



H.B. 154

123rd General Assembly
(As Introduced)

Reps. Stapleton, Olman

BILL SUMMARY

- Exempts from Public Employees Retirement System (PERS) membership public employees under age 18 if the employment is intended to be for less than six months.
- Changes the deadline for filing a PERS disability benefit application.

CONTENT AND OPERATION

Exemption from membership in PERS

(sec. 145.03)

Under current law, membership in PERS is generally compulsory for state and local government employees who are not required to be members of any other state or municipal retirement system.¹ However, certain public employees are expressly excluded from PERS membership and certain other employees may choose to be exempted from PERS membership.

The bill provides an exemption from PERS membership if a public employee who is not a member at the time of employment is to be employed less than six months by a public employer and will be under age 18 for the intended duration of employment. (See **COMMENT.**) If the employer extends employment beyond the period originally intended, the employee must begin contributing to PERS on the employee's 18th birthday or six months after the start of employment, whichever is earlier.

¹ *Ohio's state retirement systems are PERS, the Police and Firemen's Disability and Pension Fund, School Employees Retirement System, State Teachers Retirement System, and State Highway Patrol Retirement System.*

Application for a PERS disability benefit

(sec. 145.35)

Under current law, a member of PERS with at least five years of contributing service who becomes disabled due to an illness or injury that prevents the member from performing the member's duties is eligible for a disability benefit. Application must be made within two years from the date contributing service terminated.² The bill extends the period for filing a disability benefit application to five years.

COMMENT

Under federal law, a state or local government employee who is a member of a retirement system maintained by the state or local government entity is not required to contribute to Social Security by paying the tax on wages imposed by the "Federal Insurance Contributions Act," (F.I.C.A.) (26 Code of Federal Regulations 31.3121(b)(7)-2). An exemption from contributing to PERS will require a public employee and the employer to contribute to Social Security.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-10-99	p. 188

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² *The deadline for applying for a disability benefit may not apply if the retirement board determines that the member was unable to file the application at the time the two-year period expired.*