



## Chapter 3: Legislative Benefits, Privileges, and Restrictions of Office

**M**embers-elect should expect to be very busy during the weeks following the November election. Even before the next session of the General Assembly officially begins in January, newly elected legislators may be invited to attend pre-session caucus meetings and orientation sessions. In January, the General Assembly formally organizes for business by electing officers, adopting procedural rules, and appointing committees. Members also are occupied with organizing their own offices during this time.

### Members-Elect: Rights and Privileges

Following the November elections in each even-numbered year, the Secretary of State certifies the election results and verifies that each new member was duly elected by the voters of his or her district. By mid-December, each verified newly elected member receives a certificate of election from the county board of elections in preparation for the January swearing-in ceremonies held in Columbus at the Statehouse.

The law permits a member-elect to establish a transition fund and to accept donations to that fund to defray costs incurred for transition activities and inaugural celebrations. A transition fund may be used to pay costs incurred for office expenses; salaries for transition personnel; consulting fees; and food, beverages, and entertainment at an inaugural celebration. If a member-elect establishes a transition fund, the member-elect must designate a treasurer for the fund, and the treasurer must file itemized statements describing each donation and disbursement. A transition fund must be liquidated and abolished within a specified period after its formation.

The House of Representatives and the Senate permit submission of bills from current or newly elected members prior to the start of a session. Bills may be given to the House or Senate Clerk beginning in November to be formally introduced once the General Assembly convenes in January. To assist new members, the Legislative Service Commission (LSC), the research and bill drafting agency of the General Assembly, will accept research and bill drafting requests from members-elect any time after the November elections. However, newly elected members' requests for research and bill drafts, and responses to those requests, are not entitled to the statutory confidentiality provided for communications between installed members of the General Assembly and LSC staff. For information on confidentiality, see Chapter 9.

No other formal rights or privileges are granted to new members of the General Assembly until after the swearing-in ceremonies. Offices, committees, and staff are not assigned until the new General Assembly convenes in January.

### *Orientation Meetings*

LSC conducts a pre-session orientation providing basic information to members. Attendance, although voluntary, is encouraged; LSC pays most of the expenses. These orientation meetings address topics ranging from process to policy. All members are invited to participate in the pre-session orientation.

Other public agencies and private groups also may offer activities and seminars designed to help newly elected members learn more about a particular group or issue and to enable interest groups to meet new members. In addition, the four political party caucuses sometimes have informal workshops or seminars on issues and the operation of a legislative office.

# Rights and Immunities of Elected Members

Members receive additional privileges once they have taken the oath of office. To ensure that members of the General Assembly are free to perform their tasks without undue influence or harassment, the Ohio Constitution, state laws, court decisions, and the rules of each house grant legislators certain legislative rights and immunities.

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## Immunity from Arrest

The Ohio Constitution grants members of the General Assembly immunity from arrest during session and while going to and returning from session, except in cases of treason, felony, and breach of the peace. However, the courts have interpreted "breach of the peace" to include all criminal offenses, so the immunity actually applies only to rare cases of civil arrest. The Constitution also says that members "shall not be questioned elsewhere" for any speech or debate in either house. This means, among other things, that members are not personally liable for their legislative acts. The Revised Code places certain procedural restrictions on civil arrests against members while they are in session or traveling to or from session.

## Protection from Intimidation

The criminal offense of intimidation prohibits a person, knowingly and by force or unlawful threat of harm, from attempting to influence, intimidate, or hinder a member in the discharge of his or her duty. The offense of intimidation also prohibits a person from knowingly attempting to influence, intimidate, or hinder a member in the discharge of his or her duty by filing, recording, or otherwise using a materially false or fraudulent writing with malicious purpose, in bad faith, or in a wanton or reckless manner. In addition to being guilty of a third degree felony, a person who commits this offense against a member

is civilly liable to the member for harm incurred as a result of the violation and for reasonable attorney's fees, court costs, and other expenses incurred in prosecuting the civil action.

## Parliamentary Privileges

The Ohio Constitution, the Rules of the Senate, and the Rules of the House of Representatives offer legislators certain parliamentary privileges and govern the way the General Assembly conducts business. While constitutional privileges are permanent, the House and Senate adopt new rules each session and can amend those rules during a legislative session. The Rules discussed below are those of the 132nd General Assembly. Copies of the House Rules and the Senate Rules are available at the Publications link on the General Assembly's website (<https://www.legislature.ohio.gov>).

Under the Ohio Constitution, a majority of the elected members must be present to constitute a quorum to do business. However, a lesser number may adjourn from day to day and compel the attendance of absent members. Any member of either house may protest against any act or resolution of the member's house. A member's official protest and the reason for it must be entered in the *Journal* without delay or change.

The Rules of the House and Senate specify how sessions are conducted. For example, the Rules of both houses permit members, before the roll is called, to make a request to explain their votes. If the request is granted, the member's statement may not exceed two minutes.

The House Rules generally permit any member to explain a personal matter. In doing so, the member may not discuss a question or issue, and the explanation may not continue more than five minutes unless more time is granted by consent of the House.

Members in both houses may read from books or other material relevant to the question being discussed. The Rules of the two houses include additional, although not identical, parliamentary privileges such as calling for a statement of the question, a roll call, or verification of a vote.

## Restrictions of Office

Although legislators are afforded certain rights and immunities by virtue of their office, they must exercise their authority as elected officials within the restrictions imposed by ethics and campaign

finance laws. These laws regulate campaign finances and practices, disclosure of financial information, conflicts of interest, relationships with legislative agents, honorariums, and abuse of governmental office.

