



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 541  
134<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 541's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. Kelly and Ghanbari

**Local Impact Statement Procedure Required:** No

Ross Miller, Principal Economist

### Highlights

- H.B. 541 would have no direct fiscal effect on the state or any political subdivision. The bill makes no changes to employer contribution rates for any of the five state retirement systems.

### Detailed Analysis

Under current law, each of the five state retirement systems is prohibited from doing business with anyone who was an employee, officer, or board member of the system during the preceding three years.<sup>1</sup> H.B. 541 strengthens the prohibition by prohibiting each system from doing business with anyone who was an employee, officer, or board member of the system “at any time.” The five state retirement systems are the Public Employees Retirement System (PERS), the State Teachers Retirement System (STRS), the School Employees Retirement System (SERS), the Ohio Police and Fire Pension Fund (OP&F), and the State Highway Patrol Retirement System (SHPRS).

The bill would have no direct fiscal effect on the state or any political subdivision. The bill does not make changes to employer contribution rates under any of the five systems.

Restricting the investment opportunities of a fund may increase costs for one or more of the retirement systems. Any such costs may arise if the bill requires a fund to reallocate its investment portfolio, by divesting some assets that are newly prohibited under the bill. Such costs could potentially affect that fund’s investment returns. The restrictions on investments are

---

<sup>1</sup> Current law explicitly prohibits making an investment of funds with such an individual, along with any other form of doing business with the individual.

rather narrowly drawn, such that LBO staff believe any costs for retirement systems would likely be minimal.