BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	**SB743**
Version:	**FULLPCS1**
Request Number:	**10734**
Author:	**Rep. Moore**
Date:	**2/28/2022**
Impact:	**See Analysis Below**

Research Analysis

The proposed committee substitute for SB 743 modifies the definition of *permanent in-line disability* as used in the Oklahoma Police Pension and Retirement System to mean when an officer because so physically or mentally disabled, as determined by an independent medical examiner, psychiatrist or psychologist selected by the State Board, in consequence of their duties that they can no longer perform their required duties.

The measure also modifies the normal disability benefit for members with a permanent in-line disability to be the greater of 2.5 percent of the member's final average salary multiplied by 20 years, regardless of the years of actual credit service, or 2.5 percent of the member's final average salary multiplied by the years of credited service, not to exceed 30 years, if the member has more than 20 years of credited service. The disability benefit is no longer based on the percentage of impairment to the member.

Additionally, the measure modifies the benefit for members who have a permanent and partial disability from any cause and have completed 10 years of services on the basis of the following:

- 1 percent to 49 percent impaired: 50 percent of accrued retirement benefit;
- 50 percent to 74 percent impaired: 75 percent of accrued retirement benefit; and
- 75 to 99 percent impaired: 100 percent of accrued retirement benefit.

The measure amends the Oklahoma Pension Legislation Actuarial Analysis Act to make the provisions of the measure nonfiscal.

Prepared By: Emily McPherson

Fiscal Analysis

Section 1 of SB 743 in its current form, amends the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA), providing safe-harbor treatment for provisions such as the one included in SB 743.

Sections 2 and 3 of the measure modifies the disability benefit calculations for certain members of the Oklahoma Police Pension and Retirement System (OPPRS). Such provision modifications are expected to result in the following actuarial impacts to OPPRS: an increase in normal costs to the system of 0.1% of covered payroll.

Prepared By: John McPhetridge

Other Considerations

None.