

**BILL SUMMARY**  
1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB1426</b>
<b>Version:</b>	<b>Proposed Committee Substitute 1</b>
<b>Request Number:</b>	<b>8185</b>
<b>Author:</b>	<b>Rep. Loring</b>
<b>Date:</b>	<b>2/26/2019</b>
<b>Impact:</b>	<b>OFPRS: minimal actuarial impact</b>

**Research Analysis**

The proposed committee substitute for HB1426 allows eligible firefighters employed by an Oklahoma based federal recognized Native American tribe to become members of and accrue service credit in the Oklahoma Firefighter Pension and Retirement System (OFPRS) effective November 1, 2019 upon the adoption of a resolution by a tribe that allows the tribal fire department of said tribe to become a participating municipality of OFPRS.

Participating tribal fire departments will be required to establish a local Firefighters Pension and Retirement Board and make contributions to the system at the current statutory rates, which is 9 percent of actual paid gross salary for member contributions and 14 percent of actual paid gross salary for employer contributions.

Within 90 days after the end of the first plan year during which the tribal firefighters have been members of the system and any applicable year thereafter, OFPRS is required to perform an actuarial analysis of the normal cost of providing benefits to tribal members compared to the other members of the system. For any year in which the normal cost for providing benefits for the tribal firefighter population is greater than the cost for the other members of the system, the OFPRS Board is required to report recommendations for employee or employer contribution rate increases to the Governor, Speaker and President Pro Tempore by December 1.

The measure also amend the Oklahoma Pension Legislation Actuarial Analysis Act to include a safe harbor clause that allows the bill to be treated as a nonfiscal retirement bill in the legislative process.

Prepared By: Quyen Do

**Fiscal Analysis**

Officials for the Oklahoma Firefighters Pension and Retirement System (OFPRS) estimate that any actuarial impact on the System as a result of HB 1426 in its current form, is minimal. This estimate is based on OFPRS's belief that HB 1426 in its current form would treat Native American Tribes in the same manner as participating municipalities. Since OFPRS believes that the current contribution system as it pertains to participating municipalities adequately covers related normal costs, its extension to Native American Tribes would result in a similar outcome.

Prepared By: John McPhetridge

**Other Considerations**

None.

