

STATE OF OKLAHOMA

1st Session of the 53rd Legislature (2011)

COMMITTEE SUBSTITUTE  
FOR

HOUSE BILL NO. 1006

By: McDaniel (Randy)

COMMITTEE SUBSTITUTE

An Act relating to public retirement systems;  
enacting the Pension Financial Responsibility Act;  
defining term; prohibiting legislatively authorized  
cost-of-living adjustments for designated public  
retirement systems based upon certain funded ratio;  
providing for codification; providing for  
noncodification; 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 not to be  
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Pension  
Financial Responsibility Act".

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 1001.1 of Title 62, unless there  
is created a duplication in numbering, reads as follows:

A. As used in this section, "funded ratio" means the figure  
derived by dividing the actuarial value of assets of the applicable

1 public retirement system by the actuarial accrued liability of the  
2 applicable retirement system.

3 B. No cost-of-living increases shall be provided to the retired  
4 members or surviving beneficiaries of the members of the following  
5 public retirement systems unless the funded ratio of the system, as  
6 of the June 30 date immediately preceding the effective date of any  
7 legislative measure authorizing such cost-of-living increase, equals  
8 or exceeds eighty percent (80%):

- 9 1. The Oklahoma Firefighters Pension and Retirement System;
- 10 2. The Oklahoma Police Pension and Retirement System;
- 11 3. The Uniform Retirement System for Justices and Judges;
- 12 4. The Oklahoma Law Enforcement Retirement System;
- 13 5. The Teachers' Retirement System of Oklahoma; and
- 14 6. The Oklahoma Public Employees Retirement System.

15 SECTION 3. This act shall become effective July 1, 2011.

16 SECTION 4. It being immediately necessary for the preservation  
17 of the public peace, health and safety, an emergency is hereby  
18 declared to exist, by reason whereof this act shall take effect and  
19 be in full force from and after its passage and approval.

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