

As Introduced

136th General Assembly

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2025-2026

S. B. No. 239

Senators Brenner, Cutrona

To amend sections 742.16, 742.33, 742.34, 5705.06,
and 5705.31 and to repeal section 742.311 of the
Revised Code regarding contributions to the Ohio
Police and Fire Pension Fund.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 742.16, 742.33, 742.34, 5705.06,
and 5705.31 of the Revised Code be amended to read as follows:

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Sec. 742.16. The board of trustees of the Ohio police and
fire pension fund shall establish a period of not more than
thirty years to amortize the Ohio police and fire pension fund's
unfunded actuarial accrued pension liabilities. ~~The board shall
adopt a plan that specifies how it proposes to meet the thirty-
year amortization period not later than December 31, 2006. If
the period necessary to amortize the unfunded actuarial accrued
pension liability exceeds thirty years, as determined by the
actuarial valuation required by section 742.14 of the Revised
Code, the board, not later than ninety days after receipt of the
valuation, shall prepare and submit to the Ohio retirement study
council and the standing committees of the house of
representatives and the senate with primary responsibility for
retirement legislation a report that includes the following
information:—~~

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~~(A) The number of years needed to amortize the unfunded- 22
actuarial accrued pension liability as determined by the- 23
actuarial valuation; 24~~

~~(B) A plan approved by the board that indicates how the 25
board will reduce the amortization period of unfunded actuarial- 26
accrued pension liability to not more than thirty years; 27~~

~~(C) Whether the board has made any progress in meeting the 28
thirty-year amortization period. 29~~

Sec. 742.33. (A) Each employer shall pay monthly, on such 30
dates as the board of trustees of the Ohio police and fire 31
pension fund requires, from its general fund, or from a levy 32
imposed pursuant to division (J), (W), or (JJ) of section 33
5705.19 of the Revised Code, to the fund an amount known as the 34
"police officer employers' contribution," ~~which shall be 35~~
nineteen and one-half Subject to the adjustment required under 36
division (B) of this section, the police officer employers' 37
contribution is a certain per cent of the salaries as defined in 38
division (L) of section 742.01 of the Revised Code of the 39
members of the police department of the employer as follows: 40

(1) For salaries earned by the members in pay periods 41
beginning before the first day of July that first occurs after 42
the effective date of this amendment, the contribution is 43
nineteen and one-half per cent. 44

(2) For salaries earned by the members in pay periods 45
beginning on the first day of July that first occurs after the 46
effective date of this amendment, and on each subsequent first 47
day of July that occurs thereafter through the first day of July 48
that occurs for the fourth time after that date, the 49
contribution amount described under division (A) (1) of this 50

section shall be increased by one per cent until it equals 51
twenty-three and one-half per cent. 52

(3) For salaries earned by the members in pay periods 53
beginning on the first day of July that occurs for the fifth 54
time after the effective date of this amendment, the 55
contribution is twenty-four per cent. 56

(B) If the period necessary to amortize the Ohio police 57
and fire pension fund's unfunded actuarial accrued pension 58
liability exceeds thirty years, as determined by an actuarial 59
valuation that is completed subsequent to the first day of July 60
described under division (A) (3) of this section, the board shall 61
adjust the police officer employers' contribution to a rate 62
determined by the board's actuary. The board may adjust the rate 63
over a period not to exceed three years occurring immediately 64
after the date on which the actuarial valuation is completed. In 65
adjusting the rate, the board shall not do any of the following: 66

(1) Adjust the rate unless it is adjusted to the same rate 67
to which the firefighter employers' contribution is adjusted 68
under division (B) of section 742.34 of the Revised Code; 69

(2) Adjust the rate by more than one and one-half per cent 70
over the three-year period occurring immediately after the date 71
on which the actuarial valuation is completed; 72

(3) During the three-year period described under division 73
(B) (2) of this section, implement the adjustment by more than 74
one-half per cent over any one-year period. 75

(C) If the board adjusts the police officer employers' 76
contribution under division (B) of this section based on an 77
actuarial valuation described under that division, the initial 78
adjustment is effective for salaries earned by the members in 79

pay periods beginning not earlier than the first day of July 80
that occurs after the date on which the actuarial valuation is 81
completed. Any subsequent adjustment that the board implements 82
as described under division (B) (3) of this section is effective 83
for salaries earned by the members in pay periods beginning not 84
earlier than each first day of July that occurs thereafter. 85

