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H.B. 78 of the 135th General Assembly

Reps. Seitz and Miller, J.

May 11, 2023

Staff Recommendation

Staff Contact Jeffery A. Bernard (614) 228-5644

Summary of H.B 78

H.B. 78 would allow active teachers who are retired from the State Teachers Retirement System (STRS) to seek election on the STRS Board. These individuals are often referred to as "re-employed retirants." These re-employed retirants are, under current law, ineligible to seek election on the STRS Board as either an active contributing member or retired member, but they may vote in the elections for the two retired members. This bill would permit re-employed retirants to seek election as either an active contributing member or a retired member.

Background

Since H.B. 94 of the 124th GA, the STRS Board has been comprised, in part, of five active contributing members of STRS and two retired members who are not contributing to STRS.² This explicitly excludes re-employed retirants of STRS from serving on the STRS Board. No ORSC analyses of the time or the Legislative Service Commission analyses indicate the reason for the exclusion.

Staff Comments

ORSC staff concur with the objective of H.B. 78 to permit re-employed retirants of STRS to seek election on the STRS Board. However, re-employed retirants should be limited to seeking election as a retired member of the board, as it is with the other two non-law enforcement retirement systems.³ This is because re-employed retirants are, by definition, receiving STRS retirement benefits as retirees and are no longer receiving additional service credit for their post-retirement employment.

Additionally, re-employed retirants are only eligible to vote for the retired board member seats. This is true both of the bill and current law. This bill would enable them to run for a seat for which they are ineligible to vote.

Finally, this bill could allow all elected STRS board members to be retirants of STRS, potentially creating a significant imbalance in board perspective.

Staff Recommendation

ORSC staff recommend that H.B. 78 be approved by the ORSC only with the inclusion of an amendment specifying that re-employed retirants are only eligible to seek election as a retired member of the board.

¹ STRS law refers to these individuals as "superannuates" (R.C. 3307.01).

² The STRS Board is comprised of 11 members. Five active contributors, two retired members, the Superintendent of Public Instruction, and three investment experts, one each appointed by the Governor, General Assembly, and Treasurer (R.C. 3307.05)

³ The Public Employees Retirement System and the School Employees Retirement System