

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB1277</b>
<b>Version:</b>	<b>FA 1</b>
<b>Request Number:</b>	<b>10694</b>
<b>Author:</b>	<b>Speaker McCall</b>
<b>Date:</b>	<b>3/12/2024</b>
<b>Impact:</b>	<b>Please see previous summary of this measure</b>

**Research Analysis**

The floor substitute for HB1277 requires the boards of trustees of each the state's public pension systems to grant a benefit increase between 2 and 4 percent for its retirees effective November 1, 2024. A benefit increase of 4 percent will be granted if the system's funded ratio after the increase is 80 percent or more. A benefit increase of 2 percent will be granted if the system's funded ratio after the increase is less than 80 percent.

The measure also amends the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA) to include a safe harbor clause to allow the bill to be treated as a nonfiscal retirement bill in the legislative process.

**DIFFERENCES BETWEEN FLOOR SUBSTITUTE AND COMMITTEE SUBSTITUTE VERSION**

The floor substitute grants a higher 4 percent cost of living adjustment to retirees of the pension systems that will have a funded ratio of 80 percent or more after the increase. The committee substitute would have only granted a 2 percent increase regardless of the funding level of the pension system. The floor substitute also includes a safe harbor provision to allow the bill to bypass OPLAAA.

Prepared By: Quyen Do

**Fiscal Analysis**

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

**Other Considerations**

None.