

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

HOUSE BILL 3720

By: Davis

AS INTRODUCED

An Act relating to the Teachers' Retirement System of Oklahoma; amending 62 O.S. 2011, Section 3103, as last amended by Section 2, Chapter 245, O.S.L. 2018 (62 O.S. Supp. 2019, Section 3103), which relates to the Oklahoma Pension Legislation Actuarial Analysis Act; modifying definitions; amending 70 O.S. 2011, Section 17-101, as last amended by Section 1, Chapter 114, O.S.L. 2014 (70 O.S. Supp. 2019, Section 17-101), which relates to definitions; modifying provisions related to normal retirement age for certain persons; 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. 2019, Section 17-116.10), which relates to a postretirement earnings limit provision; and providing effective dates.

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 3103, as last amended by Section 2, Chapter 245, O.S.L. 2018 (62 O.S. Supp. 2019, 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

1 Senate, any conference committee of the House or Senate or by the
2 House or Senate;

3 2. "RB number" means that number preceded by the letters "RB"
4 assigned to a retirement bill by the respective staffs of the
5 Oklahoma State Senate and the Oklahoma House of Representatives when
6 the respective staff office prepares a retirement bill for a member
7 of the Legislature;

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

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

17 5. "Nonfiscal retirement bill" means a retirement bill:

18 a. which does not affect the cost or funding factors of a
19 retirement system, or

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

22 (1) grant a benefit increase under the retirement
23 system affected by the bill,
24

- 1 (2) create an actuarial accrued liability for or
2 increase the actuarial accrued liability of the
3 retirement system affected by the bill, or
4 (3) increase the normal cost of the retirement system
5 affected by the bill,

- 6 c. which authorizes the purchase by an active member of
7 the retirement system, at the actuarial cost for the
8 purchase as computed pursuant to the statute in effect
9 on the effective date of the measure allowing such
10 purchase, of years of service for purposes of reaching
11 a normal retirement date in the applicable retirement
12 system, but which cannot be used in order to compute
13 the number of years of service for purposes of
14 computing the retirement benefit for the member,
- 15 d. which provides for the computation of a service-
16 connected disability retirement benefit for members of
17 the Oklahoma Law Enforcement Retirement System
18 pursuant to Section 2-305 of Title 47 of the Oklahoma
19 Statutes if the members were unable to complete twenty
20 (20) years of service as a result of the disability,
- 21 e. which requires membership in the defined benefit plan
22 authorized by Section 901 et seq. of Title 74 of the
23 Oklahoma Statutes for persons whose first elected or
24 appointed service occurs on or after November 1, 2018,

1 if such persons had any prior service in the Oklahoma
2 Public Employees Retirement System prior to November
3 1, 2015, or

4 f. which provides for a one-time increase in retirement
5 benefits if the increase in retirement benefits is not
6 a permanent increase in the gross annual retirement
7 benefit payable to a member or beneficiary, occurs
8 only once pursuant to a single statutory authorization
9 and does not exceed:

10 (1) the lesser of two percent (2%) of the gross
11 annual retirement benefit of the member or One
12 Thousand Dollars (\$1,000.00) and requires that
13 the benefit may only be provided if the funded
14 ratio of the affected retirement system would not
15 be less than sixty percent (60%) but not greater
16 than eighty percent (80%) after the benefit
17 increase is paid,

18 (2) the lesser of two percent (2%) of the gross
19 annual retirement benefit of the member or One
20 Thousand Two Hundred Dollars (\$1,200.00) and
21 requires that the benefit may only be provided if
22 the funded ratio of the affected retirement
23 system would be greater than eighty percent (80%)
24

1 but not greater than one hundred percent (100%)
2 after the benefit increase is paid,

3 (3) the lesser of two percent (2%) of the gross
4 annual retirement benefit of the member or One
5 Thousand Four Hundred Dollars (\$1,400.00) and
6 requires that the benefit may only be provided if
7 the funded ratio of the affected retirement
8 system would be greater than one hundred percent
9 (100%) after the benefit increase is paid, or

10 (4) the greater of two percent (2%) of the gross
11 annual retirement benefit of the volunteer
12 firefighter or One Hundred Dollars (\$100.00) for
13 persons who retired from the Oklahoma
14 Firefighters Pension and Retirement System as
15 volunteer firefighters and who did not retire
16 from the Oklahoma Firefighters Pension and
17 Retirement System as a paid firefighter.