## The Ohio Campaign Finance Law

The Ohio Campaign Finance Law contains detailed provisions regulating the use and disclosure of campaign contributions and expenditures. The campaign committee of a candidate for the General Assembly generally must file a campaign finance statement, in which contributions and expenditures are identified, for each of several reporting periods. Ordinarily the statement must be filed with the Secretary of State electronically if contributions for the reporting period equal or exceed \$10,000. However, the Secretary of State must adopt rules permitting the campaign committee of a candidate for the General Assembly who receives contributions exceeding \$10,000 to file paper campaign finance statements under certain circumstances. If contributions total less than \$10,000 for the reporting period, the campaign committee may file an electronic statement with the Secretary of State or a paper statement with the board of elections of the most populous county within the district. The Campaign Finance Law applies to all candidates and their campaign committees. The boards of elections must provide each candidate with a copy of the Campaign Finance Law and any other materials that the Secretary of State requires.

Ohio law also regulates campaign practices. The law prohibits certain entities from disseminating written campaign materials or broadcasting campaign communications by means of radio or television unless the entities responsible for these materials or communications are properly identified. Generally, entities affected under this law include candidates, campaign committees, legislative campaign funds, political parties, political action committees of ten or more members, and political contributing entities of ten or more members. Other guidelines exist for political action committees of under ten members and political contributing entities of under ten members. (The United States Supreme Court has held that individuals may disseminate anonymous campaign literature.)

Ohio law also prohibits certain unfair campaign activities and certain campaign activities involving misrepresentation, but federal courts have limited the prohibitions that the state may enforce.

### Campaign Finance Law Note

Members should use this section of the *Guidebook* as an overview only. For detailed and up-to-date information about the campaign finance laws, members should consult the *Campaign Finance Handbook*, which is prepared by the Secretary of State and can be viewed at and downloaded from:

[www.sos.state.oh.us/SOS/publications.aspx#Campfin](http://www.sos.state.oh.us/SOS/publications.aspx#Campfin)

Ohio law requires that certain persons file campaign finance statements pertaining to disbursements for the direct costs of producing or airing an "electioneering communication." Persons or entities who are not affiliated with a candidate's campaign but who, during the periods leading up to the primary and general elections, spend more than \$10,000 in any year on television and radio ads that clearly identify a candidate for public office must file an itemized statement of disbursements with the Secretary of State.

## The Ohio Ethics Law

### *The Joint Legislative Ethics Committee*

The Ohio Ethics Law establishes a Joint Legislative Ethics Committee (JLEC) and the Office of the Legislative Inspector General. The Office provides staff assistance to JLEC. Composed of 12 legislators, JLEC has the authority to do all of the following:

- Recommend legislation relating to the conduct and ethics of members and employees of and candidates for the General Assembly;

- Recommend a Legislative Code of Ethics to govern the members and employees of and candidates for the General Assembly;
- Adopt rules regarding the Ethics Law;
- Receive or initiate, and investigate and hear, complaints alleging misconduct, breach of privilege, or violation of the Legislative Code of Ethics;
- Recommend appropriate sanctions for violations;
- Report findings of violations of the law to the appropriate prosecuting authority; and
- Advise General Assembly members, employees, and candidates on questions relating to ethics, possible conflicts of interest, and financial disclosure.

At the beginning of each session, JLEC recommends a Legislative Code of Ethics to the General Assembly not later than 30 days after the first day of the session. Within ten days after its adoption, the Code is distributed to all members. Within 15 days after the commencement of a member's duties, the General Assembly gives the member a copy of the Ethics Law and any other materials JLEC prepares for distribution. The Code is available at the Publications link on the General Assembly's website (<https://www.legislature.ohio.gov>).

## Ethics Law Note

Members should use this section of the *Guidebook* as an overview only. For detailed and up-to-date information about the ethics laws, members should consult the Legislative Code of Ethics, Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code, and the advisory opinions of the Joint Legislative Ethics Committee. Questions about the propriety of specific actions should be directed to the Joint Legislative Ethics Committee or the Office of the Legislative Inspector General.

## Obtaining a Joint Legislative Ethics Committee Opinion

Legislators who would like to obtain an opinion from JLEC must do the following:

1. Send a written description of the activity in question to the Office of the Legislative Inspector General or the chairperson of JLEC;
2. Specify the type of opinion requested (advisory or private written opinion).

## Advisory Opinions and Private Written Opinions

JLEC provides advice to members in the form of advisory opinions and private written opinions. Both types of opinions state JLEC's position regarding the ethical appropriateness of specified actions under a set of hypothetical circumstances. Private opinions may be converted into advisory opinions upon both request and the approval of the Committee. Advisory opinions are public records and provide immunity from criminal prosecutions, lawsuits, and actions for removal from office based on activities approved by the opinion. Private written opinions are not public records and do not grant immunity. Advisory opinions and additional information about JLEC and the Office of the Legislative Inspector General are available at [www.jlec-olig.state.oh.us](http://www.jlec-olig.state.oh.us).

## Financial Disclosure Statements

Candidates for, and members and certain employees of, the General Assembly are required to file financial disclosure statements with JLEC. The Ethics Law requires that members disclose in these statements specified types of financial information, sources of income, and holdings. Election officials furnish financial disclosure forms to candidates for the General Assembly, and JLEC provides the financial disclosure forms to members of the General Assembly.

