev. Rul.~~ Revenue Ruling 2008-40, and ~~Rev.~~  
11 ~~Rul.~~ Revenue Ruling 2011-1, or any successor ruling, regulation, or  
12 similar pronouncement. Each such collective investment fund or  
13 group trust is adopted with respect to any monies invested therein,  
14 as part of the System, its trust and custodial agreement, and the  
15 provisions of such trust agreement or such declaration of trust and  
16 related adoption, participation, investment management, subtrust or  
17 other agreements, as amended from time to time, with respect to any  
18 monies invested therein, are incorporated by reference into the  
19 System, its trust agreement(s) or custodial agreement(s), upon  
20 approval by the Board.

21 F. Prior to August 1 of each year, the Board shall develop a  
22 written investment plan for the System.

23 G. The Board shall compile a quarterly financial report of all  
24 the funds of the System on a fiscal year basis. The report shall be  
25

1 compiled pursuant to uniform reporting standards prescribed by the  
2 Oklahoma State Pension Commission for all state retirement systems.  
3 The report shall include several relevant measures of investment  
4 value, including acquisition cost and current fair market value with  
5 appropriate summaries of total holdings and returns. The report  
6 shall contain combined and individual rate of returns of the  
7 investment managers by category of investment, over periods of time.  
8 The Board shall include in the quarterly reports all commissions,  
9 fees or payments for investment services performed on behalf of the  
10 Board. The report shall be distributed to the Governor, the  
11 Oklahoma State Pension Commission, the Legislative Service Bureau,  
12 the Speaker of the House of Representatives and the President Pro  
13 Tempore of the Senate.

14 H. After July 1 and before October 31 of each year, the Board  
15 shall publish widely an annual report presented in simple and easily  
16 understood language pursuant to uniform reporting standards  
17 prescribed by the Oklahoma State Pension Commission for all state  
18 retirement systems. The report shall be submitted to the Governor,  
19 the Speaker of the House of Representatives, the President Pro  
20 Tempore of the Senate, the Oklahoma State Pension Commission and the  
21 members of the System. The annual report shall cover the operation  
22 of the System during the past fiscal year, including income,  
23 disbursements, and the financial condition of the System at the end  
24 of the fiscal year. The annual report shall also contain the

1 information issued in the quarterly reports required pursuant to  
2 subsection G of this section as well as a summary of the results of  
3 the most recent actuarial valuation to include total assets, total  
4 liabilities, unfunded liability or over funded status, contributions  
5 and any other information deemed relevant by the Board. The annual  
6 report shall be written in such a manner as to permit a readily  
7 understandable means for analyzing the financial condition and  
8 performance of the System for the fiscal year. The annual financial  
9 statements must be audited and filed in accordance with the  
10 requirements set forth for financial statement audits in Section  
11 212A of Title 74 of the Oklahoma Statutes.

12 I. The Board may retain an attorney licensed to practice law in  
13 this state. The attorney shall serve at the pleasure of the Board  
14 for such compensation as set by the Board. The Attorney General  
15 shall furnish such legal services as may be requested by the Board.

16 J. All information, documents and copies thereof contained in a  
17 member's retirement file shall be given confidential treatment and  
18 shall not be made public by the System without the prior written  
19 consent of the member to which it pertains, but shall be subject  
20 only to court order. Provided, the System, its employees or  
21 attorneys, may use such records in defense of any action brought  
22 against the System.

23 K. Effective July 1, 1999, the Board is hereby authorized to do  
24 all acts and things necessary and proper to carry out the purpose of



1 the System and to make the least costly amendments and changes, if  
2 any, as may be necessary to qualify the System under the applicable  
3 sections of the Internal Revenue Code of 1986, as amended.

4 L. The Executive Director and such employees of the System as  
5 the Executive Director may designate are hereby authorized to  
6 prepare certified copies of records of the System and every such  
7 certified copy shall be admissible in any proceeding in any court in  
8 like manner as the original thereof.

