BILL SUMMARY
2nd Session of the 54th Legislature

Bill No.:	**SB 2120**
Version:	**ENGR**
Request Number:	**na**
Author:	**Rep, McDaniel, Randy**
Date:	**4/9/2014**
Impact:	**Not Required**

Research Analysis

The engrossed version of SB 2120 creates the Future State Employee Retirement Act. The measure requires the Oklahoma Public Retirement System to establish a defined contribution system for employees first employed on or after November 1, 2015. The measure exempts hazardous duty employees.

The measure sets a minimum employee contribution rate of 3.0%. Likewise, the measure sets a maximum employer match of 7.0% and a minimum of 3.0%.

Concerning employee contributions, the measure establishes that participants be vested at 100% from the beginning of their service and have complete retirement discretion over the contributions. The measure establishes that participants be vested with respect to employer matching amounts according to the following schedule:

Year 1 – 20%
Year 2 – 40%
Year 3 – 60%
Year 4 – 80%
Year 5(+) – 100%

The measure establishes that members will have investment discretion over employer contributions. The measure details the process and procedures for the administration of the defined contribution system.

Prepared By: Kyle Meade

Fiscal Analysis

Not required.

Prepared By: Mark Tygret

Other Considerations

None.