

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 3350</b>
<b>Version:</b>	<b>Proposed Committee Substitute 2</b>
<b>Request Number:</b>	<b>11491</b>
<b>Author:</b>	<b>Rep. Frix</b>
<b>Date:</b>	<b>2/27/2020</b>
<b>Impact:</b>	<b>See Chart Below</b>

**Research Analysis**

Proposed committee substitute 2 for HB3350 authorizes a four percent cost of living adjustment (COLA) for retirees of the following pension systems:

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.

If the measure is enacted with an emergency clause, the COLA will take effect July 1, 2020. If no emergency clause is included in the enrolled version of the bill, the COLA will take effect November 1, 2020 although each applicable retirement system will be required to pay eligible retirees for COLA increases attributable to the month of July, August, September and October of 2020.

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)
<b>OTRS</b>	<b>\$514</b>	<b>-1.5%</b>
<b>OPERS</b>	<b>\$233</b>	<b>-2.2%</b>
<b>Firefighters</b>	<b>\$65</b>	<b>-1.2%</b>
<b>Police</b>	<b>\$50</b>	<b>-2.0%</b>
<b>OLERS</b>	<b>\$25</b>	<b>-1.9%</b>
<b>URSJJ</b>	<b>\$8</b>	<b>-2.9%</b>

Prepared By: John McPhetridge

**Other Considerations**

None.