9 M. On or after July 1, 2011, the Board may permit, effective  
10 for applicable notices, elections and consents provided or made for  
11 a member, beneficiary, alternate payee or individual entitled to  
12 benefits under the System, the use of electronic media to provide  
13 applicable notices and make such elections and consents as described  
14 in Section 1.401(a)-21 of the Income Tax Regulations.

15 N. The Board shall develop such procedures and may require such  
16 information from the distributing plan as it deems necessary to  
17 reasonably conclude that a potential rollover contribution is a  
18 valid rollover contribution under Section 1.401(a)(31)-1, Q&A-  
19 14(b)(2), of the Income Tax Regulations.

20 O. 1. The Board may approve a two percent (2%) cost-of-living  
21 adjustment, pursuant to the schedule prescribed by this subsection  
22 for persons who have received benefits from the System for one or  
23 more years. The Board may only approve a cost-of-living adjustment  
24 when the System's funded ratio, according to the latest annual

1 actuarial valuation, exceeds a percentage as prescribed in paragraph  
2 2 of this subsection. The funded ratio shall be maintained on a  
3 rolling average for not less than three (3) years. Provided, a  
4 cost-of-living adjustment shall not be granted if the adjustment  
5 would cause the funding ratio of the System to drop below the  
6 percentage which authorized the adjustment.

7 2. Except as provided in paragraph 1 of this subsection, a  
8 cost-of-living adjustment may be approved by the Board if the funded  
9 ratio of the System exceeds eighty percent (80%). Subsequent cost-  
10 of-living adjustments may be approved each time thereafter that the  
11 System's funded ratio increases by two and one-half percent (2 1/2%)  
12 from the percentage which authorized the previous cost-of-living  
13 adjustment.

14 SECTION 5. AMENDATORY 70 O.S. 2021, Section 17-106.1, is  
15 amended to read as follows:

16 Section 17-106.1. A. The Board of Trustees of the Teachers'  
17 Retirement System of Oklahoma shall discharge their duties with  
18 respect to the System solely in the interest of the participants and  
19 beneficiaries and:

20 1. For the exclusive purpose of:

21 a. providing benefits to participants and their  
22 beneficiaries, and

23 b. defraying reasonable expenses of administering the  
24 System;

1           2. With the care, skill, prudence, and diligence under the  
2 circumstances then prevailing that a prudent person acting in a like  
3 capacity and familiar with such matters would use in the conduct of  
4 an enterprise of a like character and with like aims;

5           3. By diversifying the investments of the System so as to  
6 minimize the risk of large losses, unless under the circumstances it  
7 is clearly prudent not to do so; and

8           4. In accordance with the laws, documents and instruments  
9 governing the System.

10           B. The Board of Trustees of the Teachers' Retirement System of  
11 Oklahoma may invest the assets of the System in real property owned  
12 or to be acquired by the ~~State of Oklahoma~~ state. It is further  
13 authorized to acquire, exchange, and grant any real property under  
14 its jurisdiction as is necessary to carry out the investment in the  
15 real property. The Board of Trustees of the Teachers' Retirement  
16 System of Oklahoma is authorized to invest not more than ten percent  
17 (10%) of the total value of assets of the System in connection with  
18 such investments. Limitations on investment of the assets of the  
19 System provided herein shall be determined as of the date of its  
20 making or acquisition.

21           C. The Board of Trustees may procure insurance indemnifying the  
22 members of the Board of Trustees from personal loss or  
23 accountability from liability resulting from a member's action or  
24 inaction as a member of the Board.

