

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

HOUSE BILL 3528

By: Ranson

AS INTRODUCED

An Act relating to retirement; providing for retirement benefit increase for members of the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Teachers' Retirement System of Oklahoma, and the Oklahoma Public Employees Retirement System; defining term; prescribing conditions for retirement benefit increase; authorizing grant of benefit increase subject to limitation based upon funded ratio; prescribing date for effect of benefit increases; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 49-143.8 of Title 11, unless there is created a duplication in numbering, reads as follows:

A. As used in this section, "funded ratio" means the figure derived by dividing the actuarial value of retirement system assets by the actuarial accrued liability amount of the retirement system

1 using the information reported to the retirement system by its
2 actuary in the annual valuation and which is computed as of a day
3 certain.

4 B. The board of trustees of the Oklahoma Firefighters Pension
5 and Retirement System shall grant a two percent (2%) retirement
6 benefit increase effective July 1 each year to the retired members
7 of the system or their beneficiaries if the funded ratio of the
8 retirement system will be at least seventy-five percent (75%) after
9 the benefit increase is provided to the eligible retirees or
10 beneficiaries.

11 SECTION 2. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 50-136.10 of Title 11, unless
13 there is created a duplication in numbering, reads as follows:

14 A. As used in this section, "funded ratio" means the figure
15 derived by dividing the actuarial value of retirement system assets
16 by the actuarial accrued liability amount of the retirement system
17 using the information reported to the retirement system by its
18 actuary in the annual valuation and which is computed as of a day
19 certain.

20 B. The board of trustees of the Oklahoma Police Pension and
21 Retirement System shall grant a two percent (2%) retirement benefit
22 increase effective July 1 each year to the retired members of the
23 system or their beneficiaries if the funded ratio of the retirement
24

1 system will be at least seventy-five percent (75%) after the benefit
2 increase is provided to the eligible retirees or beneficiaries.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1104L of Title 20, unless there
5 is created a duplication in numbering, reads as follows:

6 A. As used in this section, "funded ratio" means the figure
7 derived by dividing the actuarial value of retirement system assets
8 by the actuarial accrued liability amount of the retirement system
9 using the information reported to the retirement system by its
10 actuary in the annual valuation and which is computed as of a day
11 certain.

12 B. The board of trustees of the Uniform Retirement System for
13 Justices and Judges shall grant a two percent (2%) retirement
14 benefit increase effective July 1 each year to the retired members
15 of the system or their beneficiaries if the funded ratio of the
16 retirement system will be at least seventy-five percent (75%) after
17 the benefit increase is provided to the eligible retirees or
18 beneficiaries.

19 SECTION 4. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 2-305.13 of Title 47, unless
21 there is created a duplication in numbering, reads as follows:

22 A. As used in this section, "funded ratio" means the figure
23 derived by dividing the actuarial value of retirement system assets
24 by the actuarial accrued liability amount of the retirement system
--

1 using the information reported to the retirement system by its
2 actuary in the annual valuation and which is computed as of a day
3 certain.

4 B. The board of trustees of the Oklahoma Law Enforcement
5 Retirement System shall grant a two percent (2%) retirement benefit
6 increase effective July 1 each year to the retired members of the
7 system or their beneficiaries if the funded ratio of the retirement
8 system will be at least seventy-five percent (75%) after the benefit
9 increase is provided to the eligible retirees or beneficiaries.

10 SECTION 5. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 17-116.23 of Title 70, unless
12 there is created a duplication in numbering, reads as follows:

13 A. As used in this section, "funded ratio" means the figure
14 derived by dividing the actuarial value of retirement system assets
15 by the actuarial accrued liability amount of the retirement system
16 using the information reported to the retirement system by its
17 actuary in the annual valuation and which is computed as of a day
18 certain.

19 B. The board of trustees of the Teachers' Retirement System of
20 Oklahoma shall grant a two percent (2%) retirement benefit increase
21 effective July 1 each year to the retired members of the system or
22 their beneficiaries if the funded ratio of the retirement system
23 will be at least seventy-five percent (75%) after the benefit
24 increase is provided to the eligible retirees or beneficiaries.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
--

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 930.12 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. As used in this section, "funded ratio" means the figure derived by dividing the actuarial value of retirement system assets by the actuarial accrued liability amount of the retirement system using the information reported to the retirement system by its actuary in the annual valuation and which is computed as of a day certain.

B. The board of trustees of the Oklahoma Public Employees Retirement System shall grant a two percent (2%) retirement benefit increase effective July 1 each year to the retired members of the system or their beneficiaries if the funded ratio of the retirement system will be at least seventy-five percent (75%) after the benefit increase is provided to the eligible retirees or beneficiaries.

SECTION 7. This act shall become effective November 1, 2024.

59-2-9557 CMA 01/10/24

THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

2512 E. 71st Street , Suite D • Tulsa, Oklahoma 74136
(918) 492-9658 • (918) 492- 9659

January 11, 2024

Representative Ranson
Room 502.2

Re: RBH No. 9557

RBH No 9557 provides a 2% cost of living adjustment for all systems providing the funded ratio is at least 75% after the adjustment.

RBH No. 9557 is a fiscal bill as defined by OPLAAA.

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