



**Ohio House Pensions Committee**  
HB 296, Proponent Testimony  
**Pete Burchman, President IAFF Local 2150**  
November 14, 2023

Chairman Mathews, Vice Chair King, Ranking Member Lightbody, and members of the House Pensions Committee, thank you for the opportunity to testify in support of House Bill 296 on behalf of the International Association of Fire Fighters Local 2150. My name is Pete Burchman and I am the President of Local2150.

I have been a fire fighter for almost 16 years, the last 12 years I have proudly served at Kettering Fire Department. Our department will do approximately 9500 runs this year, we have 57 fire fighters, 15 Captains and 4 Battalion Chiefs. We currently have 4-5 vacant fire fighter positions.

HB 296 would correct a long-term sustainability challenge Ohio's Police and Fire Pensions has had for almost 40 years: more police officers in the fund than fire fighters; while at the same time, police employers are contributing less to the fund. (Police Employer: 19.5% / Fire Employer: 24%). HB 296 only removes the bifurcation between the two employee types.

**Pensions Play a Key Role in Recruitment and Retention of Firefighters**

Research shows that pension benefits overwhelmingly help attract skilled workers into our fire departments, especially millennials. It's widely known that local governments are struggling to recruit and retain Ohio's first responder workforce. Recently, local governments across Ohio have been exploring creative incentives like sign-on bonuses, education compensation and other benefits in the hiring phase to get more applicants in the door. These short-term fixes may temporarily help with attracting applicants; but, not with retention. Given the high costs associated with employee turnover, pension benefits are an intercritical part of recruitment and retention process for Ohio's local fire departments.

Research shows that defined benefit pensions already play an important role in worker retention in the public sector. That same study found that 84% of millennials working in local governments said their pension benefit was the reason they're staying in the public sector. That's despite the majority (80%) believing they could earn more in the private sector.<sup>[1]</sup>

The retirement benefits are also leading to significant job loyalty: 85% of millennials said they plan to stay in their public sector jobs until they retire. However, 71% said that cutting their pension benefits would make them more likely to leave their local government job.<sup>[2]</sup> While public-sector employers typically can't compete with the private sector on salary, they have an edge when it comes to total compensation packages. It's clear that firefighters find their pension benefits to be extremely valuable.

**Fire fighter collective bargaining maintains local control** There is no federal role in fire fighter collective bargaining. The US Department of Labor, National Labor Relations Board or the Federal Labor Relations Authority have no role in the collective bargaining process. From beginning to end, collective bargaining is controlled by local and state officials and the jurisdiction and the body responsible for budgeting always has the final say.

**Strike/ Lockout.** ALL of Ohio's fire fighters and police collective bargaining agreements contain a "no-strike" and "no-lockout" clause to prevent work stoppages during the term of the agreement. Strikes/ lockouts would endanger public health, safety or welfare. For that reason, police and firefighters are prohibited from striking.

**Impasses at the Bargaining Table.** From time to time, collective bargaining between first responders and employers come to an impasse. Therefore, negotiations proceed with the following steps:

- **Fact-Finding:** The unresolved issues between the employer and the union are submitted to a "third-party, neutral person," who will examine the contracts and make recommendations. Essentially, they will craft a proposed contract for both parties, which can be accepted or rejected by either the employer or the union.
- **Conciliation:** If those are rejected, then there's another process called conciliation, which is in front of another neutral person. That person makes a final decision and creates a binding collective bargaining agreement for the parties. The "neutral" will select different parts from both the employer and union's proposals to cobble together the final binding agreement for the term of the contract – generally 3 years at a time.

**Re-opener clauses** A standard clause that can be included in a collective bargaining agreement (CBA) to permit mid-term reopening of the CBA for new negotiations over a particular issue or terms if specified conditions are met. CBA reopener clauses, usually pertaining to financial needs or employment reduction/ rehire standards. Although these are typically used to negotiate wages during the term of a contract, we are seeing CBAs across Ohio's fire departments being tied to certain economic conditions, such as a declared fiscal emergency, levies, pension funding changes.

The concept that HB 296 is creating a runaway fiscal disparity for cities and townships is just not true. The phase in process of the legislation grants 2/3 of the employers 2 chances at the bargaining table to adjust/compress the impact through negotiations. The other 1/3 of employers will have 1 chance.

Ohio's professional fire fighters heard the local government concerns with funding from last GA; hence the fire fighter employers' contribution portion has not been increased in this legislation. HB 296 is a fair and equitable approach for parity between the police and fire employers' contribution. It is only a 4.5% total increase, removing Ohio's rural and small municipalities, creating a sustainable change, and staving off another round of benefit cuts to Ohio's police and fire fighters.

I thank the committee for your time and thoughtful consideration and respectfully request favorable passage of HB 296.

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<sup>[1]</sup> *Millennial State & Local Government Employee Views on Their Jobs*, Compensation & Retirement, National Institute on Retirement Security, K. Kenneally, T. Bond, Issue Briefs Feb. 2020

<sup>[2]</sup> *Workforce Trends to Watch in 2023*, Rivka Liss-Levinson, Ph.D. and Gerald Young, Feb 01, 2023, PM MAGAZINE

### **What is the one message that only you can give? It's your story.**

I became involved with my local fire department in Northwest, Ohio in high school after being involved in a serious car accident when I was younger. Many of the fire fighters (volunteers) that responded to the accident decided to start a high school program to provide high schoolers with weekly training and introduction to what it meant to be a fire fighter in the community they lived in. Upon graduating, I left for Bowling Green State University and got my BS in Agriculture, but still felt the call to be a fire fighter. I kept coming back to the concept of: We all have a chance to do something in our lives that is honourable and not cowardly - to live in peace with ourself - and for me, it's being a firefighter.