1 D. The Board of Trustees may establish an investment committee.  
2 The investment committee shall be composed of not more than five (5)  
3 members of the Board of Trustees appointed by the chairman of the  
4 Board of Trustees. The committee shall make recommendations to the  
5 full Board of Trustees on all matters related to the choice of  
6 custodians and managers of the assets of the System, on the  
7 establishment of investment and fund management guidelines, and in  
8 planning future investment policy. The committee shall have no  
9 authority to act on behalf of the Board of Trustees in any  
10 circumstances whatsoever. No recommendation of the committee shall  
11 have effect as an action of the Board of Trustees nor take effect  
12 without the approval of the Board of Trustees as provided by law.

13 E. The Board of Trustees may retain qualified investment  
14 managers to provide for the investment of the monies of the System.  
15 The investment managers shall be chosen by a solicitation of  
16 proposals on a competitive bid basis pursuant to standards set by  
17 the Board of Trustees. Subject to the overall investment guidelines  
18 set by the Board of Trustees, the investment managers shall have  
19 full discretion in the management of those monies of the System  
20 allocated to the investment managers. The Board of Trustees shall  
21 manage those monies not specifically allocated to the investment  
22 managers. The monies of the System allocated to the investment  
23 managers shall be actively managed by the investment managers, which  
24 may include selling investments and realizing losses if such action

1 is considered advantageous to longer term return maximization.

2 Because of the total return objective, no distinction shall be made  
3 for management and performance evaluation purposes between realized  
4 and unrealized capital gains and losses.

5 F. Funds and revenues for investment by the investment managers  
6 or the Board of Trustees shall be placed with a custodian selected  
7 by the Board of Trustees. The custodian shall be a bank or trust  
8 company offering pension fund master trustee and master custodial  
9 services. The custodian shall be chosen by a solicitation of  
10 proposals on a competitive bid basis pursuant to standards set by  
11 the Board of Trustees. In compliance with the investment policy  
12 guidelines of the Board of Trustees, the custodian bank or trust  
13 company shall be contractually responsible for ensuring that all  
14 monies of the System are invested in income-producing investment  
15 vehicles at all times. If a custodian bank or trust company has not  
16 received direction from the investment managers of the System as to  
17 the investment of the monies of the System in specific investment  
18 vehicles, the custodian bank or trust company shall be contractually  
19 responsible to the Board of Trustees for investing the monies in  
20 appropriately collateralized short-term interest-bearing investment  
21 vehicles.

22 G. By November 1, 1988, and prior to August 1 of each year  
23 thereafter, the Board of Trustees shall develop a written investment  
24 plan for the System.

1 H. The Board of Trustees shall compile a quarterly financial  
2 report of all the funds of the System on a fiscal year basis. The  
3 report shall be compiled pursuant to uniform reporting standards  
4 prescribed by the Oklahoma State Pension Commission for all state  
5 retirement systems. The report shall include several relevant  
6 measures of investment value, including acquisition cost and current  
7 fair market value with appropriate summaries of total holdings and  
8 returns. The report shall contain combined and individual rate of  
9 returns of the investment managers by category of investment, over  
10 periods of time. The Board of Trustees shall include in the  
11 quarterly reports all commissions, fees or payments for investment  
12 services performed on behalf of the Board. The report shall be  
13 distributed to the Governor, the Oklahoma State Pension Commission,  
14 the Legislative Service Bureau, the Speaker of the House of  
15 Representatives and the President Pro Tempore of the Senate. In  
16 lieu of compiling and distributing the quarterly report, the Board  
17 may provide the Oklahoma State Pension Commission with direct access  
18 to the same data from the custodian bank for the System.