18 As used in this subparagraph, "funded ratio" means the
19 figure derived by dividing the actuarial value of
20 assets of the applicable retirement system by the
21 actuarial accrued liability of the applicable
22 retirement system, or

23 (g) which modifies or eliminates the postretirement
24 earnings limit provisions applicable to the Teachers'

Retirement System of Oklahoma as provided by Section 3
of this act.

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

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

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

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

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

8 SECTION 2. AMENDATORY 70 O.S. 2011, Section 17-101, as
9 last amended by Section 1, Chapter 114, O.S.L. 2014 (70 O.S. Supp.
10 2019, Section 17-101), is amended to read as follows:

11 Section 17-101. The following words and phrases as used in this
12 act, unless a different meaning is clearly required by the context,
13 shall have the following meanings:

14 (1) "Retirement system" shall mean the Teachers' Retirement
15 System of Oklahoma, as defined in Section 17-102 of this title.

16 (2) "Public school" shall mean a school district, a state
17 college or university, the State Board of Education, the State Board
18 of Career and Technology Education and any other state educational
19 entity conducted within the state supported wholly or partly by
20 public funds and operating under the authority and supervision of a
21 legally constituted board or agency having authority and
22 responsibility for any function of public education. "Public
23 school" shall also mean a tuition free, nonprofit alternative school
24 of choice that provides education, therapeutic counseling and

1 outreach programs which is aligned with a school district and which
2 receives grant funds from governmental sources.

3 (3) "Classified personnel" shall mean any teacher, principal,
4 superintendent, supervisor, administrator, librarian, certified or
5 registered nurse, college professor, or college president whose
6 salary is paid wholly or in part from public funds. An employee of
7 any state department, board, board of regents or board of trustees,
8 who is in a supervisory or an administrative position, the function
9 of which is primarily devoted to public education, shall be
10 considered classified personnel under the meaning of this act, at
11 the discretion of the Board of Trustees of the Teachers' Retirement
12 System. The term "teacher" shall also include instructors and
13 counselors employed by the Department of Corrections and holding
14 valid teaching certificates issued by the State Department of
15 Education. Provided, that a person employed by the Department of
16 Corrections as an instructor or counselor shall have been actively
17 engaged in the teaching profession for a period of not less than
18 three (3) years prior to employment to be eligible to participate in
19 the Oklahoma Teachers' Retirement System. The Department of
20 Corrections shall contribute the employer's share to the Oklahoma
21 Teachers' Retirement System.

22 (4) "Nonclassified optional personnel" shall include cooks,
23 janitors, maintenance personnel not in a supervisory capacity, bus
24 drivers, noncertified or nonregistered nurses, noncertified

1 librarians, and clerical employees of the public schools, state
2 colleges, universities or any state department, board, board of
3 regents or board of trustees, the functions of which are primarily
4 devoted to public education and whose salaries are paid wholly or in
5 part from public funds.

6 (5) "Employer" shall mean the state and any of its designated
7 agents or agencies with responsibility and authority for public
8 education, such as boards of education of elementary and independent
9 school districts, boards of regents, boards of control or any other
10 agency of and within the state by which a person may be employed for
11 service in public education. "Employer" shall also mean the board
12 of directors of a tuition free, nonprofit alternative school of
13 choice that provides education, therapeutic counseling and outreach
14 programs which is aligned with a school district and which receives
15 grant funds from governmental sources.

16 (6) "Member" shall mean any teacher or other employee included
17 in the membership of the system as provided in Section 17-103 of
18 this title.

19 (7) "Board of Trustees" shall mean the board provided for in
20 Section 17-106 of this title to administer the retirement system.

21 (8) "Service" shall mean service as a classified or
22 nonclassified optional employee in the public school system, or any
23 other service devoted primarily to public education in the state.
24

1 (9) "Prior service" shall mean service rendered prior to July
2 1, 1943.

3 (10) "Membership service" shall mean service as a member of the
4 classified or nonclassified personnel as defined in paragraphs (3)
5 and (4) of this section.

6 (11) "Creditable service" shall mean membership service plus
7 any prior service authorized under this title.

