OHIO LEGISLATIVE SERVICE COMMISSION

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Office of Research and Drafting

Legislative Budget Office

H.B. 280
136th General Assembly

Fiscal Note & Local Impact Statement

Click here for H.B. 280's Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Abrams and T. Hall

Local Impact Statement Procedure Required: Yes

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Highlights

- The bill would increase contribution rates for the employers of police officers who are members of the Ohio Police and Fire Pension Fund (OP&F), increasing the costs of applicable public employers. The estimated additional contribution costs for such employers statewide would be about $8 million in calendar year (CY) 2026 if the first increase will occur July 1, 2026. When the rate increases to 24%, the estimated additional contribution costs would be about $76 million in CY 2030. Cost increases in subsequent years would grow proportionally with statewide payroll for police officers.
- Actual additional contributions that must be made by applicable public employers to OP&F would depend on the actual number of police officers that are employed by such employers and the officers' earned salaries in each pay period.
- The bill has no direct fiscal effect on state agencies.

Detailed Analysis

The bill increases, incrementally over a five-year period, contribution rates for employers of full-time municipal police officers (i.e., the employer's share of the contribution) that must be paid to the Ohio Police and Fire Pension Fund (OP&F) from 19.5% of payroll to 24%. The bill does not make any changes to contribution rates for employers of firefighters.

The bill also eliminates the current requirement that the Ohio Retirement Study Council (ORSC) annually review the adequacy of the OP&F employer and employee contribution rates, including reporting requirements regarding the adequacy of such contribution rates.

Table 1. OP&F Employer Contribution Rate for Police Officers under H.B. 280, Assuming the First Increase Will Occur on July 1, 2026	
Pay Period	**OP&F Contribution Rate for Police Officer Employers**
Before July 1, 2026	19.5%
On or after July 1, 2026, but not later than June 30, 2027	20.5%
On or after July 1, 2027, but not later than June 30, 2028	21.5%
On or after July 1, 2028, but not later than June 30, 2029	22.5%
On or after July 1, 2029, but not later than June 30, 2030	23.5%
On or after July 1, 2030	24.0%

Source: *The Actuarial Impact of H.B. 280 and S.B. 239 – Increasing Police Employer Contributions to the Ohio Police & Fire Pension Fund,* dated August 6, 2025, prepared by an OP&F's actuary, CavMac

Fiscal effect

Increasing employer contribution rates would increase the costs that must be contributed by police officer employers to OP&F. According to estimates derived from *The Actuarial Impact of H.B. 280 and S.B. 239 – Increasing Police Employer Contributions to the Ohio Police & Fire Pension Fund,* based on the January 1, 2024 actuarial valuation reports and dated August 6, 2025, prepared by an OP&F's actuary, CavMac, provided by OP&F to LSC, if the first increase will occur on July 1, 2026, the bill would increase required contributions by public employers statewide by an estimated $8 million in calendar year (CY) 2026, and by an estimated $76 million in CY 2030 when the required rate increases to 24%. Table 2 shows estimated required contributions by public employers statewide in CY 2026 through CY 2030, as derived from the Actuarial Impact.

Actual additional contributions that must be made by each public employer to OP&F would depend on the actual number of police officers that are employed by such employer and the officers' earned salaries in each pay period.

Table 2. Additional Employer Contributions to OP&F under H.B. 280, Assuming the First Increase Will Occur on July 1, 2026	
Calendar Year	**Additional Contributions from Police Officer Employers**
2026	$8 million
2027	$24 million
2028	$42 million
2029	$61 million

Table 2. Additional Employer Contributions to OP&F under H.B. 280, Assuming the First Increase Will Occur on July 1, 2026	
Calendar Year	**Additional Contributions from Police Officer Employers**
2030	$76 million

*Source: *The Actuarial Impact of H.B. 280 and S.B. 239 – Increasing Police Employer Contributions to the Ohio Police & Fire Pension Fund*, dated August 6, 2025, prepared by OP&F's actuary, CavMac

The bill has no direct fiscal effect on state agencies.

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