

# **Ohio Legislative Service Commission**

# **Bill Analysis**

Amy J. Rinehart

# Sub. H.B. 305

131st General Assembly (As Reported by S. State & Local Government)

Reps. Schuring, Barnes, Kuhns, Lepore-Hagan, Ramos, Sykes, Amstutz, Anielski, Antonio, Arndt, Ashford, Baker, Boggs, Boyd, Brown, Buchy, Burkley, Celebrezze, Cera, Craig, Dever, DeVitis, Dovilla, Driehaus, Fedor, Ginter, Green, Grossman, Hagan, Hall, Hambley, Hayes, Howse, G. Johnson, T. Johnson, Leland, Manning, McClain, McColley, M. O'Brien, S. O'Brien, Patterson, Perales, Phillips, Reece, Retherford, Roegner, Rogers, Ruhl, Ryan, Schaffer, Sheehy, Slaby, Slesnick, K. Smith, Strahorn, Sweeney, Thompson, Young

Sens. Uecker, Brown, LaRose

## **BILL SUMMARY**

- Includes in the membership of the Public Employees Retirement System nonteaching University of Akron employees who are initially employed on or after the bill's effective date or terminate employment after that date and are reemployed by the University not less than 12 months after termination.
- Retroactively extends eligibility for benefits from the Volunteer Peace Officers'
  Dependents Fund to survivors of volunteer peace officers killed in the line of duty
  and officers totally and permanently disabled in the line of duty on or after
  December 22, 2015.
- Retroactively extends eligibility for Fund benefits to survivors of volunteer peace
  officers killed in the line of duty between January 1, 2013, and December 22, 2015, if
  the Director of Commerce determines that initial premiums paid by Fund members
  are sufficient to pay benefits to those survivors.

#### CONTENT AND OPERATION

# University of Akron nonteaching employees

The bill includes as members of the Public Employees Retirement System (PERS) the following persons employed by the University of Akron in positions not covered by the State Teachers Retirement System:

--Persons initially employed by the University on or after the bill's effective date;

--Persons employed by the University on the bill's effective date who terminate employment after that date and are reemployed by the University not less than 12 months after the date of termination.<sup>1</sup>

Other than certain law enforcement officers, nonteaching employees of the University participate in the School Employees Retirement System (SERS).<sup>2</sup> According to the Ohio Retirement Study Council, the University is the only four-year state university in Ohio whose nonteaching employees are in SERS rather than PERS.<sup>3</sup>

A full-time University of Akron law enforcement officer who was hired on or after September 16, 1998, became a member of PERS in the PERS law enforcement division.<sup>4</sup> An employee of the University who was already a full-time law enforcement officer on that date was in SERS, but could make a one-time election to transfer to PERS. If the election was not made, the employee remained in SERS.<sup>5</sup>

Under the bill, SERS members who are nonteaching employees of the University when the bill takes effect will continue to participate in SERS. An employee who terminates employment and is later reemployed by the University will be in SERS unless the reemployment occurs 12 months or more after the date of termination.<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> R.C. 145.011(D) and 3309.011(F).



<sup>&</sup>lt;sup>1</sup> R.C. 145.011(D).

 $<sup>^{2}</sup>$  R.C. 3309.01(B)(3), not in the bill.

<sup>&</sup>lt;sup>3</sup> Ohio Retirement Study Council, *Re: Transfer of University of Akron Active Members from SERS to PERS*, March 11, 2002, <a href="http://www.orsc.org/orsc/uploads/Reports/Akron.PDF">http://www.orsc.org/orsc/uploads/Reports/Akron.PDF</a> (accessed May 12, 2016).

<sup>&</sup>lt;sup>4</sup> R.C. 145.011(C).

<sup>&</sup>lt;sup>5</sup> R.C. 3309.312, not in the bill.

# **Volunteer Peace Officers' Dependents Fund**

The bill retroactively extends eligibility for benefits from the Volunteer Peace Officers' Dependents Fund. The Fund was created by Sub. S.B. 11 of the 131st General Assembly, effective March 23, 2016. The bill specifies that modifying the eligibility date for Fund benefits is not intended to change S.B. 11's effective date.<sup>7</sup>

## Killed in the line of duty on or after December 22, 2015

Instead of the March 23, 2016, effective date, the bill extends eligibility to survivors of volunteer peace officers killed in the line of duty and officers totally and permanently disabled in the line of duty if the death or injury occurred on or after December 22, 2015, the date on which the Governor signed S.B. 11.8

# Killed in the line of duty on or after January 1, 2013

The bill requires the Director of Commerce to determine whether initial premiums paid by Fund members are sufficient for benefits to be paid from the Fund to survivors of volunteer peace officers killed in the line of duty on or after January 1, 2013, but before December 22, 2015. If the Director determines that initial premiums are sufficient and that no additional assessments are necessary to fund the benefits, the bill requires benefits to be paid from the Fund to the survivors described above.<sup>9</sup>

Continuing law makes each county, municipal corporation, township, township police district, and joint police district with a police or sheriff's department that employs volunteer peace officers a member of the Fund. To pay for benefits disbursed by the Fund, continuing law requires each Fund member to pay the Treasurer of State an initial premium of \$300-\$500 based on the member's assessed property valuation. If claims against the Fund have reduced it to 95% or less of its basic capital account, each Fund member must pay an additional assessment of \$90-\$150, depending on the member's assessed property valuation. In the member's assessed property valuation.

Under S.B. 11, a "volunteer peace officer" is any person who is employed as a police officer, sheriff's deputy, constable, or deputy marshal in a part-time, reserve, or volunteer capacity by a county sheriff's department or the police department of a

<sup>&</sup>lt;sup>11</sup> R.C. 143.06(B) and 143.07, not in the bill.



<sup>&</sup>lt;sup>7</sup> Section 3.

<sup>&</sup>lt;sup>8</sup> R.C. 143.09(A) and (B).

<sup>&</sup>lt;sup>9</sup> R.C. 143.09(B)(1)(b) and 143.091.

<sup>&</sup>lt;sup>10</sup> R.C. 143.02(A), not in the bill.

municipal corporation, township, township police district, or joint police district and is not a member of PERS, the Ohio Police and Fire Pension Fund, State Highway Patrol Retirement System, or Cincinnati Retirement System.<sup>12</sup>

S.B. 11 provides for the following death benefits to be paid from the Fund to the survivors of a volunteer peace officer killed in the line of duty:

--A surviving spouse receives a lump-sum award of \$1,000 and a benefit of \$300 per month.

--Each dependent child under age 18, or under age 22 if in school, receives a benefit of \$125 per month.

A volunteer peace officer who is totally and permanently disabled as a result of discharging the duties of a volunteer peace officer will receive a disability benefit from the Fund of \$300 per month, except during any time the officer is receiving the officer's full salary.<sup>13</sup>

### **HISTORY**

ACTION	DATE
Introduced	08-25-15
Reported, H. Health & Aging	12-09-15
Re-referred to H. Finance	02-02-16
Reported, H. Finance	02-17-16
Passed House (97-0)	02-23-16
Reported, S. State & Local Gov't	05-10-16

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<sup>&</sup>lt;sup>12</sup> R.C. 143.01(C), not in the bill.

<sup>&</sup>lt;sup>13</sup> R.C. 143.09(A) and (B)(2).