

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB1904
Version:	POLPCS3
Request Number:	16374
Author:	Rep. May
Date:	2/17/2026
Impact:	See Analysis Below

Research Analysis

The third proposed policy committee substitute for HB1904 grants a 50 percent increase in monthly benefits for any retiree of the Teachers' Retirement System of Oklahoma whose original benefit was capped at \$25,000.

The measure also includes a safe harbor amendment to allow the bill to be considered a nonfiscal retirement bill, bypassing the requirement of the Oklahoma Pension Legislation Actuarial Analysis Act.

Prepared By: Quyen Do

Fiscal Analysis

HB 1904 would provide a one-time 50% benefit increase for any retiree of the Oklahoma Teachers Retirement System (OTRS) whose benefit was capped at \$25,000.00.

OTRS anticipates the measure to affect approximately 73 of its 70,000 retirees and increase annual payouts by about \$260,000. Although the measure includes a safe harbor amendment, this change will increase the unfunded actuarial accrued liability (UAAL) by \$2,100,000 and decrease the funded ratio by 0.1%. The measure will not impact the system's funding period.

According to OTRS, the increase in the UAAL will grow with interest at 7% annually until the current UAAL is amortized. However, a contribution equal to the \$2,100,000 would finance the enhancement immediately.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.