

## STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

HOUSE BILL 2145

By: Sneed

AS INTRODUCED

An Act relating to the Oklahoma Public Employees Retirement System; amending 74 O.S. 2011, Section 905, as last amended by Section 2, Chapter 312, O.S.L. 2017 (74 O.S. Supp. 2018, Section 905), which relates to the Board of Trustees; modifying Board membership; providing for member representing certain statewide organization; and providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 2011, Section 905, as last amended by Section 2, Chapter 312, O.S.L. 2017 (74 O.S. Supp. 2018, Section 905), is amended to read as follows:

Section 905. (1) There shall be a Board of Trustees which shall consist of ~~fourteen (14)~~ fifteen (15) members as follows and all appointees shall serve their terms at the pleasure of the appointing authority and may be removed or replaced without cause: a member of the Corporation Commission or the Commission's designee selected by the Corporation Commission, the Director of the Office of Management and Enterprise Services or the Director's designee,

1 the State Insurance Commissioner or the Commissioner's designee, the  
2 Director of Human Capital Management of the Office of Management and  
3 Enterprise Services, a member of the Oklahoma Tax Commission  
4 selected by the Tax Commission, the State Treasurer or the  
5 Treasurer's designee, three members appointed by the Governor, one  
6 member appointed by the Supreme Court, two members appointed by the  
7 Speaker of the House of Representatives ~~and~~, two members appointed  
8 by the President Pro Tempore of the State Senate and a member  
9 appointed by the largest statewide organization the primary purpose  
10 of which is to represent the interests of state employees. One  
11 member appointed by the Governor shall be an active member of the  
12 System. One member appointed by the Speaker shall be an active  
13 member of the System. One member appointed by the President Pro  
14 Tempore shall be a retired member of the System.

15 (2) The member of the Board of Trustees on July 1, 1988, who  
16 was appointed by the Supreme Court shall complete the term of office  
17 for which the member was appointed. The members thereafter  
18 appointed by the Supreme Court shall serve terms of office of four  
19 (4) years.

20 (3) Members of the Board of Trustees on July 1, 1988, who were  
21 appointed by the Speaker of the House of Representatives or by the  
22 President Pro Tempore of the Senate shall complete their term of  
23 office for which they were appointed. The initial term of office of  
24 members appointed thereafter shall expire on January 8, 1991. The

1 members thereafter appointed by the Speaker of the House of  
2 Representatives and by the President Pro Tempore of the Senate shall  
3 serve terms of office of four (4) years.

4 (4) The initial term of office of the members appointed by the  
5 Governor shall expire on January 14, 1991. The members thereafter  
6 appointed by the Governor shall serve a term of office of four (4)  
7 years which is coterminous with the term of office of the office of  
8 the appointing authority.

9 (5) One of the members appointed to the Board by the Speaker of  
10 the House of Representatives and by the President Pro Tempore of the  
11 Senate and two members appointed to the Board by the Governor shall:

- 12 (a) have demonstrated professional experience in  
13 investment or funds management, public funds  
14 management, public or private pension fund management  
15 or retirement system management,
- 16 (b) have demonstrated experience in the banking profession  
17 and have demonstrated professional experience in  
18 investment or funds management,
- 19 (c) be licensed to practice law in this state and have  
20 demonstrated professional experience in commercial  
21 matters, or
- 22 (d) be licensed by the Oklahoma Accountancy Board to  
23 practice in this state as a public accountant or a  
24 certified public accountant.

1 The appointing authorities, in making appointments that conform  
2 to the requirements of this subsection, shall give due consideration  
3 to balancing the appointments among the criteria specified in  
4 paragraphs (a) through (d) of this subsection.

5 (6) No member of the Board of Trustees shall be a lobbyist  
6 registered in this state as provided by law.

7 (7) Any vacancy that occurs on the Board of Trustees shall be  
8 filled for the unexpired term in the same manner as the office was  
9 previously filled.

10 (8) Notwithstanding any of the provisions of this section to  
11 the contrary, any person serving as an appointed member of the Board  
12 on July 1, 1988, shall be eligible for reappointment when the term  
13 of office of the member expires.

14 (9) The Board shall elect one of its members as Chairman of the  
15 Board at its annual meeting. He shall preside over meetings of the  
16 Board and perform such other duties as may be required by the Board.

17 (10) The Board shall also elect another member to serve as Vice  
18 Chairman, and the Vice Chairman shall perform duties of Chairman in  
19 the absence of the latter or upon his inability or refusal to act.

20 SECTION 2. This act shall become effective November 1, 2019.

21  
22 57-1-7127 MAH 12/12/18  
23  
24

**THOMAS E. CUMMINS CONSULTING ACTUARY, INC.**

2512 E. 71<sup>st</sup> Street , Suite D • Tulsa, Oklahoma 74136  
(918) 492-9658 • (918) 492- 9659

---

January 8, 2019

Representative Chris Sneed  
Room 300C

Re: RBH No. 7127

RBH No. 7127 adds a member appointed by the largest statewide organization the primary purpose of which is to represent the interests of state employees to the Board of Trustees of the Oklahoma Public Employees Retirement System.

RBH No. 7127 is non fiscal bill as defined by the Oklahoma Pension Legislation Analysis Act because there no increase in benefits or increase in accrued liability.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

*Thomas E. Cummins*

Thomas E. Cummins, MAAA