8 (12) "Annuitant" shall mean any person in receipt of a
9 retirement allowance as provided in this title.

10 (13) "Accumulated contributions" shall mean the sum of all
11 amounts deducted from the compensation of a member and credited to
12 his individual account in the Teacher Savings Fund, together with
13 interest as of June 30, 1968.

14 (14) "Earnable compensation" shall mean the full rate of the
15 compensation that would be payable to a member if he worked the full
16 normal working time.

17 (15) "Average salary":

18 (a) for those members who joined the System prior to July
19 1, 1992, shall mean the average of the salaries for
20 the three (3) years on which the highest contributions
21 to the Teachers' Retirement System was paid not to
22 exceed the maximum contribution level specified in
23 Section 17-116.2 of this title or the maximum
24 compensation level specified in subsection (28) of

1 this section. Provided, no member shall retire with
2 an average salary in excess of Twenty-five Thousand
3 Dollars (\$25,000.00) unless the member has made the
4 required election and paid the required contributions
5 on such salary in excess of Twenty-five Thousand
6 Dollars (\$25,000.00), or unless an eligible member
7 fulfills the requirements of Section 17-116.2C of this
8 title in order to have pre-cap removal service
9 included in the retirement benefit computation of the
10 member using the regular annual compensation of the
11 member for any pre-cap removal year of service so
12 included subject to the maximum average salary amount,
13 and

14 (b) for those members who join the System after June 30,
15 1992, shall mean the average of the salaries for five
16 (5) consecutive years on which the highest
17 contribution to the Teachers' Retirement System was
18 paid. Only salary on which required contributions
19 have been made may be used in computing average
20 salary.

21 (16) "Annuity" shall mean payments for life derived from the
22 "accumulated contributions" of a member. All annuities shall be
23 payable in equal monthly installments.

1 (17) "Pension" shall mean payments for life derived from money
2 provided by the employer. All pensions shall be payable in equal
3 monthly installments.

4 (18) "Monthly retirement allowance" is one-twelfth (1/12) of
5 the annual retirement allowance which shall be payable monthly.

6 (19) "Retirement Benefit Fund" shall mean the fund from which
7 all retirement benefits shall be paid based on such mortality tables
8 as shall be adopted by the Board of Trustees.

9 (20) "Actuary" shall mean a person especially skilled through
10 training and experience in financial calculation respecting the
11 expectancy and duration of life.

12 (21) "Actuarial equivalent" shall mean a benefit of equal value
13 when computed upon the basis of such mortality and other tables as
14 shall be adopted by the Board of Trustees.

15 (22) The masculine pronoun, whenever used, shall include the
16 feminine.

17 (23) "Actuarially determined cost" shall mean the single sum
18 which is actuarially equivalent in value to a specified pension
19 amount as determined on the basis of mortality and interest
20 assumptions adopted by the Board of Trustees.

21 (24) "Normal retirement age" means the earliest date upon
22 which:

- 23 (a) a member reaches the age sixty-two (62) with respect
24 to a member whose first creditable service occurs

1 prior to November 1, 2011, unless the member reaches a
2 normal retirement date pursuant to subparagraph (c) or
3 subparagraph (d) of this paragraph, or

4 (b) a member reaches the age of sixty-five (65) with
5 respect to a member whose first creditable service
6 occurs on or after November 1, 2011, or with respect
7 to a member whose first creditable service occurs on
8 or after November 1, 2011, reaches a normal retirement
9 date pursuant to subparagraph (d) of this paragraph
10 having attained a minimum age of sixty (60) years, or

11 (c) the age at which the sum of a member's age and number
12 of years of creditable service total eighty (80), with
13 respect to a member whose first creditable service
14 occurred prior to July 1, 1992, and who does not reach
15 a normal retirement age pursuant to subparagraph (a)
16 of this paragraph, or

17 (d) the age at which the sum of a member's age and number
18 of years of creditable service total ninety (90), with
19 respect to a member whose first creditable service
20 occurred on or after July 1, 1992, but prior to
21 November 1, 2011, if the member does not reach a
22 normal retirement age pursuant to subparagraph (a) of
23 this paragraph, or
24

1 (e) with respect to a member who enters the retirement
2 system on or after November 1, 2020, at an age less
3 than thirty (30) years, after completion of thirty
4 (30) years of creditable service.