(D) The taxing authority of each municipal corporation in 86
which there was a police relief and pension fund on October 1, 87
1965, shall annually, in the manner provided for making other 88
municipal levies and in addition to all other levies authorized 89
by law, levy a tax of three-tenths of one mill upon all the real 90
and personal property as listed for taxation in the municipal 91
corporation for the purpose of paying the police officer 92
employers' contribution and the municipal corporation's accrued 93
liability for its former police relief and pension fund and 94
interest thereon, and of defraying the current operating 95
expenses of the municipal corporation. The annual revenues 96
derived from the tax shall be used in the following order: 97

(1) First, to pay the current police officer employers' 98
contribution and any interest related thereto; 99

(2) Second, to pay any accrued liability chargeable to the 100
municipal corporation during the current calendar year for its 101
former police relief and pension fund and any interest related 102
thereto; 103

(3) Third, to defray the current operating expenses of the 104
municipal corporation. 105

Sec. 742.34. (A) Each employer shall pay monthly, on such 106
dates as the board of trustees of the Ohio police and fire 107
pension fund requires, from its general fund, or from a levy 108

imposed pursuant to division (I), (W), or (JJ) of section 109
5705.19 of the Revised Code, to the fund an amount known as the 110
"firefighter employers' contribution," which, subject to the 111
adjustment required under division (B) of this section, shall be 112
twenty-four per cent of the salaries as defined in division (L) 113
of section 742.01 of the Revised Code of the members of the fire 114
department of the employer. 115

(B) If the period necessary to amortize the Ohio police 116
and fire pension fund's unfunded actuarial accrued pension 117
liability exceeds thirty years, as determined by an actuarial 118
valuation that is completed subsequent to the first day of July 119
as described under division (A) (3) of section 742.33 of the 120
Revised Code, the board shall adjust the firefighter employers' 121
contribution to a rate determined by the board's actuary. The 122
board may adjust the rate over a period not to exceed three 123
years occurring immediately after the date on which the 124
actuarial valuation is completed. In adjusting the rate, the 125
board shall not do any of the following: 126

(1) Adjust the rate unless it is adjusted to the same rate 127
to which the police officer employers' contribution is adjusted 128
under division (B) of section 742.33 of the Revised Code; 129

(2) Adjust the rate by more than one and one-half per cent 130
over the three-year period occurring immediately after the date 131
on which the actuarial valuation is completed; 132

(3) During the three-year period described under division 133
(B) (2) of this section, implement the adjustment by more than 134
one-half per cent over any one-year period. 135

(C) If the board adjusts the firefighter employers' 136
contribution under division (B) of this section based on the 137

actuarial valuation described under that division, the initial 138
adjustment is effective for salaries earned by the members in 139
pay periods beginning not earlier than the first day of July 140
that occurs after the date on which the actuarial valuation is 141
completed. Any subsequent adjustment that the board implements 142
as described under division (B) (3) of this section is effective 143
for salaries earned by the members in pay periods beginning not 144
earlier than each first day of July that occurs thereafter. 145

(D) The taxing authority of each municipal corporation in 146
which there was a firemen's relief and pension fund on October 147
1, 1965, shall annually, in the manner provided for making other 148
municipal levies and in addition to all other levies authorized 149
by law, levy a tax of three-tenths of one mill upon all the real 150
and personal property as listed for taxation in the municipal 151
corporation for the purpose of paying the firefighter employers' 152
contribution and the municipal corporation's accrued liability 153
for its former firemen's relief and pension fund and interest 154
thereon, and of defraying the current operating expenses of the 155
municipal corporation. The annual revenues derived from the tax 156
shall be used in the following order: 157

(1) First, to pay the current firefighter employers' 158
contribution and any interest related thereto; 159

(2) Second, to pay any accrued liability chargeable to the 160
municipal corporation during the current calendar year for its 161
former firemen's relief and pension fund and any interest 162
related thereto; 163

(3) Third, to defray the current operating expenses of the 164
municipal corporation. 165

Sec. 5705.06. The following special levies are hereby 166

authorized without vote of the people: 167

(A) A levy for any specific permanent improvement which 168
the subdivision is authorized by law to acquire, construct, or 169
improve, or any class of such improvements which could be 170
included in a single bond issue; 171

(B) A levy for the library purposes of the subdivision, in 172
accordance with the provisions of the Revised Code authorizing 173
levies for such purposes, but only to the extent so authorized; 174

