



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

**Bill:** [H.B. 323 of the 129th G.A.](#)

**Date:** November 15, 2011

**Status:** As Introduced

**Sponsor:** Rep. Dovilla

**Local Impact Statement Procedure Required:** No

**Contents:** To add extortion and perjury to the felonies committed by a public retirement system member while serving in a position of honor, trust, or profit under the law governing the forfeiture of retirement system benefits and the termination of retirement system disability benefits

### State Fiscal Highlights

STATE FUND	FY 2012	FY 2013	FUTURE YEARS
<b>Retirement Systems and Alternative Pension Plans – PERS, SERS, STRS, OP&amp;F, SHPRS</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential minimal increase or decrease	Potential minimal increase or decrease	Potential minimal increase or decrease

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- No direct fiscal effect on the state.
- The bill adds extortion and perjury to the felonies that require forfeiture and termination of the right to receive future retirement or disability benefits or existing disability benefits of a public retirement system member or alternative retirement plan participant, who is convicted of, or pleads guilty to, a felony while serving in a "position of honor, trust, or profit." The forfeited benefits would reduce the systems' or plans' liabilities, thus creating a minimal decrease in the retirement systems' or plans' expenditures to provide the benefits.
- The bill may minimally increase the systems' or plans' administrative expenses related to requirements for the additional type of felonies.

# Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2011	FY 2012	FUTURE YEARS
<b>Counties and Other Local Governments</b>			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential minimal increase	Potential minimal increase	Potential minimal increase

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- The bill may minimally increase the counties' and other local governments' administrative expenses due to a potential increase in the number of court hearing and notification requirements related to the additional felonies that require loss of benefits.

## Detailed Fiscal Analysis

The bill expands the types of felonies under existing law for which forfeiture and termination of the right to receive future retirement or disability benefits or existing disability benefits is required, for a public retirement system member or alternative retirement plan participant who is convicted of, or pleads guilty to, a felony while serving in a "position of honor, trust, or profit." The bill expands the types of felonies to include extortion and perjury committed on or after this bill's effective date. The bill provides that the penalty for committing the existing and new offenses would apply to retired members who have been re-employed by a public employer.

Currently, a court is allowed to order the forfeiture and termination of the right to future retirement or disability benefits or existing disability benefits of a member of the Public Employees Retirement System (PERS), Ohio Police & Fire Pension Fund (OP&F), State Teachers Retirement System (STRS), Ohio School Employees Retirement System (SERS), State Highway Patrol Retirement System (SHPRS), or Cincinnati Retirement System (CRS), or of a participant in an alternative retirement plan (ARP) who is convicted of, or pleads guilty to, a felony while serving in a "position of honor, trust, or profit."

### Fiscal effect

The bill would have no direct fiscal impact on the state. However, the bill may increase the counties' and other local governments' administrative expenses due to a potential increase in the number of court hearing and notification requirements related to the additional types of felonies. Any increase is expected to be minimal.

The bill may have minimal fiscal impacts on the retirement systems. Any forfeited benefits would reduce the systems' or plans' liabilities, thus generating minimal savings to the systems or plans. The bill may also increase the systems' or plans' administrative expenses due to requirements related to the additional types of felonies. However, any increase is expected to be minimal.