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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 296
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 296's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Abrams and Hall

Local Impact Statement Procedure Required: Yes

Ruhaiza Ridzwan, Senior Economist

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 \$21.2 million in calendar year (CY) 2024, and \$36.6 million in CY 2025. When the rate increases are fully implemented, the estimated additional contribution costs would be about \$70.1 million (i.e., in CY 2027). 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 contribution rates for employers of 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 in calendar year (CY) 2023 to the rates shown in Table 1 below. The bill does not make any changes to contribution rates for employers of firefighters.

Table 1. OP&F Employer Contribution Rate for Police Officers under H.B. 296	
Calendar Year	Proposed OP&F Contribution Rate for Police Officer Employers
2024	21%
2025	22%
2026	23%
2027 and thereafter	24%

Fiscal effect

Increasing employer contribution rates would increase the costs that must be contributed by police officer employers to OP&F. Requiring an increase in the employer contribution rate for police officers would increase required contributions by public employers statewide by an estimated \$21.2 million in CY 2024, and by an estimated \$70.1 million in CY 2027 when the required rate increase is fully implemented. Table 2 shows estimated required contributions by public employers statewide in CY 2024 through CY 2027. 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. 296	
Calendar Year	Additional Contributions from Police Officer Employers
2024	\$21.2 million
2025	\$36.6 million
2026	\$52.8 million
2027	\$70.1 million

The estimated statewide additional required contributions for police officer employers were calculated using OP&F members' annual salaries as of January 1, 2023, derived from an OP&F actuarial valuation report as of January 1, 2023,¹ and the bill's proposed contribution rates. As of that date, total annual salaries for police officers statewide were about \$1.37 billion. Estimated breakdowns of additional required contributions by individual local governments are

¹ Source: Police officers annual salaries, derived from Table 9, Summary of Membership Data as of January 1, 2023, published in Pension Funding Report OP&F Triennial Actuarial Valuation as of January 1, 2023.

undetermined due to lack of information on the number of police officers employed by each local government and the amount of salaries earned by such officers in each pay period.

The bill has no direct fiscal effect on state agencies.