(C) In the case of a municipal corporation, a levy for a 175
municipal university under section 3349.13 of the Revised Code, 176
but only to the extent authorized; 177

(D) In the case of a county, a levy for the construction, 178
reconstruction, resurfacing, and repair of roads and bridges, 179
other than state roads and bridges; 180

(E) In the case of a county, a levy for paying the 181
county's proportion of the cost of the construction, 182
improvement, and maintenance of state highways; 183

(F) In the case of a township, a levy for the 184
construction, reconstruction, resurfacing, and repair of roads 185
and bridges, excluding state roads and bridges, including the 186
township's portion of the cost of the construction, improvement, 187
maintenance, and repair of county roads and bridges; 188

(G) The levies prescribed by division ~~(B)~~(D) of sections 189
742.33 and 742.34 of the Revised Code. 190

Each such special levy shall be within the ten-mill 191
limitation and shall be subject to the control of the county 192
budget commission, as provided by sections 5705.01 to 5705.47 of 193
the Revised Code. 194

Except for the special levies authorized in divisions (A),
(B), (C), (D), (E), and (G) of this section, any authority
granted by the Revised Code to levy a special tax within the
ten-mill limitation for a current expense shall be construed as
authority to provide for such expense by the general levy for
current expenses.

Sec. 5705.31. The county auditor shall present to the
county budget commission the annual tax budgets submitted under
sections 5705.01 to 5705.47 of the Revised Code, together with
an estimate prepared by the auditor of the amount of any state
levy, the rate of any school tax levy as previously determined,
the tax commissioner's estimate of the amount to be received in
the county public library fund, the tax rates provided under
section 5705.281 of the Revised Code if adoption of the tax
budget was waived under that section, and such other information
as the commission requests or the tax commissioner prescribes.
The budget commission shall examine such budget and ascertain
the total amount proposed to be raised in the county for the
purposes of each subdivision and other taxing units in the
county.

The commission shall ascertain that the following levies
have been properly authorized and, if so authorized, shall
approve them without modification:

(A) All levies in excess of the ten-mill limitation;

(B) All levies for debt charges not provided for by levies
in excess of the ten-mill limitation, including levies necessary
to pay notes issued for emergency purposes;

(C) The levies prescribed by division ~~(B)~~(D) of sections
742.33 and 742.34 of the Revised Code;

(D) Except as otherwise provided in this division, a 224
minimum levy within the ten-mill limitation for the current 225
expense and debt service of each subdivision or taxing unit, 226
which shall equal two-thirds of the average levy for current 227
expenses and debt service allotted within the fifteen-mill 228
limitation to such subdivision or taxing unit during the last 229
five years the fifteen-mill limitation was in effect unless such 230
subdivision or taxing unit requests an amount requiring a lower 231
rate. Except as provided in section 5705.312 of the Revised 232
Code, if the levies required in divisions (B) and (C) of this 233
section for the subdivision or taxing unit equal or exceed the 234
entire minimum levy of the subdivision as fixed, the minimum 235
levies of the other subdivisions or taxing units shall be 236
reduced by the commission to provide for the levies and an 237
operating levy for the subdivision. Such additional levy shall 238
be deducted from the minimum levies of each of the other 239
subdivisions or taxing units, but the operating levy for a 240
school district shall not be reduced below a figure equivalent 241
to forty-five per cent of the millage available within the ten- 242
mill limitation after all the levies in divisions (B) and (C) of 243
this section have been provided for. 244

If a municipal corporation and a township have entered 245
into an annexation agreement under section 709.192 of the 246
Revised Code in which they agree to reallocate their shares of 247
the minimum levies established under this division and if that 248
annexation agreement is submitted along with the annual tax 249
budget of both the township and the municipal corporation, then, 250
when determining the minimum levy under this division, the 251
auditor shall allocate, to the extent possible, the minimum levy 252
for that municipal corporation and township in accordance with 253
their annexation agreement. 254

(E) The levies prescribed by section 3709.29 of the Revised Code. 255
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Divisions (A) to (E) of this section are mandatory, and 257
commissions shall be without discretion to reduce such minimum 258
levies except as provided in such divisions. 259

If any debt charge is omitted from the budget, the 260
commission shall include it therein. 261

Section 2. That existing sections 742.16, 742.33, 742.34, 262
5705.06, and 5705.31 of the Revised Code are hereby repealed. 263

Section 3. That section 742.311 of the Revised Code is 264
hereby repealed. 265