

An Act

RBH No. 6720

ENROLLED HOUSE
BILL NO. 1010

By: McDaniel (Randy) of the
House

and

Mazzei and Crain of the
Senate

An Act relating to public retirement systems; amending 20 O.S. 2001, Section 1102, as last amended by Section 4, Chapter 435, O.S.L. 2010 (20 O.S. Supp. 2010, Section 1102), which relates to The Uniform Retirement System for Justices and Judges; modifying provisions related to normal retirement age; and providing an effective date.

SUBJECT: The Uniform Retirement System for Justices and Judges

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

SECTION 1. AMENDATORY 20 O.S. 2001, Section 1102, as last amended by Section 4, Chapter 435, O.S.L. 2010 (20 O.S. Supp. 2010, Section 1102), is amended to read as follows:

Section 1102. A. Any Justice or Judge of the Supreme Court, Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals or District Court who serves as Justice or judge of any of said courts in the State of Oklahoma shall be a member of ~~the~~ The Uniform Retirement System for Justices and Judges. Any such member ~~For members whose initial service as a member of the System began~~ prior to January 1, 2012, such member who serves for a period of eight (8) years or longer and upon reaching or passing the age of sixty-five (65) years, or who serves for a period of ten (10) years or longer and upon reaching or passing the age of sixty (60) years, or whose sum of years of service and age equal or exceeds eighty (80), after completing eight (8) years of judicial service, shall be

eligible to receive the retirement benefits herein provided. For members whose initial service as a member of the System began on or after January 1, 2012, such member who serves for a period of eight (8) years or longer and upon reaching or passing the age of sixty-seven (67) years or who serves for a period of ten (10) years or longer and upon reaching or passing the age of sixty-two (62) years shall be eligible to receive the retirement benefits herein provided. In determining the periods of time above mentioned a major fraction of a year shall count as a whole year. If such Justice or judge is still serving in such capacity when the above requirements are complied with, the Justice or judge may elect to retire and may elect whether such retirement shall become effective immediately or at a specified time within the term of the Justice or judge or at the expiration of the term of the Justice or judge. The Justice or judge shall file a written declaration with the System and the Court Administrator of his or her desire to retire. The Court Administrator shall notify the Governor within five (5) business days of receiving the Notice of Retirement.

B. Upon filing of an election by any Justice or judge to retire as authorized by Section 1101 et seq. of this title, the office held by such Justice or judge shall become vacated immediately or at the specified time within the term of the Justice or judge, or at the expiration of the term of the Justice or judge in accordance with the election of the Justice or judge desiring retirement status. Any such vacancy so created shall be filled in the manner provided by law and the Constitution.

C. If any retired member of the System should be elected or appointed to any judicial or other office covered by the System, the retirement compensation of the retired member shall be suspended during the period of time that the retired member holds such office and be reinstated upon leaving such office. Notwithstanding any other provision of this section or any other provision of law to the contrary, a retired Justice or judge shall be permitted to be employed by any college or university within The Oklahoma State System of Higher Education as a full-time or part-time member of the faculty or as a teacher in any common school or career and technology education entity without suspension of retirement benefits.

SECTION 2. This act shall become effective January 1, 2012.

Passed the House of Representatives the 3rd day of May, 2011.

Presiding Officer of the House
of Representatives

Passed the Senate the 26th day of April, 2011.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Governor this _____
day of _____, 20____,
at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma the _____ day of
_____, 20____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this _____
_____ day of _____, 20____,
at _____ o'clock _____ M.

By: _____

March 31, 2011

Bill Brown, Chair
Senate Committee Retirement and Insurance
Room 413A

Re: Committee Substitute for House Bill No. 1010

Committee Substitute for House Bill No. 1010 increases the normal retirement age to the earlier of (1) Age 67 with 8 years of service and (2) Age 62 with 10 years of service
These changes are effective for new participants after 12/31/2011.

Committee Substitute for House Bill No. 1010 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

Thomas E. Cummins

Thomas E. Cummins, MAAA

May 2, 2011

John McPhetridge
Room 109
House of Representatives
2300 N. Lincoln Blvd.
Oklahoma City, OK 73105

Re: Engrossed Senate Amendment to Engrossed House Bill No. 1010

Dear Mr. McPhetridge,

Engrossed Senate Amendment to Engrossed House Bill No. 1010 increases the normal retirement age to earlier of age 67 with 8 years of service and age 62 and 10 years of service. These changes are effective for participants of the Uniform Retirement System for Justices and Judges who join after 01/01/2012.

Impact: The bill only impacts future participants. If this bill had always been in effect the accrued liability would be approximately \$2,000,000 less than the current accrued liability. The liability would be approximately \$1,200,000 less than it would be under the current plan provisions.

If you have any questions, please contact me.

Sincerely,

Thomas E. Cummins

Thomas E. Cummins, MAAA

March 31, 2011

Bill Brown, Chair
Senate Committee Retirement and Insurance
Room 413A

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Sincerely,

Thomas E. Cummins

Thomas E. Cummins, MAAA

March 2, 2011

Representative Randy McDaniel
Room 302 B

Re: Committee Substitute for House Bill No. 1010
RBH No. 6720

Committee Substitute for House Bill No. 1010 increases the normal retirement age to the earlier of (1) Age 67 with 8 years of service and (2) Age 62 with 10 years of service. The service multiplier is lowered from 4% per year to 2%.

These changes are effective for new participants after 12/31/2011.

Committee Substitute for House Bill No. 1010 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

Thomas E. Cummins

Thomas E. Cummins, MAAA

March 1, 2011

John McPhetridge
Room 109
House of Representatives
2300 N. Lincoln Blvd.
Oklahoma City, OK 73105

Re: Committee Substitute for House Bill No. 1010
RBH No. 6720

Dear Mr. McPhetridge,

Committee Substitute for House Bill No. 1010 reduces the multiplier for year of service to 2% from 4% and increases the normal retirement age to earlier of age 67 with 8 years of service and age 62 and 10 years of service. These changes are effective for participants of the Uniform Retirement System for Justices and Judges who join after 1/01/2012.

Impact: The bill only impacts future participants. If this had always been in effect the accrued liability would be approximately 53% of the current accrued liability or \$143,700,000 compared to \$272,500,000. The Normal Cost would be similarly reduced. The funded ratio would be in excess of 100%. The reductions will be reflected gradually as current participants are replaced with new participants under the provisions of HB No. 1010.

If you have any questions, please contact me.

Sincerely,

Thomas E. Cummins

Thomas E. Cummins, MAAA

February 14, 2011

Representative Randy McDaniel
Room 302 B

Re: Proposed Committee Substitute for House Bill No. 1010

Proposed Committee Substitute for House Bill No. 1010 increases the normal retirement age to the earlier of (1) Age 67 with 8 years of service and (2) Age 62 with 10 years of service. The service multiplier is lowered from 4% per year to 2%.

These changes are effective for new participants after 12/31/2011.

Proposed Committee Substitute for House Bill No. 1010 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

Thomas E. Cummins

Thomas E. Cummins, MAAA