

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

HOUSE BILL 2624

By: McDaniel (Randy)

AS INTRODUCED

An Act relating to public finance; enacting the Pension Responsibility Act; defining term; imposing requirement on Legislature to provide actuarially required contributions to public retirement systems; prescribing method to determine actuarially required contribution amount; providing exception to requirement based upon certain revenue certification by the State Board of Equalization pursuant to Section 23 of Article X of the Oklahoma Constitution; specifying public retirement plan years subject to requirements; 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 Responsibility Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1005 of Title 62, unless there is created a duplication in numbering, reads as follows:

1 A. As used in this section, "public retirement system" means:

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

8 B. Except as otherwise provided by this section, the
9 Legislature shall provide to each public retirement system as
10 defined in subsection A of this section the amount of revenue,
11 whether through employer contributions, dedicated revenue,
12 appropriations or other means, required to meet the actuarially
13 required contribution amount identified in the annual actuarial
14 valuation prepared by the actuaries of each respective public
15 retirement system. The actuarially required contribution amount
16 shall be determined by using the annual actuarial valuation
17 performed by or on behalf of each respective public retirement
18 system for the year ending June 30.

19 C. The requirements of subsection B of this section shall not
20 be applicable for any fiscal year during which the total actuarially
21 required contribution amount for any one or more of the public
22 retirement systems, as defined in subsection A of this section, is
23 greater than fifteen percent (15%) of the certification amount for
24 the General Revenue Fund of the State Treasury as determined by the

1 State Board of Equalization at the February meeting, pursuant to
2 Section 23 of Article X of the Oklahoma Constitution, immediately
3 preceding the beginning of each fiscal year on July 1.

4 D. The provisions of this section shall be applicable for the
5 first time with respect to the public retirement system plan year
6 beginning July 1, 2015, and for each succeeding plan year beginning
7 July 1 thereafter.

8 SECTION 3. This act shall become effective July 1, 2014.

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

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January 15, 2014

Representative Randy McDaniel
Room No. 438

Re: RBH No. 9040
Pension Responsibility Act

RBH No. 9040 requires the State's pension system to have contributions equal to the actuarially determined contribution amount, not to exceed the 15% of General Revenue Fund.

RBH No. 9040 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

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