



EMPLOYER Outreach

Ohio Public Employees Retirement System • 277 East Town Street • Columbus, Ohio 43215 • 1-888-400-0965 • www.opers.org

Employers Urged to Promote Retirement Board Elections

There are many challenging issues facing all pension systems, and OPERS is no exception. Member (employee) input is more important today than ever before. All employers are urged to encourage employees who are interested—and eligible—to run for a position on the Retirement Board.

In 2006, four positions are up for election; three positions representing employee groups: state employees, college/university employees and municipal employees, and one position representing the retiree population.

Any public employee who is a member of OPERS in any of these three

employee groups is eligible for election, except one who is receiving a disability allowance. Re-employed retirees are also eligible to run for the open position representing the retiree population.

Representation is important

The Retirement Board has a strong tradition of service and has worked to represent members and retirees when researching, reviewing and acting upon policies that impact all OPERS members. To continue that tradition, it's vitally important that the Retirement Board attracts dedicated individuals to serve the four-year term beginning January 1, 2007.

Action requested

Please become deeply involved in the upcoming election process by:

- Posting and/or distributing the election materials you've received in a prominent place,
- Discussing the important work of the Retirement Board at staff meetings, and
- Encouraging interested employees to run for an open position.

Deadlines and qualifications for potential Retirement Board candidates from the employee populations have been sent to all employer entities via an *Employer Notice*. Retiree were notified directly via letter. If you or your re-employed retirees did not receive that information, or need additional copies, you can access the information online at www.opers.org, or call the Employer Call Center and additional information will be sent. ▲

The OPERS Retirement Board*



Front row, left to right, seated: Carol Nolan Drake, Director of the Ohio Department of Administrative Services; Helen Youngblood, representing county employees; Cinthia Sledz, representing miscellaneous employees; Warren W. Tyler, Treasurer-appointed investment expert

Second row, left to right standing: John W. Maurer, representing retirees, Robert C. Smith, gubernatorial appointed investment expert; Ronald C. Alexander (chair), representing state employees; Sharon M. Downs (vice-chair) representing retirees; Charlie Adkins, representing state college and university employees; Ken Thomas, representing municipal employees.

* James R. Tilling has been appointed to the Retirement Board as the General Assembly Appointed investment expert.

IN THIS ISSUE

2	CRM Initiative
2	Inside OPERS
3	Top 10
4	Wellness Program
4	New Employer Tool
5	Mailbox
6	Electronic Distribution
7	Employer Honor Roll
8	Info to Go

Update: CRM Initiative

Customer Relationship Management (CRM) Initiative Moving Forward

“Welcome to the Employer Call Center...” any employer who’s called the OPERS Employer Call Center knows those can be the best words you’ve heard all day because your question will be answered or an issue will be resolved.

Employer Call Center representatives are trained for and dedicated to working with you—Ohio’s public employers. Now, the service is getting even better because the dedication will become more specific to your needs—here’s how.

Win-win

In the near future, employers will be assigned a team of dedicated Customer Service Representatives. This means your CSR team will be completely knowledgeable about issues or questions that are particular to your employer classification (i.e. libraries, villages, state, etc.).

The changes you’ll soon be hearing when you call:

- To reach your dedicated customer service representative, key in the first four digits of your employer code from your touch-tone phone. (If you don’t know your code, or are calling from a rotary phone, simply remain on the line and the next available customer service representative will answer.)
- You’ll receive an acknowledgement message and be connected to your CSR team.
- If your CSR team is away or assisting others, you’ll have the option of leaving a voice mail message specifically for your customer service representative.

Of course, we realize there are times when you need to speak to someone immediately. You’ll always have the option to follow the prompts and be transferred to the first available customer service representative. You will still be able to leave a message in the OPERS employer voicemail box if you simply are not able to hold for the next available representative.

