




---

 Bob Bennett

**Bill Analysis**  
 Legislative Service Commission

## H.B. 63

125th General Assembly  
 (As Introduced)

Reps. **Olman, Latta, Driehaus, Husted, Fessler, Miller, Collier, Schmidt, Hartnett, Allen, Grendell, Hollister, Ujvagi, DeBose, Wagner, Buehrer**

---

### BILL SUMMARY

- Eliminates an exception to law penalizing the retirement benefits of a Public Employees Retirement System retirant who is elected to the public office the retirant held at the time of retirement.

---

### CONTENT AND OPERATION

With certain exceptions, a Public Employees Retirement System (PERS) member who retires while holding state or local elective office and is then elected or appointed to the same office for the remainder of the term or the subsequent term is subject to a retirement allowance penalty. The penalty is forfeiture of the pension portion of the retirement allowance and suspension of the annuity portion.<sup>1</sup> The penalty continues until the reemployment terminates. The annuity portion accumulates to the member's credit to be paid in a single payment after the reemployment terminates. The retirement allowance resumes on the first day of the first month after reemployment terminates.

There are several exceptions to the requirement that this penalty be imposed. The bill eliminates one of the exceptions. Under that exception the penalty does not apply to a retired elective official who is elected to the subsequent term of the same office if, at least 90 days prior to the election, the official filed a written declaration of intent to retire before the end of the term. The declaration must have been filed with the board of elections of the county in which petitions for nomination or election to the office were filed.

---

<sup>1</sup> A PERS retirement allowance consists of a pension and an annuity. The annuity portion is based on the member's contributions during employment. The pension portion is funded by the employer's contributions made on behalf of the member and PERS's investment earnings.

The result of the bill is that a PERS retirant who is elected to the subsequent term of the elective office the retirant held at the time of retirement will not collect a PERS retirement allowance while in the elective office. The penalty cannot be avoided by filing a declaration of intent to retire.

---

## COMMENT

The bill does not affect the other two exceptions to the penalty requirement. The penalty does not apply to a PERS retirant in either of the following circumstances:

(1) At the time of the election the retirant had been retired for at least 90 days;

(2) The retirant was appointed to the office and, at the time of appointment, notified the person or entity making the appointment that the retirant was retired or intended to retire before the end of the term.

---

## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-13-03	p. 154

h0063-i-corrected-125.doc/kl