

HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

1st Session of the 53rd Legislature (2011)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1006

By: McDaniel (Randy) of the
House

and

Mazzei of the Senate

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".

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

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

4 A. As used in this section, "funded ratio" means the figure
5 derived by dividing the actuarial value of assets of the applicable
6 public retirement system by the actuarial accrued liability of the
7 applicable retirement system.

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

- 14 1. The Oklahoma Firefighters Pension and Retirement System;
- 15 2. The Oklahoma Police Pension and Retirement System;
- 16 3. The Uniform Retirement System for Justices and Judges;
- 17 4. The Oklahoma Law Enforcement Retirement System;
- 18 5. The Teachers' Retirement System of Oklahoma; and
- 19 6. The Oklahoma Public Employees Retirement System.

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

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

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4 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM AND
5 FINANCIAL SERVICES, dated 02-17-2011 - DO PASS, As Amended and
6 Coauthored.

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