

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	HB1307
Version:	Proposed Committee Substitute 2
Request Number:	11202
Author:	Rep. Meredith
Date:	2/25/2020
Impact:	See Below

Research Analysis

Proposed committee substitute 2 for HB1307 allows college and university law enforcement officers to become members of the Oklahoma Law Enforcement Retirement System (OLERS) under certain conditions on or after November 1, 2020. Currently, these employees are participating members in the Teachers' Retirement System of Oklahoma (OTRS).

To become a participating employer of OLERS, the Board of Regents of an institution within the Oklahoma State System of Higher Education must approve and submit an irrevocable written election to OLERS. This action would bind all future officers employed by the institution on or after date of election. Current law enforcement officers that were employed prior to the date of the election have three months to decide and make an irrevocable election to remain members of OTRS or to become members of OLERS. For those officers electing to become OLERS members, employee and employer contributions, plus interest, attributable to transferring officers will also be moved from OTRS to OLERS to be used by the officer to purchase service credit at actuarial cost.

For university and college law enforcement officers, the employee contribution rate will be 8 percent of compensation, whereas the employer contribution rate will be 11.2 percent. For reference, the employer contribution rate for other OLERS participating employers is only 11 percent.

The measure also amend the Oklahoma Pension Legislation Actuarial Analysis Act to include a safe harbor clause that allows the bill to be treated as a nonfiscal retirement bill in the legislative process.

Prepared By: Quyen Do

Fiscal Analysis

Officials from the Oklahoma Law Enforcement Retirement System (OLERS), HB 1307 would increase the normal cost to OLERS by \$295,100 annually. An estimation of such increase's impact on the OLERS funded ratio is not yet available. This fiscal analysis will be updated as more information becomes available.

Prepared By: John McPhetridge

Other Considerations

None.

