

November 22, 2021

Representative Mark Lepak
State Capitol Room 441
2300 N. Lincoln Blvd
Oklahoma City, OK 73105

Re: Senate Bill No. 918

Senate Bill No. 318 increases the hiring age to 50 from 45 to become a participant in the Oklahoma Police Pension and Retirement System, provided the person has completed the physical-medical examination.

For a person entering at age 50 the probability of becoming disabled before normal retirement age is 1.6% compared a person entering age 45 is 1.4% or 14% increase.

For a person entering at age 50 the probability of dying before normal retirement age is 6.4% compared a person entering age 45 is 3.6% or 78% increase.

The probabilities above are based on the actuarial assumptions contained in the Systems 6/30/2021 actuarial valuations.

There were 4,920 active participants as July 1, 2021. There likely be so few persons entering the system over age 45 that Normal Cost as whole will not increase as a result. The 6/30/2021 actuarial accrued liability will not change because the person will new entrants and have no past service.



Thomas E. Cummins MAAA