## Conflicts of Interest

Ohio law prohibits the following actions associated with conflicts of interest:

- Disclosing or using confidential information without proper authorization;
- Participating in certain rate-making and licensing proceedings;
- Using or authorizing the use of the authority or influence of a member's public office to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the member with respect to the member's duties;
- Soliciting or accepting anything of value that is of such a character as to manifest a substantial and improper influence upon a member with respect to the member's duties;
- Receiving compensation other than from the General Assembly for rendering any service in a matter before the General Assembly or a state agency other than the courts;
- Selling, except through competitive bidding or under specified circumstances, any goods or services to the General Assembly or a state agency other than the courts;
- Having an unlawful interest in a public contract;
- Soliciting or accepting extra compensation to perform official duties or any other act or service in a member's public capacity;
- Soliciting or accepting anything of value in consideration for any appointment, employment, or term of employment of any person;
- Coercing a political contribution in consideration for any appointment, employment, or term of employment of any person.

## Relationships with Lobbyists

The Revised Code refers to lobbyists who lobby members of the General Assembly as "legislative agents." The Ethics Law places restrictions on a member's relationship with legislative agents. Members who have certain business relationships with a legislative agent may not vote on any legislation that the legislative agent or legislative agent's employer actively advocates. Relationships that preclude a member from voting are those in which the member is an employee; a business associate; or a person, other than an employee, who is hired under contract to perform certain services and the position involves the formulation of public policy.

A member of the General Assembly may not knowingly accept any of the following from a legislative agent:

- The payment of any expenses for travel or lodging, except in specified circumstances;
- The payment of more than \$75 per calendar year for meals and other food and beverages, other than meals and other food and beverages provided in specified circumstances. A member may avoid violating this prohibition if, within 60 days after receiving notice from a legislative agent that the member has exceeded the \$75 limit, the member returns to the legislative agent the amount received in excess of \$75.
- A gift of anything with a value of more than \$75. The Legislative Code of Ethics more clearly limits what members may accept from a legislative agent per calendar year. The Legislative Code of Ethics specifies that a member may not knowingly accept from a legislative agent a gift of any amount in the form of cash or the equivalent of cash, or a gift or gifts of any other thing of value if the value of the gift or gifts aggregated per calendar year exceeds \$75. For the purposes of this prohibition, "gift" does not include campaign contributions or gifts of meals and other food and beverages or the payment of travel expenses incurred in connection with the member's official duties.

## ***Honorariums***

A member of the General Assembly may not solicit or accept payment (an honorarium) made as consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or similar gathering. This prohibition does not apply to earned income from any person, other than from a legislative agent, for personal services that are customarily provided in connection with the practice of a bona fide business so long as that business began before the member was elected or appointed to the General Assembly. A member may accept payment for travel expenses and meals in limited circumstances. A member also may accept ceremonial gifts or awards that have insignificant monetary value, unsolicited gifts of nominal value, or trivial items of informational value.

## ***Abuse of Governmental Office***

The Ohio Criminal Code prohibits a member from doing any of the following:

- Committing a theft offense by using the member's office in aid of committing the offense, by permitting the use of the member's office in aid of committing the offense, or when the property or service involved is owned by a government, a political party, or a campaign fund;
- Engaging in dereliction of duty by recklessly failing to perform a duty expressly imposed by law with respect to the member's office or recklessly doing any act expressly forbidden by law with respect to the member's office;
- Interfering with civil rights under color of the member's office by knowingly depriving, or conspiring or attempting to deprive, any person of a constitutional or statutory right;
- Engaging in bribery by knowingly soliciting or accepting any valuable thing or benefit to corrupt or improperly influence the member or another public servant or party official with respect to the discharge of the member's or other public servant's or party official's duty;

- Engaging in coercion by taking, withholding, or threatening to take or withhold official action in order to coerce a person into taking or not taking an action concerning which that person has a legal freedom of choice.

## ***Appointments and Employment***

There are a number of boards and commissions on which members of the General Assembly may serve. Some of these bodies are established by statute and are permanent in nature while others are created on an *ad hoc* basis.

Members of the General Assembly are prohibited from accepting certain appointments and positions of employment. A member may not, during the term for which the member was elected, hold any public office of the United States, Ohio, or a political subdivision of the United States or Ohio unless the member resigns from the General Assembly during the term. This prohibition does not extend to officers of a political party, notaries public, or officers of the Ohio organized militia or of the United States armed forces. A member also is prohibited from being appointed to an Ohio public office during the member's term of office, and for one year thereafter, if the public office was created, or the compensation of the public office was increased, during the member's term of office.

A member of the General Assembly may not knowingly accept any of the following appointments or positions of employment:

- A trustee, officer, or manager of a benevolent, educational, or correctional institution that is authorized, created, or regulated by the state and that is supported by state funds;
- A member of any committee or commission that is authorized or created by the General Assembly and that provides compensation other than actual and necessary expenses;
- Any appointment, office, or employment from any committee or commission that is authorized or created by the General Assembly and that provides compensation other than actual and necessary expenses;

- Any appointment, office, or employment from any executive or administrative branch or department that provides compensation other than actual and necessary expenses.

Any member of the General Assembly who accepts any of these appointments or positions of employment must immediately resign from the General Assembly. The seat of any member who does not resign is deemed vacant. Before accepting a potential appointment or employment opportunity, a member may ask JLEC whether it would be appropriate to accept the position.

Because the enumerated restrictions are established by statute, they can be superseded by another statute. For example, the law permits legislator members of the Controlling Board and Joint Committee on Agency Rule Review to receive per diem compensation.

## Salaries and Leave

Members are guaranteed an annual salary by statute and receive a paycheck at the beginning of each month. The base annual salary is \$60,584. Members who hold leadership positions receive higher salaries. Members who serve in specified positions on standing committees and subcommittees also receive an annual salary supplement. No member, however, may receive more than one supplement for a committee position regardless of the number of committees on which the member serves.

