

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 4051</b>
<b>Version:</b>	<b>FA1</b>
<b>Request Number:</b>	<b>10664</b>
<b>Author:</b>	<b>Rep. May</b>
<b>Date:</b>	<b>3/7/2024</b>
<b>Impact:</b>	<b>OFPRS: No Actuarial Impact</b>

**Research Analysis**

The floor substitute for HB4051 allows members of the Oklahoma Firefighters Pension and Retirement System to purchase up to five years of prior or participating military service credit at actuarial cost. Purchased military service credit will be used to determine the member's retirement benefit, but will not be considered for vesting, retirement eligibility, or participation in the deferred option plan.

The measure also includes a safe harbor clause to allow the bill to be treated as a non-fiscal retirement bill and bypass the requirements of the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA).

**DIFFERENCES BETWEEN FLOOR SUBSTITUTE AND INTRODUCED VERSION**

The floor substitute adds a safe harbor amendment to bypass OPLAAA and establishes parameters for how purchased military service affects the member's retirement benefit, eligibility, vesting and participation in the deferred option plan.

Prepared By: Quyen Do

**Fiscal Analysis**

HB 4051 would allow participants of the Oklahoma Firefighters Pension and Retirement System (OFPRS) to purchase up to five (5) years of military service.

The floor amendment includes a safe harbor clause allowing the purchase of military service credit to be considered a non-fiscal measure under the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA). Due to the OPLAAA amendment, the Legislative Actuary deemed HB 4051 as a non-fiscal retirement bill.

In addition, OFPRS confirmed they do not expect an increase to the system's unfunded liability, as the member is responsible for paying the actuarial cost. Therefore, in its current form, the measure is not anticipated to have an actuarial impact on the Oklahoma Firefighters Pension and Retirement System or directly impact the state budget.

Prepared By: Alexandra Ladner, House Fiscal Staff

**Other Considerations**

None.