5 (25) "Regular annual compensation" means salary plus fringe
6 benefits, excluding the flexible benefit allowance pursuant to
7 Section 26-105 of this title and for purposes pursuant to Section
8 17-101 et seq. of this title. For purposes of this definition,
9 regular annual compensation shall include:

10 (a) salary which accrues on a regular basis in proportion
11 to the service performed, including payments for staff
12 development,

13 (b) amounts that would otherwise qualify as salary under
14 paragraph (a) of this subsection but are not received
15 directly by the member pursuant to a good faith,
16 voluntary written salary reduction agreement in order
17 to finance payments to a deferred compensation or tax-
18 sheltered annuity program or to finance benefit
19 options under a cafeteria plan qualifying under the
20 United States Internal Revenue Code, 26 U.S.C.,
21 Section 101 et seq.,

22 (c) group health and disability insurance, group term life
23 insurance, annuities and pension plans, provided on a
24 periodic basis to all qualified employees of the

1 employer, which qualify as fringe benefits under the
2 United States Internal Revenue Code, and

3 (d) excluded from regular annual compensation are:

- 4 1. expense reimbursement payments,
- 5 2. office, vehicle, housing or other maintenance
6 allowances,
- 7 3. the flexible benefit allowance provided pursuant
8 to Section 26-105 of this title,
- 9 4. payment for unused vacation and sick leave,
- 10 5. any payment made for reason of termination or
11 retirement not specifically provided for in
12 subparagraphs (a) through (c) of this subsection,
- 13 6. maintenance or other nonmonetary compensation,
- 14 7. payment received as an independent contractor or
15 consultant, pursuant to a lawful contract which
16 complies with the requirements of subsection B of
17 Section 6-101.2 of this title,
- 18 8. any benefit payments not made pursuant to a valid
19 employment agreement,
- 20 9. compensation for clinical related activity
21 performed in the University of Oklahoma Health
22 Sciences Center (OUHSC) Professional Practice
23 Plan or Oklahoma State University Center for
24

1 Health Sciences (OSU-CHS) Professional Practice
2 Plan,

3 10. any other compensation not described in
4 subparagraphs (a) through (c) of this subsection.

5 (26) "Teacher" means classified personnel and nonclassified
6 optional personnel.

7 (27) "Active classroom teacher" means a person employed by a
8 school district to teach students specifically identified classes
9 for specifically identified subjects during the course of a
10 semester, and who holds a valid certificate or license issued by and
11 in accordance with the rules and regulations of the State Board of
12 Education.

13 (28) "Maximum compensation level" shall, except as otherwise
14 authorized pursuant to the provisions of Section 17-116.2C of this
15 title, mean:

16 (a) Twenty-five Thousand Dollars (\$25,000.00) for
17 creditable service authorized and performed prior to
18 July 1, 1995, for members not electing a higher
19 maximum compensation level,

20 (b) Forty Thousand Dollars (\$40,000.00) for creditable
21 service authorized and performed prior to July 1,
22 1995, for members electing a maximum compensation
23 level in excess of Twenty-five Thousand Dollars
24 (\$25,000.00),

- 1 (c) Twenty-seven Thousand Five Hundred Dollars
2 (\$27,500.00) for members who, as of June 30, 1995, had
3 elected to have a maximum compensation level not in
4 excess of Twenty-five Thousand Dollars (\$25,000.00),
5 and who were employed by an entity or institution
6 within The Oklahoma State System of Higher Education
7 for creditable service authorized and performed on or
8 after July 1, 1995, but not later than June 30, 1996,
9 if such member does not elect a higher maximum
10 compensation level for this period as authorized by
11 Section 17-116.2A of this title,
- 12 (d) Thirty-two Thousand Five Hundred Dollars (\$32,500.00)
13 for members employed by a comprehensive university if
14 the member meets the requirements imposed by Section
15 17-116.2A of this title and the member elects to
16 impose a higher maximum compensation level for service
17 performed on or after July 1, 1995, but not later than
18 June 30, 1996,
- 19 (e) Forty-four Thousand Dollars (\$44,000.00) for members
20 who, as of June 30, 1995, had elected to have a
21 maximum compensation level in excess of Twenty-five
22 Thousand Dollars (\$25,000.00), and who were employed
23 by an entity or institution within The Oklahoma State
24 System of Higher Education for creditable service

