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H.B. 564
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 564's Bill Analysis](#)

Version: As Reported by House State and Local Government

Primary Sponsor: Rep. Koehler

Local Impact Statement Procedure Required: No

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Highlights

- The bill temporarily increases, until December 31, 2023, the threshold number of hours an affected township's employees who are first responders must work in order to be considered full time for the purposes of providing health care coverage under state law.
- Townships that elect to reduce the number of full-time first responders in favor of working part-time first responders additional hours could save tens of thousands of dollars up to potentially \$1 million in health care coverage costs during the period the bill is in effect.
- The bill allows public officials who are responsible for administering or conducting an election to collaborate with nongovernmental persons or entities to secure the use of buildings to conduct training for precinct election officials. The overall fiscal effect of this provision will depend on the terms of the individual collaborative agreements.
- The bill declares an emergency related to both of the provisions above and thus its provisions go into immediate effect.

Detailed Analysis

The bill temporarily changes the threshold number of hours that first responders employed by certain townships are expected to work in order to qualify for health care coverage. The bill also allows public officials responsible for conducting elections to collaborate with nongovernmental actors to provide buildings for use in training precinct election officials. Potential fiscal effects of these changes are discussed under the headings below. The bill declares an emergency related to both provisions, meaning the changes go into effect immediately.

Health care coverage for township first responders

Overview

Under the bill, townships that do not qualify as “applicable large employers” under the federal Patient Protection and Affordable Care Act (ACA)¹ could save tens of thousands of dollars up to potentially \$1 million during the bill’s effective period to provide health care coverage to employees who are first responders.² Under current law, townships are not required to provide health care coverage to employees, but if they do, they must provide uniform coverage to township officers and full-time employees, including first responders. Townships are not required to provide health care coverage for any part-time employees. The bill temporarily increases the threshold number of hours that affected township employees who are first responders are expected to work in order to qualify as full time. Thus, if an affected township that provides health care coverage chooses to use fewer full-time first responders by working part-time first responders more hours during the bill’s effective period, fewer first responders would be eligible for health care benefits and township costs to provide those benefits would be reduced, depending on the number of affected first responders. The bill specifies that the increased threshold is applicable during the period commencing on the bill’s effective date and ending December 31, 2023.

Threshold between part time and full time

Specifically, for townships that are not designated as an “applicable large employer” under the ACA, the bill increases the threshold number of hours that a township employee who is a first responder is expected to work in order to qualify as full time under state law. Under the bill, the threshold increases from 1,500 hours to 1,976 hours annually or approximately 29 hours to 38 hours weekly. Thus, during the bill’s effective period affected townships must only provide health care coverage to employees who are first responders that work an average of 38 or more hours per week. Many, if not most, townships do not qualify as applicable large employers.

Township health care contributions

The State Employment Relations Board (SERB) produces an annual report on the cost of health insurance in Ohio’s public sector. The 2021 edition, which recaps public sector health insurance costs for calendar year 2020, indicates that townships paid averages of \$710.82 per month for each covered employee electing single coverage and \$1,833.87 per month for each covered employee with family coverage. As such, for each employee that would otherwise be entitled to health care coverage under current law, the bill allows a township to save between approximately \$8,532 (\$711 x 12 months) and \$21,966 (\$1,833 x 12 months) annually. The full [Cost of Health Insurance in Ohio’s Public Sector 2021 Edition \(PDF\)](#) is available on SERB’s website: serb.ohio.gov.

¹ Under the ACA, “applicable large employers” are employers with an average of 50 or more full-time equivalent employees during the preceding calendar year. Employers that are not “applicable large employers” are not required to provide health care coverage to employees under the ACA.

² Under the bill “first responders” include firefighters and emergency medical technicians.

Training precinct election officials

The bill allows a public official who is responsible for conducting or administering an election to collaborate with nongovernmental persons or entities to secure the use of any building to provide training for precinct election officials. Under the bill, collaboration could include accepting money from or paying money to the collaborator. The fiscal effect of this change would depend on the details of each collaborative agreement.