

February 24, 2017

Representative Randy McDaniel
Room 438

Re: Proposed Committee Substitute for House Bill No. 1172
RBH No. 6849

Proposed Committee Substitute for House Bill No. 1172 creates an optional defined contribution plan for OTRS participants who joined the system on or after July 1, 2018. The participant minimum deferral would be 4.5% of compensation. The employer match would be 6% of compensation. If the employee elects to defer more than 7% of compensation, the employer match would not exceed 7% of compensation. K12, State Department of Career & Technology Education, OU and OSU are excluded.

Proposed Committee Substitute for House Bill No. 1172 is a non fiscal bill as defined by the Oklahoma Pension Legislation Analysis Act because the amendment does not contain a benefit increase nor create liability.

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