1 authorized and performed on or after July 1, 1995, but
2 not later than June 30, 1996, if such member does not
3 elect a higher maximum compensation level for this
4 period as authorized by Section 17-116.2A of this
5 title,

6 (f) Forty-nine Thousand Dollars (\$49,000.00) for members
7 employed by a comprehensive university if the member
8 meets the requirements imposed by Section 17-116.2A of
9 this title and the member elects to impose a higher
10 maximum compensation level for service performed on or
11 after July 1, 1995, but not later than June 30, 1996,

12 (g) the following amounts for creditable service
13 authorized and performed by members employed by a
14 comprehensive university, based upon the election of
15 the member in effect as of June 30, 1995:

16 1. for members who elected a maximum compensation
17 level not in excess of Twenty-five Thousand
18 Dollars (\$25,000.00):

19 (i) Thirty-two Thousand Five Hundred Dollars
20 (\$32,500.00) for service authorized and
21 performed on or after July 1, 1996, but not
22 later than June 30, 1997,

23 (ii) Thirty-seven Thousand Five Hundred Dollars
24 (\$37,500.00) for service authorized and

1 performed on or after July 1, 1997, but not
2 later than June 30, 1998,

3 (iii) Forty-two Thousand Five Hundred Dollars
4 (\$42,500.00) for service authorized and
5 performed on or after July 1, 1998, but not
6 later than June 30, 2000,

7 (iv) Forty-seven Thousand Five Hundred Dollars
8 (\$47,500.00) for service authorized and
9 performed on or after July 1, 2000, but not
10 later than June 30, 2001,

11 (v) Fifty-two Thousand Five Hundred Dollars
12 (\$52,500.00) for service authorized and
13 performed on or after July 1, 2001, but not
14 later than June 30, 2002,

15 (vi) Fifty-seven Thousand Five Hundred Dollars
16 (\$57,500.00) for service authorized and
17 performed on or after July 1, 2002, but not
18 later than June 30, 2003,

19 (vii) Sixty-two Thousand Five Hundred Dollars
20 (\$62,500.00) for service authorized and
21 performed on or after July 1, 2003, but not
22 later than June 30, 2004,

23 (viii) Sixty-seven Thousand Five Hundred Dollars
24 (\$67,500.00) for service authorized and

performed on or after July 1, 2004, but not
later than June 30, 2005,

(ix) Seventy-two Thousand Five Hundred Dollars
(\$72,500.00) for service authorized and
performed on or after July 1, 2005, but not
later than June 30, 2006,

(x) Seventy-seven Thousand Five Hundred Dollars
(\$77,500.00) for service authorized and
performed on or after July 1, 2006, but not
later than June 30, 2007,

(xi) the full amount of regular annual
compensation for service authorized and
performed on or after July 1, 2007, and

2. for members who elected a maximum compensation
level in excess of Twenty-five Thousand Dollars
(\$25,000.00):

(i) Forty-nine Thousand Dollars (\$49,000.00) for
service authorized and performed on or after
July 1, 1996, but not later than June 30,
1997,

(ii) Fifty-four Thousand Dollars (\$54,000.00) for
service authorized and performed on or after
July 1, 1997, but not later than June 30,
1998,

- (iii) Fifty-nine Thousand Dollars (\$59,000.00) for service authorized and performed on or after July 1, 1998, but not later than June 30, 2000,
- (iv) Sixty-four Thousand Dollars (\$64,000.00) for service authorized and performed on or after July 1, 2000, but not later than June 30, 2001,
- (v) Sixty-nine Thousand Dollars (\$69,000.00) for service authorized and performed on or after July 1, 2001, but not later than June 30, 2002,
- (vi) Seventy-four Thousand Dollars (\$74,000.00) for service authorized and performed on or after July 1, 2002, but not later than June 30, 2003,
- (vii) Seventy-nine Thousand Dollars (\$79,000.00) for service authorized and performed on or after July 1, 2003, but not later than June 30, 2004,
- (viii) Eighty-four Thousand Dollars (\$84,000.00) for service authorized and performed on or after July 1, 2004, but not later than June 30, 2005,