Although state employees are eligible for sick leave, vacation leave, personal leave, and disability leave, members of the General Assembly do not qualify for these types of leave. Members are considered "officers" rather than "employees" of the state. A member who is absent from session due to illness or other reasons can continue to receive a paycheck if the absence is excused by formal action of the appropriate house. If a member dies in office, the law provides for the continued payment of the member's salary to certain individuals. As implemented by the House and Senate, any portion of the salary that has not been paid to the member is paid in monthly installments to his or her surviving spouse, children, mother, or father, in that order.

## Travel Expenses

Members of the General Assembly who reside outside of Franklin County receive mileage

reimbursement for one round trip between their homes and the Statehouse for each week they are in Columbus on official business. Reimbursement is paid quarterly in arrears. The allowance is paid at the cents-per-mile rate established for state travel reimbursement by the Director of Budget and Management. It is based on the distance between a member's place of residence and the Statehouse by the most direct highway route. At the beginning of each General Assembly, each chamber adopts a resolution certifying the members' mileage. A member who moves during his or her term of office must report the move to the Clerk's office so that a new mileage resolution may be adopted to reflect the change in distance.

Members of the General Assembly do not receive an allowance or reimbursement for the expenses they incur for meals and lodging when they come to Columbus for legislative sessions. However, legislators who are also members of certain boards or committees, such as the Controlling Board or the Joint Committee on Agency Rule Review, do receive a stipend when they come to Columbus to attend meetings.

## Offices

Members of the General Assembly are provided with staff assistance, office space, furniture, office equipment, supplies, and postage. Office space for most Senators is in the Senate Building and office space for Representatives is in the Riffe Center. The Senate President and Minority Leader have offices in the Statehouse. The General Assembly does not provide members with offices in their districts.

## Parking

Each Senator has a reserved parking space in the Statehouse underground parking garage. Each Representative has a reserved parking space in the Riffe Center parking garage. Parking privileges are assigned by the Speaker of the House and the Senate Chief of Staff.

## Mail

The Senate mail room and House document services handle incoming and outgoing mail. Stationery is available from the Senate Clerk's Office and the House Administrative Office. Business cards and note cards are also available to members

## Salaries for Members, Leaders, and Selected Committee Officers of the General Assembly

(amounts rounded)

### House of Representatives

<u>Office</u>	<u>Salary</u>
Speaker	\$ 94,437
Speaker Pro Tempore	\$ 86,165
Minority Leader	\$ 86,165
Majority Floor Leader	\$ 81,163
Assistant Minority Leader	\$ 78,668
Assistant Majority Floor Leader	\$ 76,169
Majority Whip	\$ 71,173
Minority Whip	\$ 71,173
Assistant Majority Whip	\$ 66,175
Assistant Minority Whip	\$ 63,381
Member	\$ 60,584

### Committee Positions Supplement

<u>Finance Committee</u>	
Chairperson	\$ 10,000
Vice-Chairperson	\$ 5,500
Ranking Minority Member	\$ 6,500
Standing Subcommittee Chairperson	\$ 6,500
Standing Subcommittee Ranking Minority Member	\$ 5,000
<u>Other Standing Committees</u>	
Chairpersons	\$ 6,500
Vice-Chairpersons	\$ 5,000
Ranking Minority Members	\$ 5,000
Standing Subcommittee Chairpersons	\$ 5,000
Standing Subcommittee Ranking Minority Members	\$ 2,500

### Senate

<u>Office</u>	<u>Salary</u>
President	\$ 94,437
President Pro Tempore	\$ 86,165
Minority Leader	\$ 86,165
Majority Floor Leader	\$ 81,163
Assistant Minority Leader	\$ 78,668
Majority Whip	\$ 76,169
Minority Whip	\$ 71,173
Assistant Minority Whip	\$ 63,381
Member	\$ 60,584

### Committee Positions Supplement

<u>Finance Committee</u>	
Chairperson	\$ 10,000
Vice-Chairperson	\$ 5,500
Ranking Minority Member	\$ 6,500
Standing Subcommittee Chairperson	\$ 6,500
Standing Subcommittee Ranking Minority Member	\$ 5,000
<u>Other Standing Committees</u>	
Chairpersons	\$ 6,500
Vice-Chairpersons	\$ 5,000
Ranking Minority Members	\$ 5,000
Standing Subcommittee Chairpersons	\$ 5,000
Standing Subcommittee Ranking Minority Members	\$ 2,500



in limited quantities. Since authorized allowances for postage and stationery differ between the two houses and may change from session to session, members should consult the appropriate office for current limits.

## Telephones and Information Technology

Telephones are available to members in their offices for both local and long-distance calls. The House and Senate may establish guidelines or policies regarding the use of phones for personal or nonlegislative business by both staff and members.

Computers, software, and Internet access are available to members of the General Assembly. Both chambers provide their members with desktop computers. In addition, a dedicated computer on each member's desk in the House and Senate chambers allows the member to view legislative documents pertaining to that day's session. Legislative documents including bills, bill analyses, fiscal notes, testimony, and meeting minutes are available electronically via tablet computers provided to members for use during committee hearings.

The Legislative Information Systems Computer Education Center offers computer training at no cost to all members and their staffs.

For assistance with telephones and computer-related matters, Representatives should contact the House IT Help Desk at (614) 466-9512 and Senators should contact the Senate IT Help Desk at (614) 995-0263.