19 I. After July 1 and before December 1 of each year, the Board  
20 of Trustees shall publish widely an annual report presented in  
21 simple and easily understood language pursuant to uniform reporting  
22 standards prescribed by the Oklahoma State Pension Commission for  
23 all state retirement systems. The report shall be submitted to the  
24 Governor, the Speaker of the House of Representatives, the President

1 Pro Tempore of the Senate, the Oklahoma State Pension Commission and  
2 the members of the System. The annual report shall cover the  
3 operation of the System during the past fiscal year, including  
4 income, disbursements, and the financial condition of the System at  
5 the end of the fiscal year. The annual report shall also contain  
6 the information issued in the quarterly reports required pursuant to  
7 subsection H of this section as well as a summary of the results of  
8 the most recent actuarial valuation to include total assets, total  
9 liabilities, unfunded liability or over funded status, contributions  
10 and any other information deemed relevant by the Board of Trustees.  
11 The annual report shall be written in such a manner as to permit a  
12 readily understandable means for analyzing the financial condition  
13 and performance of the System for the fiscal year.

14 J. 1. The Board of Trustees may approve a two percent (2%)  
15 cost-of-living adjustment, pursuant to the schedule prescribed by  
16 this subsection for persons who have received benefits from the  
17 System for one or more years. The Board of Trustees may only  
18 approve a cost-of-living adjustment when the System's funded ratio,  
19 according to the latest annual actuarial valuation, exceeds a  
20 percentage as prescribed in paragraph 2 of this subsection. The  
21 funded ratio shall be maintained on a rolling average for not less  
22 than three (3) years. Provided, a cost-of-living adjustment shall  
23 not be granted if the adjustment would cause the funding ratio of

1 the System to drop below the percentage which authorized the  
2 adjustment.

3 2. Except as provided in paragraph 1 of this subsection, a  
4 cost-of-living adjustment may be approved by the Board of Trustees  
5 if the funded ratio of the System exceeds eighty percent (80%).  
6 Subsequent cost-of-living adjustments may be approved each time  
7 thereafter that the System's funded ratio increases by two and one-  
8 half percent (2 1/2%) from the percentage which authorized the  
9 previous cost-of-living adjustment.

10 SECTION 6. AMENDATORY 74 O.S. 2021, Section 905, is  
11 amended to read as follows:

12 Section 905. ~~(1)~~ A. There shall be a Board of Trustees of the  
13 Oklahoma Public Employees Retirement System which shall consist of  
14 fourteen (14) members as follows and all appointees shall serve  
15 their terms at the pleasure of the appointing authority and may be  
16 removed or replaced without cause: a member of the Corporation  
17 Commission or the Commission's designee selected by the Corporation  
18 Commission, the Director of the Office of Management and Enterprise  
19 Services or the Director's designee, the ~~State~~ Insurance  
20 Commissioner or the Commissioner's designee, the Director of Human  
21 Capital Management of the Office of Management and Enterprise  
22 Services, a member of the Oklahoma Tax Commission selected by the  
23 Tax Commission, the State Treasurer or the Treasurer's designee,  
24 three members appointed by the Governor, one member appointed by the



1 Supreme Court, two members appointed by the Speaker of the House of  
2 Representatives and two members appointed by the President Pro  
3 Tempore of the State Senate. One member appointed by the Governor  
4 shall be an active member of the System. One member appointed by  
5 the Speaker shall be an active member of the System. One member  
6 appointed by the President Pro Tempore shall be a retired member of  
7 the System.

8 ~~(2)~~ B. The member of the Board of Trustees on July 1, 1988, who  
9 was appointed by the Supreme Court shall complete the term of office  
10 for which the member was appointed. The members thereafter  
11 appointed by the Supreme Court shall serve terms of office of four  
12 (4) years.

13 ~~(3)~~ C. Members of the Board of Trustees on July 1, 1988, who  
14 were appointed by the Speaker of the House of Representatives or by  
15 the President Pro Tempore of the Senate shall complete their term of  
16 office for which they were appointed. The initial term of office of  
17 members appointed thereafter shall expire on January 8, 1991. The  
18 members thereafter appointed by the Speaker of the House of  
19 Representatives and by the President Pro Tempore of the Senate shall  
20 serve terms of office of four (4) years.

