

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	HB 2758
Version:	Proposed Committee Sub. 1
Request Number:	7625
Author:	Rep. Frix
Date:	2/13/2022
Impact:	OPERS: No Increase to UAAL

Research Analysis

The proposed committee substitute for HB 2758 provides that any member who contributes to the Oklahoma Public Employees Retirement System (OPERS) as a military police officer or emergency medical service personnel shall have retirement benefits for each year of full-time-equivalent participating service computed on 2.5 percent of the final average compensation. Benefits for more than 20 years of service shall be calculated at 2 percent of the final average compensation multiplied by the number of years of service.

The measure also directs a monthly pension to be paid on behalf of any military police officer or emergency medical service personnel hired for the first time on or after November 1, 2021, who is killed or mortally wounded during the performance of the member's duties.

Finally, the measure sets employee contributions to OPERS at 8 percent of allowable compensation for military police officers and licensed emergency medical personnel employed for the first time on or after November 1, 2021.

Prepared By: Emily McPherson

Fiscal Analysis

HB 2758 in its current form would provide hazardous duty benefits for new hires in the Oklahoma Public Employees Retirement System (OPERS) serving as military police officers and certain medical emergency personnel. HB 2758 was referred to the Legislative Actuary for interim evaluation under the provisions of OPLAAA. The Legislative Actuary concluded that HB 2758 does provide a benefit design increase, however, due to the change not providing retroactive service credit and the additional retirement contribution required of the participant, the net result of HB 2758 will not result in an increase in the actuarially accrued liability to OPERS.

Prepared By: John McPhetridge

Other Considerations

During the 2021 legislative session, HB 2758 was deemed a retirement bill having a fiscal impact under the provisions of the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA). For this reason, the measure was referred to the Legislative Actuary for an actuarial investigation during the 2021 interim.

Under OPLAAA, all retirement bills providing a benefit increase are considered "fiscal" for purposes of OPLAAA process and investigation, even if such bills do not ultimately result in a net increase in unfunded actuarially accrued liability (UAAL) to the affected retirement system.

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