## Benefits

The Department of Administrative Services (DAS) is the state agency chiefly responsible for administering the benefits offered to employees of the executive, legislative, and judicial branches of state government. Specific information about these benefits is available from the Benefits Administration Services office within DAS. An overview of these benefits may also be viewed at the Benefits link on the State of Ohio website (<http://www.ohio.gov/stateemployee>).

### Health Insurance

Members of the General Assembly may enroll in the state's self-insured health insurance plan

within 31 days after taking office. Coverage is offered on a single or family basis (family minus spouse or family plus spouse), with the cost of the premium depending on the coverage selected. The state and the member share the cost of the monthly premium, with the state contributing 85% of the cost and the member contributing 15%. Members who choose family plus spouse coverage must pay an additional \$12.50 per month. The member's share of the plan is paid through automatic payroll deduction. To help pay for health care expenses not usually covered by insurance, a member may open a Health Care Spending Account, described on page 28.

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*A member may enroll in a health insurance plan within 31 days after taking office. Members who do not enroll within this period may not enroll except during the next open enrollment period (usually in the spring or following a qualifying event).*

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Medical coverage is provided through a preferred provider organization (PPO) network operated by Ohio Med PPO. Under this plan, individuals may contact providers directly for most treatments, subject to specified co-payments and other fees depending on the medical services received. Thereafter, eligible expenses for most types of medical services are covered at 80% when using an in-network provider, including network hospitals, and at 60% when using a non-network provider.

Medical claims are handled by three third-party administrators under contract with the state: Aetna, Anthem, and Medical Mutual of Ohio. State employees and elected officials are assigned to one of these claims administrators based on the first three digits of their home zip code.

Coverage may be converted from individual to family coverage (family minus spouse or family plus spouse) within 31 days (1) after marriage, (2) prior to an expected birth or after the birth of a child, or (3) after receipt of final papers of adoption or legal guardianship of a child as appropriate. Similarly, conversion from a type of family coverage to individual coverage is available (1) after divorce or dissolution of marriage or (2) when a covered dependent becomes ineligible for coverage. A member who is not covered by any plan offered by the state has the option to enroll in

one of the plans under certain circumstances. For a complete list of qualifying events, please see the employee benefits information on the DAS website (<http://das.ohio.gov/Divisions/HumanResources/BenefitsAdministration/QualifyingEvents.aspx>). Enrollment/Change forms are available from the House Administrative Office or the Senate Fiscal Office, or changes may be made online.

## ***Vision and Dental Insurance***

Vision and dental care coverage are available to a member and dependents after the member has completed one year of continuous state service. Currently, the cost of premiums for vision and dental care coverage is entirely paid by the state.

Vision coverage for members is provided through the Vision Service Plan (VSP). Dental coverage for members is offered through Delta Dental PPO or Delta Dental Premier. Members may choose to go to any licensed dentist and receive benefits. However, members will have lower out-of-pocket expenses if they go to dentists who participate in one of Delta Dental's networks – Delta Dental PPO or Delta Dental Premier.

## ***Health Care Spending Account***

The Health Care Spending Account (HCSA) is a voluntary flexible spending account that allows a member to deposit a portion of his or her salary in a special account to cover the costs of medical, dental, and vision plan deductibles and co-payments and other health-related expenses not usually covered by a health plan. This benefit is available to all members whether or not they are enrolled in a state health plan. Upon opening an account, the member determines the amount of his or her salary to be contributed to the HCSA, up to \$2,500 in pre-tax dollars for each year. (Since the contributions are "pre-tax," they are not subject to local, state, or federal income taxes.) The member's contribution for the next year is determined annually near the end of each year, and that amount is deducted monthly in equal installments over the subsequent twelve-month period. Internal Revenue Service regulations allow up to \$500 in contributions remaining in HCSAs at the end of a year to be rolled over to the following year. The HCSA program, as well as the Dependent Care Spending Account program described next, is administered by the contract employee benefits management company, WageWorks, Inc.

A member enrolled in the plan receives a payment card to make eligible HCSA purchases at

retail and mail-order pharmacies, as well as to pay co-pays and deductibles and to cover certain medical expenses not covered by insurance. Although the card eliminates the need to file claim forms for expenses in most cases, members should keep receipts in order to respond to occasional requests to provide documentation of expenses.

Interested members may enroll in the program within 30 days of taking office. There is also an enrollment period for the HCSA plan scheduled for autumn of each year. At that time, members will receive a letter with details about enrolling in the plan or, for those members already enrolled, details about determining their contribution for the next year.

Additional information about this flexible spending account can be obtained from the House Administrative Office, the Senate Fiscal Office, and the DAS website (<http://das.ohio.gov/Divisions/HumanResources/BenefitsAdministration/FlexibleSpendingAccounts.aspx>).

## ***Dependent Care Spending Account***

The Dependent Care Spending Account (DCSA) is a voluntary plan that allows a member to set aside deposits from his or her paycheck up to a maximum of \$5,000 (dependent on tax status) in a special account for expenses he or she incurs for the care of qualified dependents. This account is considered "pre-tax"; therefore, it is not taxed by the local, state, or federal government. Due to Internal Revenue Service regulations, contributions remaining in DCSAs at the end of the year are forfeited.

Before enrolling, a member must decide whether the plan is beneficial or not. A member should carefully review the estimated amount he or she expects to pay in dependent care expenses over the course of the calendar year compared to available federal and Ohio income tax credits.

Qualified dependents are persons who live in the member's home and who must have care in order for the member to work.