21 ~~(4)~~ D. The initial term of office of the members appointed by  
22 the Governor shall expire on January 14, 1991. The members  
23 thereafter appointed by the Governor shall serve a term of office of  
24

1 four (4) years which is coterminous with the term of office of the  
2 office of the appointing authority.

3 ~~(5)~~ E. One of the members appointed to the Board by the  
4 Speaker of the House of Representatives and by the President Pro  
5 Tempore of the Senate and two members appointed to the Board by the  
6 Governor shall:

7 ~~(a)~~ have 1. Have demonstrated professional experience in  
8 investment or funds management, public funds management, public or  
9 private pension fund management or retirement system management~~7i~~

10 ~~(b)~~ have 2. Have demonstrated experience in the banking  
11 profession and have demonstrated professional experience in  
12 investment or funds management~~7i~~

13 ~~(c)~~ be 3. Be licensed to practice law in this state and have  
14 demonstrated professional experience in commercial matters~~7i~~ or

15 ~~(d)~~ be 4. Be licensed by the Oklahoma Accountancy Board to  
16 practice in this state as a public accountant or a certified public  
17 accountant.

18 The appointing authorities, in making appointments that conform  
19 to the requirements of this subsection, shall give due consideration  
20 to balancing the appointments among the criteria specified in  
21 paragraphs ~~(a)~~ 1 through ~~(d)~~ 4 of this subsection.

22 ~~(6)~~ F. No member of the Board of Trustees shall be a lobbyist  
23 registered in this state as provided by law.

1       ~~(7)~~ G. Any vacancy that occurs on the Board of Trustees shall  
2 be filled for the unexpired term in the same manner as the office  
3 was previously filled.

4       ~~(8)~~ H. Notwithstanding any of the provisions of this section to  
5 the contrary, any person serving as an appointed member of the Board  
6 on July 1, 1988, shall be eligible for reappointment when the term  
7 of office of the member expires.

8       ~~(9)~~ I. The Board shall elect one of its members as ~~Chairman~~  
9 chair of the Board at its annual meeting. He or she shall preside  
10 over meetings of the Board and perform such other duties as may be  
11 required by the Board.

12       ~~(10)~~ J. The Board shall also elect another member to serve as  
13 ~~Vice Chairman~~ vice chair, and the ~~Vice Chairman~~ vice chair shall  
14 perform duties of ~~Chairman~~ chair in the absence of the latter or  
15 upon his or her inability or refusal to act.

16       K. 1. The Board may approve a two percent (2%) cost-of-living  
17 adjustment, pursuant to the schedule prescribed by this subsection  
18 for persons who have received benefits from the System for one or  
19 more years. The Board may only approve a cost-of-living adjustment  
20 when the System's funded ratio, according to the latest annual  
21 actuarial valuation, exceeds a percentage as prescribed in paragraph  
22 2 of this subsection. The funded ratio shall be maintained on a  
23 rolling average for not less than three (3) years. Provided, a  
24 cost-of-living adjustment shall not be granted if the adjustment

1 would cause the funding ratio of the System to drop below the  
2 percentage which authorized the adjustment.

3 2. Except as provided in paragraph 1 of this subsection, a  
4 cost-of-living adjustment may be approved by the Board if the funded  
5 ratio of the System exceeds eighty percent (80%). Subsequent cost-  
6 of-living adjustments may be approved each time thereafter that the  
7 System's funded ratio increases by two and one-half percent (2 1/2%)  
8 from the percentage which authorized the previous cost-of-living  
9 adjustment.

