

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1670

By: Pettigrew

AS INTRODUCED

An Act relating to public finance; prohibiting cost-of-living adjustments for retirees of public retirement systems using certain income or assets; requiring certain appropriations for cost-of-living adjustments; prohibiting appropriations without certain funding requirement; defining term; 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 1003 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. No cost-of-living adjustments shall be provided to retirees of the:

1. Oklahoma Firefighters Pension and Retirement System;
2. Oklahoma Police Pension and Retirement System;
3. Oklahoma Law Enforcement Retirement System;
4. Oklahoma Public Employees Retirement System; or
5. Uniform Retirement System for Justices and Judges,

unless pursuant to a special appropriation made from the General Revenue Fund of the state.

B. No cost-of-living adjustments shall be provided to retirees of the retirement systems identified in subsection A of this section in a manner which imposes the cost for the adjustment upon or which requires the expenditure of income or liquidation of assets of any of the respective retirement systems or any of the funds under their respective control unless the retirement system is providing for the payment of pension benefit obligations for active members at normal cost.

C. No supplemental appropriation for the purpose of providing a cost-of-living adjustment authorized by subsection A of this section shall be provided to retirees of the retirement system unless the system from which the cost-of-living adjustment is to be paid is being provided with enough revenue from employer contributions, employee contributions or other sources of revenue in order to provide for the payment of pension benefit obligations for active members at normal cost.

D. For purposes of this section, "normal cost" means that portion of the actuarial present value of pension plan benefits and expenses allocated to a given plan year by the actuarial cost method.

SECTION 2. This act shall become effective July 1, 1997.

SECTION 3. 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.

46-1-6112

MAH