Applicable enrollment forms and specific information can be obtained from the House Administrative Office and the Senate Fiscal Office, and must be submitted within 30 days after the member takes office or experiences a qualifying event. An enrollment form may also be found on the DAS website (<http://das.ohio.gov/Divisions/HumanResources/HRDDownloadableForms.aspx>). There is also an open enrollment period for the DCSA plan each year, usually in autumn.

## Life Insurance

Members having one year or more of continuous state service are automatically enrolled in the state's group life insurance program offered by Minnesota Life. This program provides death benefits, at no cost to the member, in an amount equal to the member's annual salary (rounded to the next higher multiple of \$1,000). When a member leaves state service, the policy can be converted (without proof of insurability) to a whole life policy for which the premiums will relate to the policyholder's attained age. Alternatively, the member can exercise a portability feature to continue the policy as a less expensive individual term life policy without proof of insurability. If a member has been diagnosed with a terminal illness and has less than 12 months to live, an accelerated death benefit will allow a cash advance against the group life insurance policy of a portion of the total life insurance benefit. A physician's diagnosis is required for this accelerated death benefit.

## Supplemental Life Insurance

Supplemental and dependent life insurance is also available to members and may be purchased within 90 days of taking office. Choice of insurance protection is in increments of \$10,000, up to a maximum of eight times a member's annual salary (minimum \$10,000; maximum \$600,000). Coverage in an amount not exceeding three times a member's annual salary or \$500,000 (whichever is less) is available with no evidence of insurability required. Larger amounts of coverage are available with proof of insurability. Spouses and dependent children may also be enrolled for coverage in lesser amounts. Coverage is death benefit only.

Supplemental and dependent life insurance is offered through Minnesota Life Insurance Company. Members may enroll online at <http://lifebenefits.com> within 90 days of taking office. There is a brief open enrollment period for supplemental and dependent life insurance, which usually runs concurrently with the open enrollment period for health care in the spring. Once coverage has been approved, premiums, based on age and whether the member is a nonsmoker or a smoker, are deducted from the member's monthly paycheck. The supplemental life policies include conversion and portability options when a member leaves state service.

Additional information about supplemental and dependent life insurance can be obtained from the House Administrative Office, the Senate Fiscal Office, and the DAS website (<http://das.ohio.gov/Divisions/>

[HumanResources/BenefitsAdministration/LifeInsurance.aspx](http://www.ohio.gov/Divisions/HumanResources/BenefitsAdministration/LifeInsurance.aspx)).

## Deferred Compensation

Members may participate in the Ohio Public Employees Deferred Compensation Program. The program is a form of voluntary savings and investments that defer taxes and supplements future retirement income. Program contributions may be made only by payroll deduction. Salary deferrals may be allocated among a variety of fund options with varying levels of risk on investment. There is also a range of target-date funds suited to the participant's anticipated year of retirement, as well as a stable value option. A member may receive payments from the program only on separation from service, death, or for an unforeseen financial emergency. Program details are available on the Ohio Public Employees Deferred Compensation Program website (<http://www.ohio457.org>). Information about the program can also be obtained from the House Administrative Office or the Senate Fiscal Office.

## Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) was created by law in 1933 and began operations in 1935 to build funds to provide retirement allowances for state employees. Today, OPERS provides age and service retirement and disability and survivor benefit programs for public employees of state and local government. Medical insurance benefits may also be available to OPERS retirees (referred to as retirants in the Revised Code) and their dependents.

## Membership in OPERS

A member of the General Assembly who is not already an OPERS member or retiree may join OPERS, but is not required to do so. A member joins by filing with OPERS an application and "personal history record" on forms provided by OPERS. A member who opts not to join OPERS must contribute to the federal Social Security system.

Under OPERS, both the member (by payroll deduction) and the House or Senate contribute to the member's retirement. Currently, a member's contribution is the statutory limit of 10% of earnable salary. A member may elect to contribute amounts

beyond the required contribution to receive an additional annuity on retirement. The current contribution rate paid by the House or Senate is the statutory limit of 14%. Earnable salary includes all salary, wages, and other earnings paid by reason of employment. It does not include employer-paid amounts for insurance, reimbursement for job-related expenses, or other incidental benefits.

## ***Types of Retirement Plans***

OPERS offers three plans for retirement: the Traditional Plan (a defined benefit plan), the Member Directed Plan (a defined contribution plan), and the Combined Plan. Participation in the latter two plans is limited to new OPERS members and OPERS members who had less than five years of service on December 31, 2002. A new member who does not elect to join either of these plans within 180 days after beginning employment is placed in the Traditional Plan. A member may switch to a different plan at intervals specified by the plan or by OPERS rules.

Under the Traditional Plan, a member receives a retirement benefit based on age, years of service, and final average salary. This plan includes disability and survivor benefits and may include retiree health care coverage.

Under the Member Directed Plan, the member directs the investment of the contributions in the member's account; benefits are based solely on the success of those investments. The plan does not provide distinct disability or survivor benefits. The Member Directed Plan includes an individual retiree medical account from which retiree medical expenses and health insurance premiums may be paid.

The Combined Plan includes elements of both the Traditional Plan and Member Directed Plan. Under this plan, the member directs only the investment of the member's contributions, while OPERS invests the House or Senate contributions. Benefits are based on a combination of (1) the success of the investments and (2) the member's age, years of service, and final average salary. Disability, survivor, and retiree health care benefits are provided to the same extent as under the Traditional Plan.

## ***Traditional Plan***

### **Withdrawal of Contributions**

On leaving public service, a member in the Traditional Plan may withdraw his or her

contributions and a limited amount of interest on those contributions; however, the withdrawal will have federal tax consequences.

A member who has at least five years of service credit at the time of withdrawal may also receive a portion of the contributions made by the House or Senate on the member's behalf. Members who withdraw their contributions forfeit entitlement to future benefits.

