

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

HOUSE BILL 3672

By: McDugle

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 definition; repealing 70 O.S. 2011, Section 17-116.10, as last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S. Supp. 2017, Section 17-116.10), which relates to postretirement earning limitations; 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

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

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

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

5. "Nonfiscal retirement bill" means a retirement bill which does not affect the cost or funding factors of a retirement system or a retirement bill which affects such factors only in a manner which ~~does not~~:

- a. does not grant a benefit increase under the retirement system affected by the bill,
- b. does not create an actuarial accrued liability for or increase the actuarial accrued liability of the retirement system affected by the bill, ~~or~~
- c. does not increase the normal cost of the retirement system affected by the bill except as otherwise provided by subparagraph a of this paragraph, or

1 d. eliminates any otherwise applicable restriction on
2 postretirement earnings, including, but not limited
3 to, elimination of restrictions which require
4 suspension of the payment of a retirement benefit of a
5 retired member who returns to active employment after
6 his or her initial retirement for active employment
7 with an employer of the retirement system from which a
8 member has retired.

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

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

20 7. "Retirement bill" means any bill or joint resolution
21 introduced or any bill or joint resolution amended by a member of
22 the Oklahoma Legislature which creates or amends any law directly
23 affecting a retirement system. A retirement bill shall not mean a
24 bill or resolution that impacts the revenue of any state tax in

1 which a portion of the revenue generated from such tax is earmarked
2 for the benefit of a retirement system;

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

6 9. "Retirement system" means the Teachers' Retirement System of
7 Oklahoma, the Oklahoma Public Employees Retirement System, the
8 Uniform Retirement System for Justices and Judges, the Oklahoma
9 Firefighters Pension and Retirement System, the Oklahoma Police
10 Pension and Retirement System, the Oklahoma Law Enforcement
11 Retirement System, or a retirement system established after January
12 1, 2006.

13 SECTION 2. REPEALER 70 O.S. 2011, Section 17-116.10, as
14 last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S. Supp.
15 2017, Section 17-116.10), is hereby repealed.

16 SECTION 3. Section 1 of this act shall become effective October
17 1, 2018.

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

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21 56-2-8284 MAH 01/13/18
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January 9, 2018

Representative Kevin McDugle
Room 242B

Re: RBH No. 8284

RBH No. 8284 creates an exception to Oklahoma Pension Legislation Actuarial Analysis Act definition of non fiscal bill. The removal of post retirement earnings limitation that otherwise would have resulted in the suspension of payments for those retired members who return to employment with the participating employer from which member had retired will be a non fiscal bill. This provision is effective **October 1, 2018**.

This bill removes the post retirement earnings limitation for Oklahoma Teachers Retirement System retired members who return to teaching. This effective **November 1, 2018**.

RBH No. 8284 is a non fiscal bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act because due to the change in the definition of non fiscal 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