



**Ohio
Retirement
Study
Council**

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To: ORSC Members
From: Jeffery A. Bernard, Senior Research Associate *JAB*
Date: May 13, 2021
Subject: Retirement System Changes in H.B. 110

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H.B. 110 (biennial budget bill) contains two provisions relating the state retirement systems. This memo details only the provisions of the bill affecting the state retirement systems.

State Teachers Retirement System Board Meetings (R.C. 3307.091)

H.B. 110 permits STRS to adopt a board policy that allows STRS Board members to attend meetings through teleconference or video conference. This would be an exception to the Ohio Open Meetings Law, which requires a person to be physically present at a meeting in order to determine quorum requirements or to be able to vote. If a member participates remotely, the bill requires that the board allow members of the public to attend remotely.

The policy must include the number of meetings the member is required to attend in person and that number must be at least half of the regular annual meetings. The policy must also include all of the following:

- 1) That at least a third of the members attending the meeting must be present in person at the physical location where the meeting is conducted;
- 2) That all votes taken at the meeting must be taken by roll call vote;
- 3) That a member who intends to attend a meeting by teleconference or video conference must notify the chairperson of that intent not less than 48 hours before the meeting, except in the case of an emergency as defined in the policy.

In addition, unless otherwise specified in the above requirements, the bill prohibits a person from doing any of the following:

- 1) Limiting the number of Board members who may attend a meeting by teleconference or video conference;
- 2) Limiting the total number of meetings that the Board may allow members to attend by teleconference or video conference;
- 3) Limiting the number of meetings at which any one Board member may attend by teleconference or video conference;
- 4) Imposing other limits or obligations on a Board member because the member attends a meeting by teleconference or video conference.

Analysis and Recommendation

H.B. 197 and H.B. 404 of the 133rd General Assembly provided temporary authorization to the state retirement boards to attend meetings remotely as long as the public was also able to remotely attend those meeting. The amendment to H.B. 110 would permit, but not require, STRS to adopt a policy continuing remote attendance and add additional requirements to that participation. With the requirement to permit members of the general public to attend remotely any time that a board member participates remotely, it seems likely that the adoption of a policy by STRS to permit remote participation would institutionalize remote attendance by the general public for STRS meetings. This remote attendance by the public is not guaranteed to continue after the provisions of H.B. 197 and H.B. 404 expire.

Additionally, the provision may increase board member participation by addressing situations where a board member may not be able to physically be in Columbus and would likely result in continued remote access to retirement system board meetings by the general public. It may also increase interest in becoming a board member by making board attendance easier.

The ORSC has consistently recommended that the state retirement systems have consistent policy, where possible. **ORSC staff recommend** approval and expansion of this provision of the bill to all state retirement systems. This would permit all the state retirement system boards, should they elect to do so, to continue to allow board members to participate remotely.

Ohio State and Local Government Expenditure Database

The bill creates the Ohio State and Local Government Expenditure Database. The database will include information related to expenditures of state and local

government. Under the bill, an “expenditure” is a payment, distribution, loan, advance, reimbursement, deposit, or gift of money from a state entity to any supplier.

Analysis and recommendation

Because funds in the state retirement systems are not tax dollars and instead trust funds, the systems are not required to participate in the expenditure database. Under the bill, the state retirement systems may agree to provide information to the database, but are not required to do so.

The ORSC receives its funding through the state retirement systems and likewise is not taxpayer funded. Under this same rationale, **ORSC staff recommend** that this provision be amended to permit, but not require, the ORSC to provide information to the database. This will allow the members of the ORSC to decide if the ORSC should participate in the database and maintain a consistent policy between the ORSC and the state retirement systems as it relates to trust funds and the expenditure database.