Proponent Testimony on House Bill 280

Before the House Public Insurance and Pensions Committee
Delivered by Donovan O'Neil, State Director, Americans for Prosperity–Ohio
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Chair Peterson, Vice Chair Teska, Ranking Member White, and members of the committee — thank you for the opportunity to offer testimony in support of House Bill 280.

My name is Donovan O'Neil, and I serve as the State Director for Americans for Prosperity–Ohio.

A Sobering but Necessary Reform

Representative Abrams & Halls' House Bill 280 represents one of the most significant steps in recent years toward establishing stability in the **Ohio Police and Fire Pension Fund (OP&F)**.

It's important to be clear: this reform carries a price. Local governments will shoulder increased contributions, and that will challenge budgets already under strain. But this cost is not arbitrary — it's the cost of honest accounting and long-term solvency.

For too long, contribution rates have been disconnected from actuarial reality. By tying employer contributions directly to actuarial performance, HB 280 establishes a contribution policy closer to an **Actuarially Determined Employer Contribution (ADEC)** — a funding mechanism that automatically adjusts contributions when the plan's amortization period exceeds 30 years.

This is a discipline tool, not a tax lever. It replaces political guesswork with actuarial reality. It ensures we're paying what it actually takes to keep the fund solvent — not just for the next 10 or 15 years, but for the next 100 to 150.

A Reality Check on Cost and Accountability

Organizations like the Reason Foundation have modeled the consequences of ignoring these actuarial truths. Their analysis warns that if contribution corrections aren't made, the OP&F could exhaust its assets by mid-century, leaving future taxpayers to pay double the annual cost in perpetuity to cover benefits already promised.

That is the fiscal cliff we must avoid. HB 280 begins steering us away from that edge. It forces the system to acknowledge — and pay for — its true obligations today.

This is not the end of pension reform. Once we have a clear, actuarially sound picture of the system's full cost, policymakers can better evaluate future reforms — whether that means modernizing benefit structures, rebalancing risk, or enhancing governance accountability.

HB280 keeps promises to police and firefighters by ensuring their benefits are fully funded. It reduces risk for taxpayers by establishing predictable, data-driven adjustments. And it strengthens good governance by grounding pension policy in actuarial reality rather than political convenience.

This reform is both sobering and necessary. It acknowledges the cost of our commitments — and creates a system capable of meeting them responsibly.

While there will likely be concerns with the cost of this proposal, HB 280 fixes the process.

For those reasons, **Americans for Prosperity–Ohio supports House Bill 280** and urges the committee's favorable consideration.

Thank you, Chair Peterson and members of the committee, for your time and leadership. I'd be happy to answer any questions.