

ENGROSSED HOUSE
BILL NO. 2583

By: Pettigrew

An Act relating to public retirement systems;
prescribing procedures for notification to members
and beneficiaries of the Oklahoma Firefighters
Pension and Retirement System, the Oklahoma Police
Pension and Retirement System, the Uniform
Retirement System for Justices and Judges, the
Oklahoma Law Enforcement Retirement System, the
Teachers' Retirement System of Oklahoma and the
Oklahoma Public Employees Retirement System;
requiring determination of certain liability;
requiring preparation of notification to members
and beneficiaries of members; specifying content of
notice; requiring explanation of information;
providing for codification; providing an effective
date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 49-122.7 of Title 11, unless
there is created a duplication in numbering, reads as follows:

A. Within one hundred twenty (120) days of the end of the
applicable plan year for the System, the State Board shall determine
the unfunded actuarial accrued liability of the System as of the

date of the most recently available actuarial report prepared for the System.

B. Not later than one hundred eighty (180) days after the end of the applicable plan year for the System, the State Board shall prepare a notification to each active member, retired member, or beneficiary of a former member of the System which clearly sets out the following information:

1. The total assets of the System;
2. The total liabilities of the System;
3. The total unfunded actuarial accrued liability of the System expressed in dollars; and
4. The funded ratio of the System expressed as a percentage derived by dividing the actuarial value of the assets of the System by the actuarial accrued liability of the System.

C. The System shall prepare a thorough explanation of the information contained in the notification required by subsection B of this section in a manner which would enable a person of average understanding to determine the nature of the information presented and the implications for the likelihood of future distribution of accumulated contributions or the future payment of benefits.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 50-134.2 of Title 11, unless there is created a duplication in numbering, reads as follows:

A. Within one hundred twenty (120) days of the end of the applicable plan year for the System, the State Board shall determine the unfunded actuarial accrued liability of the System as of the date of the most recently available actuarial report prepared for the System.

B. Not later than one hundred eighty (180) days after the end of the applicable plan year for the System, the State Board shall prepare a notification to each active member, retired member, or

beneficiary of a former member of the System which clearly sets out the following information:

1. The total assets of the System;
2. The total liabilities of the System;
3. The total unfunded actuarial accrued liability of the System expressed in dollars; and
4. The funded ratio of the System expressed as a percentage derived by dividing the actuarial value of the assets of the System by the actuarial accrued liability of the System.

C. The System shall prepare a thorough explanation of the information contained in the notification required by subsection B of this section in a manner which would enable a person of average understanding to determine the nature of the information presented and the implications for the likelihood of future distribution of accumulated contributions or the future payment of benefits.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1110.1 of Title 20, unless there is created a duplication in numbering, reads as follows:

A. Within one hundred twenty (120) days of the end of the applicable plan year for the System, the Board of Trustees of the Oklahoma Public Employees Retirement System shall determine the unfunded actuarial accrued liability of the Uniform Retirement System for Justices and Judges as of the date of the most recently available actuarial report prepared for the System.

B. Not later than one hundred eighty (180) days after the end of the applicable plan year for the System, the Board of Trustees shall prepare a notification to each active member, retired member, or beneficiary of a former member of the System which clearly sets out the following information:

1. The total assets of the System;
2. The total liabilities of the System;

3. The total unfunded actuarial accrued liability of the System expressed in dollars; and

4. The funded ratio of the System expressed as a percentage derived by dividing the actuarial value of the assets of the System by the actuarial accrued liability of the System.

C. The System shall prepare a thorough explanation of the information contained in the notification required by subsection B of this section in a manner which would enable a person of average understanding to determine the nature of the information presented and the implications for the likelihood of future distribution of accumulated contributions or the future payment of benefits.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-301.2 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Within one hundred twenty (120) days of the end of the applicable plan year for the System, the Board shall determine the unfunded actuarial accrued liability of the System as of the date of the most recently available actuarial report prepared for the System.

B. Not later than one hundred eighty (180) days after the end of the applicable plan year for the System, the Board shall prepare a notification to each active member, retired member, or beneficiary of a former member of the System which clearly sets out the following information:

1. The total assets of the System;

2. The total liabilities of the System;

3. The total unfunded actuarial accrued liability of the System expressed in dollars; and

4. The funded ratio of the System expressed as a percentage derived by dividing the actuarial value of the assets of the System by the actuarial accrued liability of the System.

C. The System shall prepare a thorough explanation of the information contained in the notification required by subsection B of this section in a manner which would enable a person of average understanding to determine the nature of the information presented and the implications for the likelihood of future distribution of accumulated contributions or the future payment of benefits.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 17-102.4 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Within one hundred twenty (120) days of the end of the applicable plan year for the retirement system, the Board of Trustees shall determine the unfunded actuarial accrued liability of the retirement system as of the date of the most recently available actuarial report prepared for the system.

B. Not later than one hundred eighty (180) days after the end of the applicable plan year for the retirement system, the Board of Trustees shall prepare a notification to each active member, retired member, or beneficiary of a former member of the retirement system which clearly sets out the following information:

1. The total assets of the retirement system;
2. The total liabilities of the retirement system;
3. The total unfunded actuarial accrued liability of the retirement system expressed in dollars; and
4. The funded ratio of the retirement system expressed as a percentage derived by dividing the actuarial value of the assets of the system by the actuarial accrued liability of the system.

C. The retirement system shall prepare a thorough explanation of the information contained in the notification required by subsection B of this section in a manner which would enable a person of average understanding to determine the nature of the information presented and the implications for the likelihood of future

distribution of accumulated contributions or the future payment of benefits.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 912.2 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Within one hundred twenty (120) days of the end of the applicable plan year for the System, the Board of Trustees shall determine the unfunded actuarial accrued liability of the System as of the date of the most recently available actuarial report prepared for the System.

B. Not later than one hundred eighty (180) days after the end of the applicable plan year for the System, the Board of Trustees shall prepare a notification to each active member, retired member, or beneficiary of a former member of the System which clearly sets out the following information:

1. The total assets of the System;
2. The total liabilities of the System;
3. The total unfunded actuarial accrued liability of the System expressed in dollars; and
4. The funded ratio of the System expressed as a percentage derived by dividing the actuarial value of the assets of the System by the actuarial accrued liability of the System.

C. The System shall prepare a thorough explanation of the information contained in the notification required by subsection B of this section in a manner which would enable a person of average understanding to determine the nature of the information presented and the implications for the likelihood of future distribution of accumulated contributions or the future payment of benefits.

SECTION 7. This act shall become effective July 1, 1996.

SECTION 8. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby

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

Passed the House of Representatives the 12th day of March, 1996.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1996.

President of the Senate