BILL SUMMARY
2nd Session of the 53rd Legislature

Bill No.:	**HB 2319**
Version:	**Introduced**
Request Number:	**8394**
Author:	**Rep. Randy McDaniel**
Date:	**2/14/2012**
Impact:	**PPRS Additional Revenue: approx. $6.92 Million/yr Gen. Rev. Fund Lost Revenue: $1.76 Million in FY-13**

Research Analysis

HB 2319, as introduced, relates to the Oklahoma Police Pension and Retirement System (OPPRS). The measure increases the employer contribution amount paid by municipalities participating in OPPRS from 13% to 14% of actual paid base salary, beginning July 1, 2012. The measure also increases the OPPRS employee contribution amount from 8% to 9% of the member's actual paid base salary. Additionally, HB 2319 increases the percentage of insurance premium tax allocated to OPPRS from 14% to 15%.

Prepared By: Alexandra Edwards

Fiscal Analysis

Section 1: increases the employer contribution required of municipalities participating in the Oklahoma Police Pension and Retirement System (PPRS) from 13% to 14% of covered salary. Based on current compensation figures contained in the July 1, 2011 PPRS Actuarial Valuation Report the increase would result in additional annual revenue to PPRS of approximately $2.58 Million. This amount would be payable by employing municipalities.

Section 2: increases the employee contribution for PPRS members from 8% to 9% of covered salary. Based on current compensation figures contained in the July 1, 2011 PPRS Actuarial Valuation Report the increase would result in additional annual revenue to PPRS of approximately $2.58 Million.

Section 3: increases from 14% to 15% the percentage of Insurance Premium Tax collections received as dedicated State revenue by PPRS. Based on previous year's collections the increase would result in additional annual revenue to PPRS of approximately $1.76 Million. This will also result in a parallel reduction in the State's General Revenue Fund of approximately $1.76 Million in Fiscal Year 2013.

Prepared By: John McPhetridge

Other Considerations

HB 2319 in its current form has been deemed a non fiscal retirement bill by the Legislative Actuary, meaning the bill neither grants a benefit increase, adds actuarial liability, nor increases the normal cost of the retirement system affected.