



OFFICE OF

No. SB 1111

THE GOVERNOR
STATE OF OKLAHOMA

OKLAHOMA CITY, OKLA., May 6, 2013

TIME SIGNED: 3:14pm

TO THE HONORABLE PRESIDENT PRO TEMPORE
AND MEMBERS OF THE OKLAHOMA SENATE
FIRST SESSION OF THE
FIFTY FOURTH OKLAHOMA LEGISLATURE

ENROLLED SENATE BILL NO. 1111:

This to advise you that on this date, pursuant to the authority vested in me by Section 11 of Article VI of the Oklahoma Constitution to approve or object to legislation presented to me, I have VETOED Senate Bill 1111.

Senate Bill 1111 would create the Oklahoma Pension Improvement Revolving Fund for the teacher, police, and fire retirement systems of the state. In theory, the revolving fund would consist of monies received and placed in the fund for the benefit of retired members and beneficiaries of the retirement systems. However, this legislation fails to identify a funding source or appropriate any money into the revolving account.

I am very supportive of the concept of reducing the state's unfunded pension liability. Senate Bill 847 not only creates the Pension Stabilization Fund, but also establishes a clear funding mechanism. The state's "Rainy Day Fund" is constitutionally prohibited from exceeding a certain dollar amount. Senate Bill 847 transfers any surplus from the "Rainy Day Fund" which is over and above the constitutional limit, and then deposits this surplus into the Pension Stabilization Fund. Monies from the Pension Stabilization Fund will be allocated by legislative appropriation to reduce the state's unfunded pension liability if one or more of the state pension systems drop below a 90% funding ratio.

Unlike Senate Bill 847, Senate Bill 1111 does not provide for a funding mechanism and will not truly impact the state's unfunded pension liability.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

Mary Fallin

By B. McClure
Date/Time 5-6-13 4:26pm

RECEIVED
MAY 06 2013
OKLAHOMA SECRETARY
OF STATE
4:30pm
[Signature]