Some things stay the same

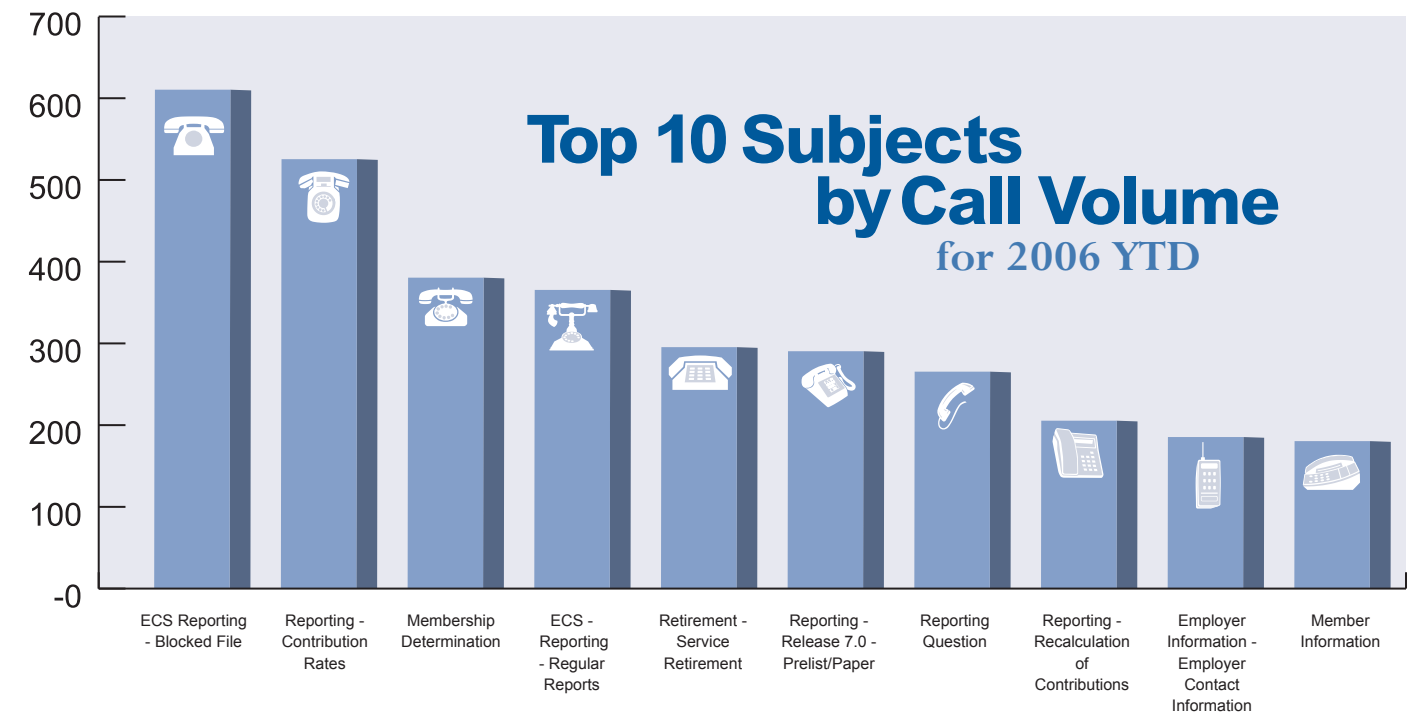
No matter where you leave your message—with your dedicated CSR team or in the general mailbox, the Employer Outreach unit’s service standard remains the same: Your call will be responded to within 24 hours during the work week. 📞

Employer's Top 10 List: David Letterman, watch out

Ever wonder if the questions you’re asking have been asked countless times, or if you’re really asking something special? Here’s your answer; the Employer Call Center staff has compiled a list of the top 10 subjects that generate calls from employers.

