

FISCAL IMPACT REPORT
2nd Session of the 51st Legislature

Bill No.:	HB 2074
Version:	Conference Committee Substitute
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Date:	May 14, 2008
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Impact: **Actuarial Impact: 0**

Reviewed: _____
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Summary

Section 1 modifies the definition of “public school” and “employer” as used in the Act creating the Teachers’ Retirement System, to include alternative schools that are aligned with school districts and receive grant funds from governmental sources. The amendment makes the board of directors of the alternative school the employer.

Section 2 allows a retired teacher who has been retired for at least 36 months, that returns to work in the public school system, to continue to receive retirement benefits from OTRS regardless of how much the teacher earns. Currently there is a ceiling of \$30,000.

Analysis

Section 1 does not grant any credit for service completed before the effective date of the amendment; therefore, the Legislative Actuary has ruled the provision does not cause HB 2074 to become fiscal as defined by the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA).

Section 2 was ruled by the Legislative Actuary to be a nonfiscal retirement provision. The scenario eliminated by this provision is very rare and unpredictable; therefore, the current actuarial models of the system do not account for its occurrence. For these reasons HB 2074 should have no actuarial impact on the system.

Long Term Considerations

None