



OHIO EDUCATION ASSOCIATION

*The OEA will lead the way for continuous improvement of public education while advocating for members and the learners they serve.*

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**House Public Insurance and Pensions Committee**  
**House Bill 473: Opposition Testimony**  
**Wednesday, October 29, 2025**

Chair Peterson, Vice Chair Teska, Ranking Member White, and Members of the Committee:

My name is Robert Davis. I work in Government Relations for the Ohio Education Association (OEA). On behalf of our nearly 120,000 members, thank you for the opportunity to provide testimony in opposition to House Bill 473. This bill would prohibit public employers from paying employee contributions on an employee's behalf to state retirement systems.

OEA opposes this bill for several reasons:

**Limits the scope of bargaining:** First and foremost, OEA opposes HB 473 because it would limit the scope and freedom of bargaining for public employees. This is an attack on the rights of our members and other public employees in Ohio. It is reminiscent of Senate Bill 5, an attempt to restrain collective bargaining rights that was overwhelmingly rejected by Ohio voters.

Compensation is a term and condition of employment. Each collective bargaining agreement has a history; a series of decisions made by the parties reflecting their priorities. There are tradeoffs and compromises during negotiations that meet the unique needs of employers and employees. A pickup of employee contributions is not widespread in the collective bargaining agreements for OEA locals. However, where they exist, a prohibition in law would create needless disruption and the potential for labor disputes.

OEA stands in solidarity with other public employees in other labor organizations (school employees, police officers, firefighters, municipal workers, etc.) who may have a full or partial pension pickup as part of their negotiated collective bargaining agreement.

**Increased costs:** A prohibition on public employers from paying any portion of employee pension contributions could result in an up to a 14% reduction in net pay for the employee. Let us assume that it is not the intent of HB 473 to significantly cut take-home pay of affected employees. To offset that reduction in compensation, salaries would need to be increased, but this is not cost-neutral for public employers.



Here's a hypothetical example. A school district superintendent has a full pension pickup in their contract with the local board of education. Let's say that their salary is \$100,000. The employee contribution to STRS would be \$14,000. With pension pickups no longer permitted, the contract is renegotiated to pay the superintendent \$114,000 (it would have to be a little higher for there to be no net change in his or her paycheck). The new costs for the school district in just salary and the STRS employer contribution increase by about \$2,000-- [\$114,000 in salary plus \$15,960 for the employer contribution of 14%]. This is an increase in costs for the taxpayer just to pay the same effective wage. There are additional costs as well because costs such as Medicare taxes, leave time balances, unemployment, workers compensation, and other fees that are salary-based will also increase. These added costs would be better spent on services for students.

The sponsor and proponents of HB 473 have framed this as an issue of transparency. I'll note that the bill does not address transparency in any way. It simply prohibits a type of compensation. HB 473 diminishes the bargaining rights of public employees and will result in either lower wages or higher costs for taxpayers. For these reasons, OEA urges opposition to the bill.

Thank you, Chair Peterson. I am available to answer questions from the committee.