The information is tracked so that Employer Outreach can spot trends in information gaps so that proactive information can get out to employers—sometimes what we think answers a question simply doesn’t. With this trending information Employer Outreach

can work to fill in the gaps—so all your calls help both you and your employer colleagues. 📞



Inside OPERS

Keeping Up with Technology... Chuck Quinlan—Director of IT

Keeping up with technology is almost as challenging as keeping up with Chuck Quinlan. He speaks fast, moves quickly and is constantly looking toward the future—all necessary attributes for an individual who is the new Director of Information Technology for OPERS—an organization that depends upon its technology infrastructure to help deliver quality services to employers and members.

Quinlan came to OPERS one year ago, moving from the Bureau of Workers' Compensation (BWC) where he served most recently as chief information officer. Although he'd been with BWC since 1982, and was instrumental in positively affecting that organization's technology structure, Quinlan found he was intrigued by the OPERS position. "Moving to OPERS was a real opportunity for me to package my 24 years of IT experience and apply it in a new way. OPERS had established a sound IT infrastructure, so I now have the opportunity to help take technology solutions to the next level. I have the pleasure of working with both

management and technology teams who are willing to implement innovative strategies—what could be better?"

Innovation and teamwork are the basis for Quinlan's short-term goals of making sure that the Information Technology Division operates effectively and efficiently. Aligning IT strategies with the OPERS business is critical for ongoing success. As Quinlan points out, "Through interaction and partnership, information technology can deliver the systems and processes that will help deliver the quality of service needed for members and employers. In short, everybody wins."

Quinlan is quick to point out that he views his client base as both internal and external by working to partner with employers. "Employers have requested that we provide technology solutions that are safe and effective. We've delivered on that request by creating a secure business environment to transfer sensitive information. The Web-based OPERS-Employer Contribution System (ECS)

meets—or exceeds—industry security standards."

Ever forward-looking, Quinlan adds, "The information that employers and OPERS will have to process will continue to grow—both in terms of numbers and detail. As we go forward, we need to have an ongoing partnership with employers so that we can deliver secure solutions. Our goal is to work with employers and deliver products that continue to make everyone's work flow smoother."

Quinlan lives in the New Albany area with his wife and two daughters, ages 12 and 9. In his spare time, Quinlan enjoys a round of golf (he has an 8 handicap) and has been known to pause in his activities to watch the OSU Buckeyes play a little football.



Chuck Quinlan, Director of IT, is shown in the lobby of the OPERS building in Columbus.

HOMETOWN: Englewood, OH (outside Dayton)

EDUCATION: The Ohio State University, Bachelor of Science degree

DREAM JOB: Pro golfer on PGA tour

CAREER PHILOSOPHY: "Make your own luck. I approach my personal and my professional life with the same philosophy: Preparation + Opportunity = Luck. That means if I'm doing the right things, opportunities will come my way...and I'll be positioned to make the most of those opportunities."



Employer Wellness Programs

Of course OPERS is a pension system, but it's also a major employer with nearly 600 employees. As health care costs continue to escalate, OPERS, like many other employers, continues to explore health care savings opportunities such as wellness initiatives and prevention programs.

At OPERS, we never forget that people—our employees—are what ultimately make up our health care statistics. Therefore, wellness initiatives and prevention programs are offered that are intended to affect positive, long-term outcomes for our colleagues. The result? OPERS employees are becoming more informed health care consumers who are incorporating healthy lifestyles into their everyday life.

Referrals mean positive intervention

According to Shelley Wilson, Director of Human Resources, OPERS contracts its wellness programs such as screenings and education fairs:

"We've had an arrangement with Healthstrides, Ltd. for many years. I'm certain that the continuity provided by using the same organization for wellness and prevention programs has distinct benefits. Over the years, because we've seen the same wellness professionals during the screening and wellness events, OPERS employees have built

relationships with them. With those relationships comes trust. OPERS employees are willing to talk to the health professionals who have a historical perspective about test results, and that helps reduce concerns of getting a not-perfect result. If a screening result comes in that's out of line with past screenings, an open and honest dialogue can take place which ultimately encourages better health habits."