(ix) Eighty-nine Thousand Dollars (\$89,000.00)
for service authorized and performed on or
after July 1, 2005, but not later than June
30, 2006,

(x) Ninety-four Thousand Dollars (\$94,000.00)
for service authorized and performed on or
after July 1, 2006, but not later than June
30, 2007,

(xi) the full amount of regular annual
compensation for service authorized and
performed on or after July 1, 2007,

(h) the full amount of regular annual compensation of:

1. a member of the retirement system not employed by
an entity or institution within The Oklahoma
State System of Higher Education for all
creditable service authorized and performed on or
after July 1, 1995,
2. a member of the retirement system first employed
on or after July 1, 1995, by an entity or
institution within The Oklahoma State System of
Higher Education for all creditable service
authorized and performed on or after July 1,
1995, but not later than June 30, 1996,

- 1 3. a member of the retirement system employed by an
2 entity or institution within The Oklahoma State
3 System of Higher Education, other than a
4 comprehensive university, if the member elects to
5 impose a higher maximum compensation level for
6 service performed on or after July 1, 1995, but
7 not later than June 30, 1996, pursuant to
8 subsection B of Section 17-116.2A of this title,
- 9 4. a member of the retirement system who is first
10 employed on or after July 1, 1996, by any entity
11 or institution within The Oklahoma State System
12 of Higher Education, including a comprehensive
13 university, for creditable service authorized and
14 performed on or after July 1, 1996,
- 15 5. a member of the retirement system who, as of July
16 1, 1996, is subject to a maximum compensation
17 level pursuant to paragraph (g) of this
18 subsection if the member terminates service with
19 a comprehensive university and is subsequently
20 reemployed by a comprehensive university,
- 21 6. a member of the retirement system employed by a
22 comprehensive university for all service
23 performed on and after July 1, 2007, or
24

1 7. an eligible member of the retirement system who
2 fulfills the requirements of Section 2 of this
3 act with respect to pre-cap removal service
4 included in the retirement benefit computation of
5 the member at the average salary of the member
6 subject to the maximum average salary amount.

7 (29) "Comprehensive university" shall mean:

8 (a) the University of Oklahoma and all of its constituent
9 agencies, including the University of Oklahoma Health
10 Sciences Center, the University of Oklahoma Law Center
11 and the Geological Survey, and

12 (b) Oklahoma State University and all of its constituent
13 agencies, including the Oklahoma State University
14 Agricultural Experiment Station, the Oklahoma State
15 University Agricultural Extension Division, the
16 Oklahoma State University College of Veterinary
17 Medicine, the Oklahoma State University Center for
18 Health Sciences, the Technical Branch at Oklahoma
19 City, the Oklahoma State University Institute of
20 Technology-Okmulgee and Oklahoma State University-
21 Tulsa.

22 (30) "Retirement contract" means the document prepared by the
23 Teachers' Retirement System upon member request, which incorporates
24 member's selected retirement option, and which must be executed and

submitted to the Teachers' Retirement System no less than thirty
(30) days prior to the projected retirement date.

SECTION 3. REPEALER 70 O.S. 2011, Section 17-1167.10, as
last amended by Section 2, Chapter 270, O.S.L. 2017 (70 O.S. Supp.
2019, Section 17-116.10), is hereby repealed.

SECTION 4. Section 1 of this act shall become effective October
1, 2020.

SECTION 5. Sections 2 and 3 of this act shall become effective
November 1, 2020.

57-2-9668 MAH 01/14/20

THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

2512 E. 71st Street , Suite D · Tulsa, Oklahoma 74136

(918) 492-9658 · (918) 492- 9659

January 15, 2020

Representative Dean Dennis
Room 301

Re: RBH No. 9668

This bill would allow OTRS participants who join after 11/1/2020 and before they have reached age 30 to retire after completion of 30 years of service with unreduced benefits. Currently they must satisfy the rule of 90 (age + service > 90).

This bill changes the OPLAA definition of a fiscal retirement bill to allow the removal of the earnings limitation for OTRS retired participants and continue to receive retirement benefits.

This bill also removes the earnings limitation for OTRS retired participants and continue to receive retirement benefits.

RBH No. 9255 is a fiscal bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

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