

October 27, 2025

Ms. Bethany Rhodes
Executive Director
Ohio Retirement Study Council

Subject: Review of Ohio Retirement Systems' Proposed Bill HB 473

Dear Bethany:

House Bill 473 (H. B. 473) would prohibit a public employer from paying employee contributions on an employee's behalf to a state retirement system, except that the contributions may be treated as employer contributions for favorable tax purposes. In addition, it makes the payment of employee contributions by a public employer on an employee's behalf to a state retirement system not an appropriate subject for collective bargaining for future collective bargaining agreements. Certain contributions to the State Teachers Retirement System are the only contributions of the five systems where an employer has express authority to pay on behalf of an employee.

Consultant Analysis

The Ohio Legislative Service Commission (OLSC) has provided an analysis on the Bill, which I have reviewed, along with the bill text. I see no actuarial impact on any of the retirement systems. Whether the member contributions are derived from employer funds or employee funds has no bearing on the level of member benefits and therefore no bearing on the actuarial position of the retirement funds.

I have worked for dozens of funds around the country which do permit employer payment as is currently permitted in some STRS cases. I have worked for dozens of funds around the country which do not have employer-paid member contributions. In no cases are there any actuarial differences in these plans. Additionally, I have reviewed hundreds of actuarial reports by other actuarial firms and never seen a situation where a distinction was considered or had any actuarial impact.

I am a Member of the American Academy of Actuaries and qualified to render this actuarial opinion. We are available to discuss these findings in more detail.

Sincerely,



William B. Fornia, FSA

Cc: Jeff Bernard – ORSC
Linda Bournival – KMS
Tom Vicente – Bolton