

ENROLLED HOUSE
BILL NO. 2536

By: Walker, Boren, Brannon,
Ellis, McIntyre, Miller
(Ray), Morgan (Danny), Roan
and Smithson of the House

and

Corn and Rabon of the
Senate

An Act relating to public retirement systems; creating Task Force for the Study of Public Retirement Systems Benefit Design and Equity; providing for membership of Task Force; defining term; requiring comprehensive review; requiring analysis of matters related to major public retirement systems; providing for selection of chair and vice-chair; authorizing meetings; providing for conduct of business; providing for applicability of Oklahoma Open Meeting Act and Oklahoma Open Records Act; providing for travel reimbursement; providing for staffing and assistance; requiring final report; specifying requirements of final report; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1002 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Task Force for the Study of Public Retirement Systems Benefit Design and Equity.

B. The Task Force shall consist of seventeen (17) members to be selected as follows:

1. One member to be appointed by the Governor;
2. Two members to be appointed by the Speaker of the House of Representatives;
3. Two members to be appointed by the President Pro Tempore of the State Senate;
4. The Executive Director, or designee, of the Oklahoma Firefighters Pension and Retirement System;
5. The Executive Director, or designee, of the Oklahoma Police Pension and Retirement System;
6. The Executive Director, or designee, of the Oklahoma Law Enforcement Retirement System;

7. The Executive Director, or designee, of the Teachers' Retirement System of Oklahoma;

8. The Executive Director, or designee, of the Oklahoma Public Employees Retirement System;

9. A person selected by the governing board of a statewide nonprofit membership organization formed for the benefit of active firefighters;

10. A person selected by the governing board of a state chapter of a national nonprofit membership organization formed for the benefit of active municipal police officers;

11. A person selected by the governing board of a statewide nonprofit membership organization formed for the benefit of Oklahoma highway patrol officers;

12. A person selected by the governing board of a statewide nonprofit membership organization consisting of at least ten thousand (10,000) members formed for the benefit of retired Oklahoma educators;

13. A person selected by the governing board of a statewide nonprofit membership organization formed for the benefit of active state employees;

14. A person selected by the governing board of a statewide nonprofit membership organization consisting of at least thirty-five thousand (35,000) members formed for the benefit of education professionals; and

15. A person selected by the governing board of a statewide nonprofit organization formed for the benefit of municipalities in the State of Oklahoma.

C. As used in this section, "major retirement systems" shall mean the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System.

D. The purpose of the Task Force shall be to conduct a comprehensive review of the major public retirement systems.

E. The comprehensive review to be conducted by the Task Force shall include, but shall not be limited to:

1. A history of the benefit design in each of the major public retirement systems, including benefits for retired members and surviving beneficiaries;

2. A history of the method by which benefits have or have not been funded at normal cost in each of the major retirement systems;

3. An analysis of the funded status of each of the major retirement systems, including historical data on such funded status on an annual basis from the inception of the retirement system to the present;

4. An analysis of the impact of salary cap treatment in any major retirement system that had a salary cap in place at any time during its history or as part of current benefit design with respect to equity in computation of retirement benefits;

5. An analysis of the role of dedicated tax or other revenue sources in the adequacy of funding for the major retirement systems;

6. A history of cost-of-living or similar increases for the retirees of the major retirement systems and an analysis of the impact of inflation upon retirement benefits with a specific requirement that an analysis be conducted of the extent to which cost-of-living adjustments have or have not been equal to the rate of inflation as measured by the Consumer Price Index or similar measure; and

7. Such other matters relevant to a thorough study and analysis of the major retirement systems as the Task Force may select.

F. The Task Force shall select from among its membership a chair and vice-chair.

G. The Task Force shall be authorized to meet as required in order to perform the duties imposed upon it. The business of the Task Force may be conducted by an affirmative vote of a simple majority of the members in attendance.

H. The Task Force shall be subject to the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act. Travel reimbursement for members of the Task Force shall be the responsibility of the appointing authority. Legislators appointed to serve on the Task Force shall be reimbursed as provided by Section 456 of Title 74 of the Oklahoma Statutes.

I. Staffing for the Task Force shall be provided by the Oklahoma House of Representatives and the Oklahoma State Senate. Additional assistance shall be provided by the major retirement systems and, to the extent practical, by actuarial and legal advisors retained by the major retirement systems.

J. The Task Force shall summarize the information required by the provisions of subsection E of this section in a Final Report. The Task Force may disclose possible inequities between the major retirement systems regarding benefit design, employer contributions, employee contributions, dedicated revenue sources, retirement benefit equity, funded status or such other matters as the Task Force may choose.

K. The Final Report of the Task Force shall be submitted to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the State Senate not later than January 31, 2005.

SECTION 2. This act shall become effective July 1, 2004.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 26th day of May, 2004.

Presiding Officer of the House of
Representatives

Passed the Senate the 27th day of May, 2004.

Presiding Officer of the Senate