

February 16, 2023

Representative Jon Echols
Room 457

Re: Proposed Committee Substitute for House Bill No. 2279
RHB No. 7516

Proposed Committee Substitute for House Bill No. 2279 gives a benefit increase based on changes in the CPI-W to retired participants of the various retirement systems provided the systems have a certain actuarial funded ratio after the benefit increase. The maximum increase is 4% in any year.

The minimum ratios are and current funded ratio based on the 6/30/2022 actuarial valuation:

	Minimum	Current
Firefighters	75%	73%
Police	90%	105.4%
OLERS	90%	91.5%
Teachers	75%	73.5%
OPERS	90%	101.5%
Judges	90%	110.9%

If granting the full change in the CPI-W will reduce the funded ratio below the minimum ratio, the increase will be limited to the percentage such that the funded ratio is equal to the minimum funded ratio.

OPLAAA's definition of a non fiscal bill is changed to include the above benefit increase.

Proposed Committee Substitute for House Bill No. 2279 is a non fiscal bill as defined by OPLAAA as amended. All the systems except Firefighters and Teachers will have benefit increases.

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.

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