

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 60<sup>th</sup> Legislature

|                        |                           |
|------------------------|---------------------------|
| <b>Bill No.:</b>       | <b>HB1784</b>             |
| <b>Version:</b>        | <b>POLREC</b>             |
| <b>Request Number:</b> | <b>16495</b>              |
| <b>Author:</b>         | <b>Rep. Hays</b>          |
| <b>Date:</b>           | <b>3/4/2026</b>           |
| <b>Impact:</b>         | <b>See Analysis Below</b> |

**Research Analysis**

The policy committee recommendation for HB1784 require the Board of Trustees for the Teachers' Retirement System of Oklahoma (OTRS) to adopt and maintain an assumed rate of investment return for actuarial valuations that is not lower than system's *lowest net investment return* over the past 20 fiscal year, unless otherwise authorized by the Legislature. The Board must conduct an annual review and certify compliance with this requirement to the Governor, the Senate President Pro Tempore, and the Speaker of the House

Additionally, the measure requires the method for calculating net investment return to match the methodology used in the system's audited financial statements..

Prepared By: Quyen Do

**Fiscal Analysis**

HB 1784 requires the assumed investment return used in actuarial valuations for the Oklahoma Teachers' Retirement System (TRS) to not be lower than the annual net investment return over the preceding twenty fiscal years.

According to TRS, a trailing return floor may create long-term funding and governance risks, especially if future capital market expectations differ from historical experience. They also suggest there may be adverse disclosure, audit findings, and credit issues. TRS actuaries caution against implementing this assumption, stating it would be damaging to the long-term decision making for the stakeholders of the System.

Prepared By: Alexandra Ladner, House Fiscal Staff

**Other Considerations**

None.