



H.B. 158

124th General Assembly
(As Introduced)

Rep. Schuring

BILL SUMMARY

- Moves full-time regional transit authority police officers and state highway patrol police officers from coverage under the regular Public Employees Retirement System (PERS) age and service retirement provisions to coverage under the PERS retirement provisions for law enforcement officers.
- Permits, with one exception, a PERS member with at least 25 years of service as a law enforcement officer to retire with full benefits at age 48.
- Establishes at 10.1% the employee contribution rate for PERS law enforcement officers who retire with full benefits at age 48.

CONTENT AND OPERATION

PERS law enforcement officers

The law governing PERS includes special provisions for members who are law enforcement officers. These provisions apply to such law enforcement officers as sheriffs, township police officers, park district police officers, and others who have completed police officer training.¹ PERS provisions for law enforcement officers differ from those for other PERS members with regard to contribution rates, retirement eligibility, and the formulas used to compute retirement benefits (see **COMMENT**).

¹ *The provisions do not apply to full-time municipal police officers because they are members of the Ohio Police and Fire Pension Fund rather than PERS.*

Extension of membership

(secs. 145.01 and 145.33)

The bill moves regional transit authority police officers and state highway patrol police officers from the regular PERS age and service retirement provisions into the special provisions for law enforcement officers.² This change in status automatically applies to those regional transit authority and state highway patrol police officers who are originally employed after the bill's effective date.

"Regional transit authority police officer" is defined as any person who is employed full time as a regional transit authority police officer and has received a certificate attesting to completion of an approved peace officer training program. "State highway patrol police officer" is defined as a special police officer who is either employed full time and designated by the Superintendent of the State Highway Patrol or serving full time on a permanent basis on October 21, 1997, and has received a certificate attesting to completion of an approved peace officer training program.

Choice of membership

(Section 3)

Each regional transit authority police officer and state highway patrol police officer who is currently a PERS member is required to indicate, on a form supplied by PERS, whether the officer wishes to remain in regular PERS or join the law enforcement division. This election must be made not later than 90 days after the bill's effective date. A person who fails to make the election continues under regular PERS provisions.

Age and service retirement at age 48

(sec. 145.33)

The bill changes the age eligibility requirement for age and service retirement with full benefits for certain PERS members with 25 years of law enforcement service.

Current law

Under current law, a PERS member with at least 25 years of service as a law enforcement officer, including credit for military service, while serving as a sheriff, deputy sheriff, or township constable or police officer in a township police department or district is permitted to retire with full benefits at age 48. All other

² State highway patrol troopers are members of the State Highway Patrol Retirement System.

PERS members with 25 years of law enforcement service are eligible to retire with full benefits at age 52. At age 48 or older, however, these PERS members with 25 years of law enforcement service may retire with a reduced retirement benefit. The reduction ranges from 7% at age 51 to 25% at age 48.

The bill

Under the bill, with one exception, any PERS member with 25 years of service as a law enforcement officer may retire with full benefits at age 48. The exception is a PERS law enforcement officer who is serving as a Hamilton County municipal court bailiff. A Hamilton County municipal court bailiff continues to be eligible to retire at age 52 with full benefits or at age 48 with reduced benefits.

Employee contributions by PERS law enforcement officers

(sec. 145.49)

The PERS Board is authorized to calculate separately from contribution rates for other PERS members the employee and employer contribution rates for members contributing toward a retirement benefit based on law enforcement service. The employee contribution rate for PERS members contributing toward a retirement benefit based on law enforcement service, other than service as a sheriff, deputy sheriff, or township constable or police officer, is currently set by the Board at 9.0%. The contribution rate for those PERS members eligible to retire at age 48 with full benefits is 10.1% (the sum of 1.1% of the member's earnable salary and the employee contribution rate calculated for other members contributing to a benefit based on law enforcement service).

Under the bill, the PERS Board is authorized to calculate separately from contribution rates for other PERS members the employee and employer contribution rates for members contributing toward a retirement benefit based on service as a Hamilton county municipal court bailiff. The bill establishes the employee contribution rate for those PERS members eligible to retire at age 48 with full benefits at 10.1% of the member's earnable salary.

Technical changes

(secs. 145.312, 145.35, and 3309.312)

The bill makes technical and cross-reference changes to reflect the changes made by the bill.

COMMENT

The following chart shows how contribution rates, retirement eligibility, and benefits for law enforcement officers differ from those for other PERS members under current law.

CONTRIBUTION RATES

Law enforcement officers

Other PERS members

Employee rate:

*Sheriffs, deputy sheriffs, and township constables
and police officers:*
10.1% of earnable salary

8.5% of earnable salary

All other law enforcement officers:
9.0% of earnable salary

Employer rate:

16.7% of earnable salary

State employees:
13.31% of earnable salary

Local employees:
13.35% of earnable salary

ELIGIBILITY REQUIREMENTS

Law enforcement officers

Other PERS members

Regular retirement:

*Sheriffs, deputy sheriffs, and township constables
and police officers:*
Age 48 with 25 or more years of service

Any age with 30 or more years of service

Age 65 with 5 or more years of service

All other law enforcement officers:
Age 52 with 25 or more years of service

All law enforcement officers:
Age 62 with 15 or more years of service

Early retirement:

All other law enforcement officers:
Age 48 with 25 or more years of service

Age 60 with 5 or more years of service

Age 55 with 25 or more years of service

All law enforcement officers:
15 or more years of service (but payment of
benefits is deferred until age 52)



BENEFIT FORMULAS

Law enforcement officers

Regular retirement:

2.5% final average salary (FAS) x years of service through 25 years, plus 2.1% FAS x years over 25, not to exceed 90% of FAS³

Early retirement:

- (a) 25 years of service, but under age 52 benefit is reduced 7% to 25% depending on age;
- (b) Less than 25 years of service, but not less than 15 years of service, 1.5% FAS x years of service

Other PERS members

The greater of:

- (a) \$86 x years of service;
- (b) 2.2% FAS x years of service through 30 years, plus 2.5% FAS x years over 30, not to exceed 100% of FAS

Less than 30 years of service, or under age 65, benefit is reduced by 3% to 25% depending on age and years of service

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	3-13-01	p. 221

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³ *With some exceptions, final average salary is the average of the three years of contributing service in which the member's earnable salary was highest (Revised Code section 145.01).*

