

**THOMAS E. CUMMINS CONSULTING ACTUARY, INC.**

2512 E. 71<sup>st</sup> Street , Suite D · Tulsa, Oklahoma 74136

(918) 492-9658 · (918) 492- 9659

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March 5, 2012

Representative Randy McDaniel  
Room 302-B

Re: Committee Substitute for House Bill No. 2952  
RBH No. 9747

Committee Substitute for House Bill No. 2952 increases the contribution rate for OLERS employers by 1% to 11% of compensation. It also increases the contribution rate for participants in OLERS to 9% from 8% of compensation.

This bill removes the provision giving those retiring participants whose compensation is set by statute a benefit based on the greater of the statutory compensation or their final average compensation. This provision is effective for those who become participants after October 31, 2012.

Committee Substitute for House Bill No. 2952 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

*Thomas E. Cummins*

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March 5, 2012

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

Re: Committee Substitute for House Bill No. 2952  
RBH No. 9926

Dear Mr. McPhetridge,

Committee Substitute for House Bill No. 2952 increases the contribution rate for OLERS employers by 1% to 11% of compensation. It also increases the contribution rate for participants in OLERS to 9% from 8% of compensation.

This bill removes the provision giving those retiring participants whose compensation is set by statute a benefit based on the greater of the statutory compensation or their final average compensation. This provision is effective for those who become participants after October 31, 2012.

Impact: The increase the contribution rate will increase the amount of contributions made by the participants by approximately \$7008, 000 in FY 2012 and the employers approximately \$734, 000.

If you have any questions, please contact me.

Sincerely,

*Thomas E. Cummins*

Thomas E. Cummins, MAAA