



November 25, 2023

OHIO HOUSE PENSIONS COMMITTEE
OPPONENT TESTIMONY ON HOUSE BILL 296

Wade Kapszukiewicz
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Dear Chair Matthews, Ranking Member Lightbody, and Members of the House Pensions Committee,

Thank you for the opportunity to provide opponent testimony on House Bill 296. Toledo shares your commitment to support our police officers and firefighters, having invested 63% of our city's annual General Fund revenue (\$198,949,233) on public safety this year. With our investments we are growing the size of our police force, and have more officers on the streets than ever before. Because the costs of this bill are significant, and will negatively impact our city's ability to support our current and future police force, we oppose HB 296 in its current form.

As you know, HB 296 proposes to significantly increase the employer share of pension contributions to the Ohio Police and Fire Pension Fund (OP&F). Currently, this contribution is calculated at 19.5% of total police payroll. As proposed, these rate increases would be phased in over the next four years, with a final rate of 24% taking effect in 2027.

HB 296 will increase annual costs for the City of Toledo by \$2,734,767 when fully implemented. As state support for local governments has already decreased radically over the past 15 years, our current city budget cannot absorb these extra costs without impacting public safety. As a result, we may have to reduce the size of future police and fire recruit classes to offset the cost of this possible pension change.

A viable and stable Police and Fire Pension fund is important to all Ohioans, and we have invested significant resources over the past few years in increasing wages and other benefits for our current police department, as well as incoming officer classes. In Toledo,



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HB 296's costs would ultimately destabilize our current investments in public safety.

Because the potential costs outweigh the unclear potential benefits of HB 296, we oppose HB 296 at this time, and we ask you not to advance the bill out of committee. I thank you for your time and thoughtfulness on this issue, and regret I could not attend the hearing to discuss it with you in person. If you have any further questions, please do not hesitate to reach out to me.

Sincerely,

Wade Kapszukiewicz
Mayor, City of Toledo