

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

SENATE JOINT  
RESOLUTION 13

By: Pruitt

AS INTRODUCED

A Joint Resolution creating the State and Education Defined Contribution Retirement Plan Task Force; providing for membership; declaring purpose; requiring recommendations on a working defined contribution plan for the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System; providing for contracting of professional services; providing for payment of such professional services; providing first meeting; providing for selection of Chair; specifying quorum; providing for reimbursement; providing staff; and declaring an emergency.

WHEREAS, the Teachers' Retirement System of Oklahoma is one of the nation's poorest funded public retirement systems with the current funded ratio slightly under fifty-four percent (54.0%); and

WHEREAS, defined benefit retirement plans, like the Teachers' Retirement System of Oklahoma, are inherently susceptible to Unfunded Actuarial Accrued Liabilities; and

WHEREAS, the current Unfunded Actuarial Accrued Liabilities of the Teachers' Retirement System of Oklahoma is Four Billion Six Hundred Thirty-six Million Dollars (\$4,636,000,000.00); and

WHEREAS, there is a growing shift in state retirement plans to defined contribution retirement plans; and

WHEREAS, the structure of a defined contribution retirement plan does not allow for Unfunded Actuarial Accrued Liabilities; and

WHEREAS, the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System would benefit from implementing a defined contribution retirement plan for future hires and electing current employees.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE 1ST SESSION OF THE 48TH OKLAHOMA LEGISLATURE:

SECTION 1. A. There is hereby created the State and Education Defined Contribution Retirement Plan Task Force which shall consist of nine members as follows:

1. The President Pro Tempore of the Senate shall appoint three members of the Senate and the Speaker of the House of Representatives shall appoint three members of the House of Representatives;

2. The Governor shall appoint two members with education or experience in retirement plans; and

3. The Director of State Finance, or designee.

B. The purpose of the task force is to make recommendations to the Legislature and Governor on or before January 1, 2002, concerning a working defined contribution retirement system plan for the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System.

C. The task force is authorized to contract for professional services including but not limited to actuaries, tax attorneys and pension attorneys. Such professional services shall be paid by the Office of State Finance.

D. The first meeting of the task force shall commence no later than August 31, 2001. The task force shall select a chair at its first meeting.

E. A majority of the members shall constitute a quorum.

F. Members shall not be compensated for their services but shall be reimbursed by the appointing authority for necessary expenses incurred in the performance of their duties, as follows:

1. Legislative members of the task force shall be reimbursed for their necessary travel expenses in accordance with Section 456 of Title 74 of the Oklahoma Statutes;

2. Members appointed by the Governor shall be reimbursed by the Governor's Office for their necessary travel expenses in accordance with the State Travel Reimbursement Act; and

3. The Director of State Finance, or designee, shall be reimbursed by the Office of State Finance for the Director's necessary travel expenses in accordance with the State Travel Reimbursement Act.

G. The Office of State Finance, the Senate and the House of Representatives shall provide such staff support as required by the task force.

SECTION 2. 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.

48-1-275

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