10 SECTION 7. AMENDATORY 62 O.S. 2021, Section 3103, as  
11 last amended by Section 127, Chapter 452, O.S.L. 2024 (62 O.S. Supp.  
12 2024, Section 3103), is amended to read as follows:

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

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

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

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

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

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

11           a. which does not affect the cost or funding factors of a  
12 retirement system,

13           b. which affects such factors only in a manner which does  
14 not:

15               (1) grant a benefit increase under the retirement  
16 system affected by the bill,

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

20               (3) increase the normal cost of the retirement system  
21 affected by the bill,

22           c. which authorizes the purchase by an active member of  
23 the retirement system, at the actuarial cost for the  
24 purchase as computed pursuant to the statute in effect  
25

1 on the effective date of the measure allowing such  
2 purchase, of years of service for purposes of reaching  
3 a normal retirement date in the applicable retirement  
4 system, but which cannot be used in order to compute  
5 the number of years of service for purposes of  
6 computing the retirement benefit for the member,

7 d. which provides for the computation of a service-  
8 connected disability retirement benefit for members of  
9 the Oklahoma Law Enforcement Retirement System  
10 pursuant to Section 2-305 of Title 47 of the Oklahoma  
11 Statutes if the members were unable to complete twenty  
12 (20) years of service as a result of the disability,

13 e. which requires membership in the defined benefit plan  
14 authorized by Section 901 et seq. of Title 74 of the  
15 Oklahoma Statutes for persons whose first elected or  
16 appointed service occurs on or after November 1, 2018,  
17 if such persons had any prior service in the Oklahoma  
18 Public Employees Retirement System prior to November  
19 1, 2015,

20 f. which provides for a one-time increase in retirement  
21 benefits if the increase in retirement benefits is not  
22 a permanent increase in the gross annual retirement  
23 benefit payable to a member or beneficiary, occurs  
24

1 only once pursuant to a single statutory authorization  
2 and does not exceed:

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

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

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

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

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

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

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

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

11 i. which provides for the reinstatement of retirement  
12 benefits for members of the Oklahoma Law Enforcement  
13 Retirement System pursuant to Section 2-305 of Title  
14 47 of the Oklahoma Statutes for those who were hired  
15 on or after November 1, 2012, or May 24, 2013,

16 j. which authorizes the purchase of military service  
17 credit as provided in Section 50-128 of Title 11,  
18 Section 1102.2 of Title 20, Section 2-307.4 of Title  
19 47, and Section 913.8 of Title 74 of the Oklahoma  
20 Statutes,

21 k. which restores benefits pursuant to Sections 49-100.1,  
22 49-101, 49-101.2, 49-106.1, 49-108, 49-117.1, and 49-  
23 135 of Title 11 of the Oklahoma Statutes,

- 1           1.    which modifies the computation of the line-of-duty  
2                    disability benefit pursuant to the provisions of ~~this~~  
3                    ~~act~~ Sections 50-101 and 50-115 of Title 11 of the  
4                    Oklahoma Statutes, or  
5            m.    which provides a mechanism for boards of Oklahoma  
6                    retirement systems to approve cost-of-living  
7                    adjustments under certain circumstances.

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

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

19           7.    "Retirement bill" means any bill or joint resolution  
20   introduced or any bill or joint resolution amended by a member of  
21   the ~~Oklahoma~~ Legislature which creates or amends any law directly  
22   affecting a retirement system.  A retirement bill shall not mean a  
23   bill or resolution that impacts the revenue of any state tax in  
24

1 which a portion of the revenue generated from such tax is earmarked  
2 for the benefit of a retirement system;

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

6 9. "Retirement system" means the Teachers' Retirement System of  
7 Oklahoma, the Oklahoma Public Employees Retirement System, the  
8 Uniform Retirement System for Justices and Judges, the Oklahoma  
9 Firefighters Pension and Retirement System, the Oklahoma Police  
10 Pension and Retirement System, the Oklahoma Law Enforcement  
11 Retirement System, or a retirement system established after January  
12 1, 2006.

13 SECTION 8. Sections 1 through 6 of this act shall become  
14 effective November 1, 2025.

15 SECTION 9. Section 7 of this act shall become effective in  
16 accordance with the provisions of Section 58 of Article V of the  
17 Oklahoma Constitution.

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19 60-1-924 RD 12/30/2024 12:37:19 PM  
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