

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2720

By: Auffet

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5  
6 AS INTRODUCED

7 An Act relating to public finance; amending Section  
8 3, Chapter 292, O.S.L. 2006, as amended by Section 2,  
9 Chapter 186, O.S.L. 2007 (62 O.S. Supp. 2007, Section  
10 3103), which relates to the Oklahoma Pension  
11 Legislation Actuarial Analysis Act; modifying  
12 definitions related to certain actuarial assumptions;  
13 and declaring an emergency.

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

15 SECTION 1. AMENDATORY Section 3, Chapter 292, O.S.L.  
16 2006, as amended by Section 2, Chapter 186, O.S.L. 2007 (62 O.S.  
17 Supp. 2007, Section 3103), is amended to read as follows:

18 Section 3103. As used in the Oklahoma Pension Legislation  
19 Actuarial Analysis Act:

20 1. "Amendment" means any amendment, including a substitute  
21 bill, made to a retirement bill by any committee of the House or  
22 Senate or by the House or Senate;

23 2. "RB number" means that number preceded by the letters "RB"  
24 assigned to a bill by the respective staffs of the Oklahoma State

1 Senate and the Oklahoma House of Representatives when the respective  
2 staff office prepares a bill for a member of the Legislature;

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

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

12 5. "Nonfiscal retirement bill" means a retirement bill which  
13 does not affect the cost or funding factors of a retirement system  
14 or a retirement bill which affects such factors only in a manner  
15 which does not:

16 a. grant a benefit increase under the retirement system  
17 affected by the bill except for cost-of-living  
18 adjustments provided to retirees of the retirement  
19 system, if the increase in actuarial accrued liability  
20 from the increase does not exceed the cumulative  
21 increase in actuarial accrued liability already fully  
22 reflected in its liabilities by the retirement system  
23 from an actuarial assumption of a cost-of-living  
24 adjustment ~~of an existing~~. For any retirement system

1 ~~which specified by Section 3102 of this title, and for~~  
2 ~~any retirement system created on or after July 1,~~  
3 ~~2008, the actuarial assumption was established by the~~  
4 ~~retirement system as of December 31, 2006, or which~~  
5 shall ~~not exceed~~ equal two percent (2%) annually on a  
6 cumulative basis ~~for a retirement system created on or~~  
7 ~~after January 1, 2006, which.~~ Any bill authorizing a  
8 cost-of-living adjustment for a retirement system  
9 described in Section 3102 of this title shall  
10 specifically identify such cost-of-living increase,  
11 b. create an actuarial accrued liability for or increase  
12 the actuarial accrued liability of the retirement  
13 system affected by the bill, or  
14 c. increase the normal cost of the retirement system  
15 affected by the bill except as otherwise provided by  
16 subparagraph a of this paragraph.

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

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

1 any state tax in which a portion of the revenue generated from such  
2 tax is earmarked 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 2. It being immediately necessary for the preservation  
14 of the public peace, health and safety, an emergency is hereby  
15 declared to exist, by reason whereof this act shall take effect and  
16 be in full force from and after its passage and approval.

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18 51-2-8655 MAH 12/28/07

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