

Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 261 135th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Patton and Sweeney

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SUMMARY

- Includes in the Public Employees Retirement System (PERS) public safety division a PERS member who, after the bill's effective date, becomes employed full time in a position requiring a certificate to practice as a first responder, emergency medical technician (EMT) basic, EMT-intermediate, or EMT-paramedic (an "EMS worker").
- Allows a PERS member who, on the bill's effective date, is employed as an EMS worker to elect to participate in the PERS public safety division rather than regular PERS for the member's future service.

DETAILED ANALYSIS

Public Employees Retirement System – public safety division

Under continuing law, the Public Employees Retirement System (PERS) has special retirement and benefit provisions for PERS members who are considered public safety officers. These are officers who are in law enforcement but whose primary duties are other than to preserve the peace, protect life and property, and enforce Ohio law. They include certain deputy sheriffs, township police officers, and university police officers who are not in the PERS law enforcement division (the law enforcement division includes certain officers whose primary duties are to preserve the peace, protect life and property, and enforce Ohio law). 2

The bill includes emergency medical services (EMS) workers in the PERS public safety division. It defines EMS workers as PERS members who are employed full time in positions that require a certificate to practice as any of the following:

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¹ R.C. 145.332, not in the bill.

² R.C. 145.01(YY) and (BBB).

- First responder;
- Emergency medical technician-basic;
- Emergency medical technician-intermediate;
- Emergency medical technician-paramedic.

A member who starts employment as an EMS worker on or after the bill's effective date is automatically included in the PERS public safety division.³

A member who, on the bill's effective date, is employed as an EMS worker may elect to participate in the PERS public safety division rather than regular PERS. To make an election, a member must notify PERS on a form provided by the PERS Board, and PERS must receive the notice not later than 90 days after the bill's effective date. The election, once made, is irrevocable and causes the member to be considered a PERS public safety officer for future public safety service. Any service credit the member earned before the first day of the first month following the system's receipt of the election will be treated as regular PERS credit. Service credit earned on or after that date will be considered credit as a PERS public safety officer.4

Background

A member who is employed as an EMS worker on the bill's effective date and is close to retirement may find it more advantageous to remain in regular PERS than make the election described above. This is because, in determining eligibility for retirement under the public safety provisions, typically only public safety service credit is considered. A member with both regular service credit and public safety credit can retire under regular PERS but receives no additional benefit for the higher contributions made for public safety service.⁵

PERS public safety officers have higher employee and employer contribution rates than regular PERS members. The table below compares those contributions rates. The employee contribution is a percentage of the employee's salary. The employer contribution is an amount equal to a percentage of the employee's salary.6

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³ R.C. 145.01(AAA) and (BBB), by reference to R.C. 4765.30, not in the bill.

⁴ R.C. 145.335.

⁵ R.C. 145.32 and 145.33, not in the bill, and see <u>Law Enforcement/Public Safety Officers (PDF)</u>, which may be accessed by conducting a keyword "law enforcement" search on the Public Employees Retirement System (PERS) website: opers.org.

⁶ R.C. 145.47, 145.48, and 145.49, not in the bill, and see Employer Notice (PDF), which may be accessed by conducting a keyword "contribution rates 2023" search on the PERS website: opers.org.

Contribution rates			
PERS member	Employee	Employer	
Regular PERS member	10.00%	14.00%	
PERS public safety officer	12.00%	18.10%	

Additionally, public safety officers have different eligibility requirements for age and service retirement than regular PERS members. For example, PERS public safety officers in Group C (for purposes of retirement eligibility, PERS members are placed into one of three groups) are eligible to retire with a full PERS pension at age 56 with at least 25 years of service credit, or age 64 with at least 15 years of service credit. Regular PERS members in Group C are eligible to retire with a full PERS pension at age 55 with at least 32 years of service credit, or age 67 with at least five years of service credit. The pension amount a member receives is determined based on the member's age, years of service, and final average salary.⁷

HISTORY

Action	Date
Introduced	09-12-23

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⁷ R.C. 145.32 and 145.332, not in the bill, and see page 1 of <u>Retiring from Public Employment (PDF)</u>, which may be accessed by conducting a keyword "retiring public employment" search on the PERS website: opers.org.