### **Member Groups**

Legislation that took effect on January 7, 2013, changed eligibility requirements for OPERS Traditional Plan members but created exceptions for members in groups designated A and B. Members who, not later than January 7, 2018, will meet the eligibility requirements that were in effect before January 7, 2013 are in Group A. Members who will meet those requirements not later than January 7, 2023, or have 20 or more years of service credit as of January 7, 2013, are in Group B. All other Traditional Plan members are in Group C and will have to meet the new eligibility requirements.

**Group A** – An OPERS member in Group A participating in the Traditional Plan qualifies for age and service retirement with an unreduced benefit at age 65 with at least five years of service credit or at any age with 30 years of service credit. A reduced retirement benefit is available as early as age 55 with 25 years of service credit or age 60 with five years of service credit.

**Group B** – The eligibility requirements for an unreduced benefit are not specified in the Revised Code, but according to the OPERS Member Handbook, an OPERS member in Group B participating in the Traditional Plan qualifies for age and service retirement at age 66 with at least five years of service credit, with 31 years of service credit (if at least age 52), or at any age with 32 years of service credit. A reduced retirement benefit is available as early as age 55 with 25 years of service credit or age 60 with five years of service credit.

**Group C** – The eligibility requirements for an unreduced benefit are not specified in the Revised Code, but according to the OPERS Members Handbook, an OPERS member in Group C participating in the Traditional Plan qualifies for age and service retirement at age 67 with at least five years of service credit or at age 55 with 32 years of service credit. A reduced retirement benefit is available as early as age 57 with 25 years of service credit or age 62 with five years of service credit.

## Benefit Formula

The retirement benefit formula for members in Groups A and B is 2.2% of the member's final average salary (FAS) per year for each of the first 30 years of service credit, and 2.5% of FAS for each year of service credit over 30 years. Members in Group C do not receive the 2.5% multiplier until after 35 years of service.

Final average salary is determined as the average of the three highest years of earnable salary for members in Groups A and B and the five highest years of earnable salary for Group C members.

The retirement benefit may be a retirement allowance or lump sum amount and a smaller monthly allowance.

## Additional Service Credit

A member of the General Assembly, as an elected official, has the option of purchasing, prior to retirement, additional service credit in an amount not exceeding 35% of his or her service credit subject to limitations specified in federal law. Additional service credit may also be purchased for a variety of prior service, including military service, police, fire, or highway patrol service, and out-of-state, federal, or Ohio municipal retirement system service. After 18 months of new contributing service, a member may also purchase credit for prior noncontributing service (also called "exempt service") and service for which the member withdrew his or her accumulated contributions. Charges for purchased credit vary depending on type of service, but in most cases reflect the actuarial cost to OPERS of providing the credit.

## Cost-of-Living Adjustment

OPERS is authorized to pay an annual amount as a cost-of-living adjustment (COLA) to recipients of retirement allowances, disability benefits, and survivor benefits. For recipients whose benefits began before January 7, 2013, the COLA is 3%. The 3% COLA will continue through 2018 for recipients whose benefits begin after January 7, 2013. Thereafter, the COLA for these recipients will be the percentage increase in the Consumer Price Index (CPI), not exceeding 3%.

## Disability Benefit

OPERS members are eligible under the Traditional Plan for one of two disability benefit programs: the original plan or the revised plan. Employees who had contributions on deposit with OPERS on July 29, 1992, had a one-time opportunity

to select coverage under either program. General Assembly members who became OPERS members after July 29, 1992, are covered under the revised plan.

OPERS pays disability benefits to a member with at least five years of total service credit who becomes permanently disabled. Under the original plan, a disability application must be filed before age 60 for Group A and B members, and before age 62 for Group C members. The amount of the allowance is based on final average salary (FAS), years of OPERS service, and the length of time between the effective date of disability retirement and age 60 or 62. The benefit cannot be less than 30% nor exceed 75% of FAS.

The revised plan permits a member to file the application at any age. The benefit amount is based on the greater of (1) 45% of FAS or (2) 2.2% of FAS multiplied by years of total service credit, not exceeding 60% of FAS.

## Survivor Benefits

The accumulated contributions of an OPERS member under the Traditional Plan who dies before age and service retirement may be paid to a beneficiary or beneficiaries the member has designated on a form provided by OPERS. (Certain events, such as marriage, divorce, or the birth of a child, automatically revoke a previously made designation.) If there is not a designated beneficiary, the beneficiary is determined by succession established by state law. The order of succession is the member's (1) spouse, (2) children in equal shares, (3) dependent parent who selects a monthly survivor benefit, (4) parents in equal shares, or, if none of the foregoing apply, the estate.

In lieu of payment of a deceased OPERS member's accumulated contributions, qualified survivors may be eligible to receive monthly survivor benefits. This occurs if, at the time of death, the OPERS member met one of the following qualifications:

- Was eligible for retirement;
- Was receiving a disability benefit;
- Had at least 18 months of Ohio service credit with three of those 18 months occurring within the two and one-half years immediately before death.

OPERS also provides a lump sum death benefit upon the death of a retiree or disability recipient, the amount of which depends on the length of the member's service.

## Retiree Medical Insurance

OPERS has authority to provide health care coverage for retirees and to establish eligibility requirements for coverage. Any premiums are paid through deductions from the member's retirement benefit.

