

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

HOUSE BILL 3379

By: Ford (Roger)

AS INTRODUCED

An Act relating to public retirement systems; amending 62 O.S. 2011, Section 3103, which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying definitions; modifying definition of nonfiscal bill; providing for distribution to certain retired members of the Oklahoma Law Enforcement Retirement System; specifying amount of distribution; providing for codification; and providing effective dates.

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 3103, is amended to read as follows:

Section 3103. As used in the Oklahoma Pension Legislation Actuarial Analysis Act:

1. "Amendment" means any amendment, including a substitute bill, made to a retirement bill by any committee of the House or Senate, any conference committee of the House or Senate or by the House or Senate;

2. "RB number" means that number preceded by the letters "RB" assigned to a retirement bill by the respective staffs of the

1 Oklahoma State Senate and the Oklahoma House of Representatives when
2 the respective staff office prepares a retirement bill for a member
3 of the Legislature;

4 3. "Legislative Actuary" means the firm or entity that enters
5 into a contract with the Legislative Service Bureau pursuant to
6 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
7 actuarial services and other duties provided for in the Oklahoma
8 Pension Legislation Actuarial Analysis Act;

9 4. "Nonfiscal amendment" means an amendment to a retirement
10 bill having a fiscal impact, which amendment does not change any
11 factor of an actuarial investigation specified in subsection A of
12 Section 3109 of this title;

13 5. "Nonfiscal retirement bill" means a retirement bill which:

14 a. does not affect the cost or funding factors of a
15 retirement system ~~or a retirement bill which,~~

16 b. affects such factors only in a manner which does not:

17 ~~a.~~ (1) grant a benefit increase under the retirement
18 system affected by the bill,

19 ~~b.~~ (2) create an actuarial accrued liability for or
20 increase the actuarial accrued liability of the
21 retirement system affected by the bill, or

22 ~~c.~~ (3) increase the normal cost of the retirement system
23 affected by the bill ~~except as otherwise provided~~
24 ~~by subparagraph a of this paragraph, or~~

1 c. provides for a one-time increase in retirement
2 benefits if the increase in retirement benefits is not
3 a permanent increase in the gross annual retirement
4 benefit payable to a member or beneficiary and occurs
5 only once pursuant to a single statutory
6 authorization.

7 A nonfiscal retirement bill shall include any retirement bill that
8 has as its sole purpose the appropriation or distribution or
9 redistribution of monies in some manner to a retirement system for
10 purposes of reducing the unfunded liability of such system or the
11 earmarking of a portion of the revenue from a tax to a retirement
12 system or increasing the percentage of the revenue earmarked from a
13 tax to a retirement system;

14 6. "Reduction in cost amendment" means an amendment to a
15 retirement bill having a fiscal impact which reduces the cost of the
16 bill as such cost is determined by the actuarial investigation for
17 the bill prepared pursuant to Section 3109 of this title;

18 7. "Retirement bill" means any bill or joint resolution
19 introduced or any bill or joint resolution amended by a member of
20 the Oklahoma Legislature which creates or amends any law directly
21 affecting a retirement system. A retirement bill shall not mean a
22 bill or resolution that impacts the revenue of any state tax in
23 which a portion of the revenue generated from such tax is earmarked
24 for the benefit of a retirement system;

1 8. "Retirement bill having a fiscal impact" means any
2 retirement bill creating or establishing a retirement system and any
3 other retirement bill other than a nonfiscal retirement bill; and

4 9. "Retirement system" means the Teachers' Retirement System of
5 Oklahoma, the Oklahoma Public Employees Retirement System, the
6 Uniform Retirement System for Justices and Judges, the Oklahoma
7 Firefighters Pension and Retirement System, the Oklahoma Police
8 Pension and Retirement System, the Oklahoma Law Enforcement
9 Retirement System, or a retirement system established after January
10 1, 2006.

11 SECTION 2. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 2-305.12 of Title 47, unless
13 there is created a duplication in numbering, reads as follows:

14 The Oklahoma Law Enforcement Retirement System shall make a one-
15 time distribution to all retired members of the System in the form
16 of an additional payment equal to the gross monthly retirement
17 benefit amount with respect to each such retired member. The
18 distribution shall be made not later than November 30, 2018, and
19 shall be made in the form of a separate payment from the regular
20 monthly retirement benefit payment to the retired member.

21 SECTION 3. Section 1 of this act shall become effective October
22 1, 2018.

1 SECTION 4. Section 2 of this act shall become effective
2 November 1, 2018.

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January 17, 2018

Representative Roger Ford
Room 301

Re: RBH No. 9540

RBH No. 9540 an exception to Oklahoma Pension Legislation Actuarial Analysis Act definition of nonfiscal bill. A bill that grants a stipend will be a nonfiscal bill if it occurs only once pursuant to a single statutory authorization. This provision is effective **October 1, 2018**.

This bill grants an additional one time payment of the gross monthly benefit for Oklahoma Law Enforcement Retirement System retired members effective **November 1, 2018**. The retired participants will receive 13 checks instead of 12.

RBH No. 9540 is a nonfiscal bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act because due to the change in the definition of nonfiscal bill before the removal of the limitation.

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