

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	HB 3350
Version:	Proposed Committee Substitute 1
Request Number:	10799
Author:	Rep. Frix
Date:	2/26/2020
Impact:	See Chart Below

Research Analysis

The proposed committee substitute for HB3350 authorizes a four percent cost of living adjustment (COLA) for retirees of the following pension systems effective November 1, 2020:

Teachers' Retirement System of Oklahoma;
Oklahoma Public Employees Retirement System;
Oklahoma Firefighters Pension and Retirement System;
Oklahoma Police Pension and Retirement System;
Oklahoma Law Enforcement Retirement System; and
Uniform Retirement System for Justices and Judges.

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

HB 3350 in its current form provides a 4% cost of living adjustment (COLA) to retirees of the:

Teachers' Retirement System of Oklahoma (OTRS),
Oklahoma Public Employees Retirement System (OPERS),
Oklahoma Firefighters Pension and Retirement System (Firefighters),
Oklahoma Police Pension and Retirement System (Police),
Oklahoma Law Enforcement Retirement System (OLERS), and
Uniform Retirement System for Justices and Judges (URSJJ).

According to the Legislative Actuary the estimated actuarial impact on the unfunded liability and funded ratio of each system is as follows:

System	Liability (millions)	Funded Ratio Impact (percentage)
OTRS	\$514	-1.5%
OPERS	\$233	-2.2%
Firefighters	\$65	-1.2%
Police	\$50	-2.0%
OLERS	\$25	-1.9%
URSJJ	\$8	-2.9%

Prepared By: John McPhetridge

Other Considerations

None.