## Member Directed Plan

Under the Member Directed Plan, the member directs the investment of the contributions in the member's account into a number of professionally managed investment options; the member's benefit is based solely on the success of those investments. The member's contributions vest immediately. The portion of the House or Senate contributions that vests increases the longer the member participates in the plan, vesting fully after five years. A portion of the House or Senate contributions is not available for investment. It is used to fund the retirement medical account and to mitigate any negative financial impact on OPERS resulting from members participating in this plan.

## Rollovers and Distribution on Leaving Public Service

The member may have distributions from certain other retirement plans paid directly to OPERS in a "rollover." The member directs the investment of these funds. Similarly, on leaving public service, a member may elect to receive a lump-sum distribution of the vested amounts in the member's account and any rollover amounts; the withdrawal may have federal tax consequences if the member does not properly roll over the distribution to another eligible retirement plan. A member who receives this distribution forfeits entitlement to future benefits.

## Retirement Benefits

A member who has reached age 55 and has amounts on deposit in his or her account may receive benefits from the vested amounts in the account either as monthly annuity payments or a partial lump-sum distribution and monthly annuity payments. Under federal law, the member must begin receiving benefits by April of the year after the member retires or the year after the member turns 70½, whichever is later. In some circumstances, the member may roll over the distribution to another eligible retirement plan.

## Disability Benefits

The Member Directed Plan offers no disability benefits, but the vested amounts in the member's account are available to a member who terminates employment whether due to disability or otherwise.

## Survivor Benefits

The Member Directed Plan permits the member to designate a beneficiary or beneficiaries to receive the vested amounts in the account should the member die before withdrawing all vested amounts. (But certain events, such as marriage, divorce, or the birth of a child, automatically revoke a previously made designation.) If the member has not designated a beneficiary, the Member Directed Plan provides for a beneficiary in the following order: the member's (1) spouse, (2) children in equal shares, (3) parents in equal shares, or, if none of the foregoing apply, the estate.

## Retiree Medical Insurance

Under the Member Directed Plan, a portion of the House or Senate contributions accumulate in a Retiree Medical Account for the purpose of paying insurance premiums, reimbursing qualified health care expenses, or both. The portion of these contributions that is available to the member depends on the member's length of service. The member also may use the account to pay the health care expenses of qualified dependents.

If the member dies while contributing to or receiving payment from the account, the member's beneficiary may use the remaining portion that would have been available to the member for the payment of qualified health care expenses, if the beneficiary is a qualified dependent.

## Combined Plan

Under the Combined Plan, the member directs the investment of the member's contributions into a number of professionally managed investment options; this portion of the member's benefit is based solely on the success of those investments. OPERS directs the investment of the House or Senate contributions; this portion of the member's retirement benefit is controlled by the Combined Plan Document adopted by OPERS. Deducted from the House or Senate contributions are amounts used to fund the member's health care insurance coverage and to mitigate any negative financial impact on OPERS by members participating in this plan.

## Rollovers and Distribution on Leaving Public Service

A member may have distributions from certain other retirement plans paid directly to OPERS in a rollover. The member directs the investment of these funds. Similarly, on leaving public service, a member may elect to receive a lump-sum distribution of all the amounts under the member's control (his or her contributions and any rollover amounts) and a portion of the House or Senate contributions; the withdrawal may have federal tax consequences if the member does not properly roll over the distribution to another retirement plan.

## Retirement Benefits

Effective January 7, 2013, age and years of service credit needed to retire under the Combined Plan vary depending on how close the member was to retirement on that date. Members are divided into three groups based on the same criteria used to determine the member groups under the Traditional Plan.

The retirement benefit formula for Combined Plan members who meet the same criteria required to be in Group A or B under the Traditional Plan is 1% of the OPERS member's final annual salary (FAS) per year for each of the first 30 years of service, and 1.25% of FAS for each year, or portion thereof, of service over 30 years. For example, an OPERS combined plan member with 30 years of service receives 30% of his or her FAS (1.0% x 30). The member will also receive distributions of the member's investment earnings. Combined Plan members who meet the same criteria required to be in Group C under the Traditional Plan do not receive the 1.25% multiplier until after 35 years of service.

The retirement benefit can come in the form of (1) an annuity, (2) a lump sum amount and a smaller annuity, or (3) a lump sum. The Combined Plan, under federal law, requires the member to begin receiving benefits by April of the year after the member retires or the year after the member turns 70½, whichever is later. And, in some circumstances, the member may roll over the distribution to another eligible retirement plan.

Under the Combined Plan, the member has the same option of purchasing additional service credit as under the Traditional Plan.

## Disability, Survivor, and Health Care Benefits

Disability, survivor, and health care benefits are provided under the Combined Plan to the same extent as under the Traditional Plan.

## Reemployed Retirees

An OPERS member under any of the plans is permitted to retire and subsequently be reemployed in a position covered by OPERS or another of Ohio's state retirement systems. However, if the reemployment begins less than two months after the date of retirement, the member forfeits the retirement allowance for any month the retiree is employed prior to the expiration of the two-month period.

The Revised Code provides that an elected official who retires and is then elected or appointed to the same office for the remainder of the term or for the next term forfeits the retirement allowance until reemployment terminates, except that the allowance is not forfeited if the official filed a notice of intent to retire with the board of elections at least 90 days before the primary election for the official's current term of office. In a 1982 opinion (82-080), however, the Ohio Attorney General concluded that a member of the General Assembly cannot retire under OPERS between consecutive terms in the General Assembly.

## Obtaining Additional Information

For information on OPERS membership, benefits, and service credit, a member of the General Assembly may obtain a copy of the *OPERS Member Handbook* on the OPERS website (<https://www.opers.org/publications/members.shtml#handbook>) or by contacting OPERS at (800) 222-7377.