

**BILL SUMMARY**  
1st Session of the 54<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1383</b>
<b>Version:</b>	<b>Introduced</b>
<b>Request Number:</b>	<b>5266</b>
<b>Author:</b>	<b>Rep. Randy McDaniel</b>
<b>Date:</b>	<b>2/6/2013</b>
<b>Impact:</b>	<b>OLERS: Long-term Actuarial Savings</b>

**Research Analysis**

HB 1383, as introduced, OLERS participants hired on or after the effective date will have their retirement benefit based on their final average earnings and service. Top pay of active members will not be used in determining retirement benefits. The measure affects the following positions:

Alcoholic Beverage Laws Enforcement Commission – ABLE Commission Agent  
Oklahoma State Bureau of Narcotics and Dangerous Drugs Control – Narcotics Agent III  
Oklahoma Tourism and Recreation Department – Park Ranger II  
State Board of Pharmacy – Pharmacy Inspector  
University of Oklahoma – Police Officer  
Oklahoma State University – Police officer

Prepared By: Kyle Meade

**Fiscal Analysis**

The measure removes for new members entering OLERS a provision known as the “top based pay provision”. The provision allows certain retired member to substitute the current salary of active members in comparable positions, for the actual final average salary of the retired member; when calculating the retired member’s retirement benefit. The removal of this provision should result in an actuarial savings for OLERS; however, these savings will not be realized for many years due to the measure’s application to new hires only.

Prepared By: John McPhetridge

**Other Considerations**

Under the procedures and provisions of the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA) HB 1383 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.