

STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

HOUSE BILL 2507

By: McBride

AS INTRODUCED

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 2011, Section 905, as last amended by Section 2, Chapter 342, O.S.L. 2013 (74 O.S. Supp. 2015, Section 905), which relates to the Board of Trustees; modifying provisions related to appointments by the Speaker of the Oklahoma House of Representatives and by the President Pro Tempore of the Oklahoma State Senate; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2011, Section 905, as last amended by Section 2, Chapter 342, O.S.L. 2013 (74 O.S. Supp. 2015, Section 905), is amended to read as follows:

Section 905. (1) There shall be a Board of Trustees which shall consist of thirteen (13) members as follows: a member of the Corporation Commission or the Commission's designee selected by the Corporation Commission, the Director of the Office of Management and Enterprise Services or the Director's designee, the State Insurance Commissioner or the Commissioner's designee, the Director of Human Capital Management of the Office of Management and Enterprise

1 Services, a member of the Oklahoma Tax Commission selected by the
2 Tax Commission, three members appointed by the Governor, one member
3 appointed by the Supreme Court, two members appointed by the Speaker
4 of the House of Representatives and two members appointed by the
5 President Pro Tempore of the State Senate. One member appointed by
6 the Governor shall be an active member of the System. One member
7 appointed by the Speaker shall be an active member of the System
8 selected from a list of three candidates submitted by the largest
9 employee organization representing state employees. One member
10 appointed by the President Pro Tempore shall be a retired member of
11 the System selected from a list of three candidates submitted by the
12 largest employee organization representing state employees.

13 (2) The member of the Board of Trustees on July 1, 1988, who
14 was appointed by the Supreme Court shall complete the term of office
15 for which the member was appointed. The members thereafter
16 appointed by the Supreme Court shall serve terms of office of four
17 (4) years.

18 (3) Members of the Board of Trustees on July 1, 1988, who were
19 appointed by the Speaker of the House of Representatives or by the
20 President Pro Tempore of the Senate shall complete their term of
21 office for which they were appointed. The initial term of office of
22 members appointed thereafter shall expire on January 8, 1991. The
23 members thereafter appointed by the Speaker of the House of
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1 Representatives and by the President Pro Tempore of the Senate shall
2 serve terms of office of four (4) years.

3 (4) The initial term of office of the members appointed by the
4 Governor shall expire on January 14, 1991. The members thereafter
5 appointed by the Governor shall serve a term of office of four (4)
6 years which is coterminous with the term of office of the office of
7 the appointing authority.

8 (5) One of the members appointed to the Board by the Speaker of
9 the House of Representatives and by the President Pro Tempore of the
10 Senate and two members appointed to the Board by the Governor shall:

11 (a) have demonstrated professional experience in
12 investment or funds management, public funds
13 management, public or private pension fund management
14 or retirement system management,

15 (b) have demonstrated experience in the banking profession
16 and have demonstrated professional experience in
17 investment or funds management,

18 (c) be licensed to practice law in this state and have
19 demonstrated professional experience in commercial
20 matters, or

21 (d) be licensed by the Oklahoma Accountancy Board to
22 practice in this state as a public accountant or a
23 certified public accountant.
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1 The appointing authorities, in making appointments that conform
2 to the requirements of this subsection, shall give due consideration
3 to balancing the appointments among the criteria specified in
4 paragraphs (a) through (d) of this subsection.

5 (6) No member of the Board of Trustees shall be a lobbyist
6 registered in this state as provided by law.

7 (7) Any vacancy that occurs on the Board of Trustees shall be
8 filled for the unexpired term in the same manner as the office was
9 previously filled.

10 (8) Notwithstanding any of the provisions of this section to
11 the contrary, any person serving as an appointed member of the Board
12 on July 1, 1988, shall be eligible for reappointment when the term
13 of office of the member expires.

14 (9) The Board shall elect one of its members as Chairman of the
15 Board at its annual meeting. He shall preside over meetings of the
16 Board and perform such other duties as may be required by the Board.

17 (10) The Board shall also elect another member to serve as Vice
18 Chairman, and the Vice Chairman shall perform duties of Chairman in
19 the absence of the latter or upon his inability or refusal to act.

20 SECTION 2. This act shall become effective November 1, 2016.

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22 55-2-7763 MAH 01/10/16
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January 19, 2016

Representative Mark McBride
Room 248

Re: RBH No. 7763

RBH No. 7763 requires the active member appointed by the Speaker of the House to the OPERS Board be from a list of 3 provided by the largest organization representing state employees. It also requires the retired member appointed by the President Pro Tempore be from a list of 3 provided by the largest organization representing state employees.

RBH No. 7763 is a non fiscal retirement bill as defined by the Oklahoma Pension Legislation Analysis Act because the bill does not contain a benefit increase nor create liability for the Oklahoma Public Employees Retirement System.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Thomas E. Cummins

Thomas E. Cummins, MAAA