



Phil Mullin

*Bill Analysis*  
Legislative Service Commission

## **H.B. 176**

125th General Assembly  
(As Introduced)

**Reps. Hoops, Aslanides, Seitz, Husted, Hollister, Schmidt, Wolpert, C. Evans, Collier, Latta, Webster, Perry, Allen, DePiero**

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### **BILL SUMMARY**

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

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### **CONTENT AND OPERATION**

#### **Retirement allowance penalty**

In general, a Public Employees Retirement System (PERS) member who retires while holding a state or local elective office and then is 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. (R.C. 145.38(C).)

#### **Exceptions to the retirement allowance penalty**

##### **Current law**

There are three exceptions to the requirement that the retirement allowance penalty be imposed: (1) an exception applicable to a retired elective official who

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<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.

was not retired at the time of the election for the retirant's current term, (2) an exception applicable to a retired elective official who, at the time of the election for the retirant's current term, had been retired for not less than 90 days, and (3) an exception applicable to a retired official appointed to elective office who, at the time of appointment to the current term, notified the person or entity making the appointment that the retirant was already retired or intended to retire before the end of the term (R.C. 145.38(C)(3)).

The first is the only exception modified by the bill. Under current law, that exception provides that the retirement allowance 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 general election, the official filed a written "declaration of intent to retire" before the end of the then current 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 are filed. (R.C. 145.38(C)(3)(a).)

### **Changes proposed by the bill**

The bill modifies the first exception by changing the deadline by which an elective official who runs for a subsequent term but intends to retire prior to the start of that term must file a declaration of intent to retire. The deadline is changed from 90 days prior to the general election for the term to 90 days prior to the primary election for the term or, if no primary is scheduled, 90 days prior to the date on which a primary election for the term would have been held. (R.C. 145.38(C)(3)(a).)

In changing the deadline to file a declaration of intent to retire, the bill moves the deadline to 15 days earlier than the 75-day filing deadline (or, if a presidential primary year is involved, 30 days earlier than the 60-day filing deadline) for a person seeking to be the candidate of a political party and 89 days earlier than the one-day deadline to file a declaration of candidacy as an independent candidate (R.C. 3513.05 and 3513.257, not in the bill).

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## **HISTORY**

<b>ACTION</b>	<b>DATE</b>	<b>JOURNAL ENTRY</b>
Introduced	05-07-03	p. 461

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