The OPERS wellness program

OPERS sponsors a variety of health screenings several times each year including blood pressure, cholesterol, and diabetes screenings. In addition, OPERS sponsors one health fair each year that offers a wider variety of screenings and educational opportunities. According to Wilson, "We offer more than the ongoing screenings. We'll have fitness experts available to help individuals set up personalized fitness programs, vision and hearing screenings, and mobile mammography units."

And the winner is...

Today, options abound for treating and preventing potentially life-threatening diseases—the first step is knowing there is a potential problem and getting referred to a physician so that appropriate intervention can begin. At OPERS, due to the relationships established, the Healthstrides representatives can encourage employees to make lifestyle

changes or seek the advice of a physician, based on the results of specific screening outcomes.

How well do screenings work in terms of preventative medicine? In a recent survey of OPERS employees:

Of those responding:

- More than 98 percent participated in a blood pressure screening,
- Almost 50 percent participated in exercise consultation and body composition analysis,
- Exactly 50 percent participated in a cholesterol/diabetes screening, and
- More than 26 percent participated in vision screenings.

As a result of the information obtained at health screenings, those responding indicated:

- More than 38 percent made a lifestyle change (such as regular exercise or stop smoking)
- Exactly 35 percent visited a physician, and
- Almost 14 percent have been placed on or changed current medication.

According to Wilson, "The proactive element is the real value to the organization and the employee. The cost of cholesterol-lowering medication is much less than the cost of a stroke or heart attack. And, most importantly, the lifestyle of an individual on cholesterol-lowering medication is much better. Clearly, we all win." ▲

Mailbox:

Q: What am I supposed to do with the *Employer Account Summary* that comes every quarter? Is this an invoice?

The *Employer Account Summary* that's sent to all employers every quarter is NOT an invoice. Rather, as its name indicates, it's an informational summary of all transactions that have occurred with your account during the period shown.

Account summaries are not generated when there is no activity on your account and there is no balance. Once activity occurs, the next run of account summaries will generate a summary that will show transactions from the last account summary generated to the end of the current period.

Reporting on retirement contributions, withholding and remitting employee contributions, and calculating and sending in the employer liability within the necessary timeframe is the responsibility of each employer; OPERS does not generate invoices. However, if a situation occurs when an employer entity falls in arrears OR if penalties and interest have been assessed, employers will receive a letter from OPERS notifying them of these charges.

Here are a few tips for you to remember about your *Employer Account Summary*:

- They are consecutive; there will never be a gap in information between summaries.
- They contain valuable information for

The screenshot shows an "EMPLOYER Account Summary" for James E. Smith, Office Administrator. It includes a table of transactions from 05/15/2005 to 06/30/2005, showing employer contributions, employee liability, and payments. A large red "SAMPLE" watermark is overlaid on the document. Annotations with arrows point to specific areas: "Here's where you'll find timely, important information from OPERS..." points to the header; "This is the current rate used to calculate employer liability." points to the Employer Contribution Rate; "Posting dates will tell you the exact date of each transaction involving your account." points to the Posting Date column; "The transaction description will give you details of every transaction affecting your account." points to the Transaction Description column; "Here's where you'll find a list of reports that have not been reconciled by OPERS..." points to the Report Date column; "Please note the employer liability must be paid by the due date shown here to avoid penalty." points to the Employer Liability Due date; "This line shows you the balance on your account. However, the balance on the account is not necessarily the amount currently due." points to the Balance as of 6/15/2005 line.

- your review to ensure the transactions you think have occurred are accurately captured on the *Employer Account Summary*.
- Every employer will receive a summary that shows a minimum three-month snapshot of activities; the exact schedule is printed in your *Employer Manual*. ▲

Information at your fingertips: New employer tool available

Available in June, those responsible for communications within your organization will have access to an innovative, time-saving tool. OPERS will prepare articles for your employee communications that are packaged, approved, and ready to go. All you need to do is access the OPERS Web site and download the communications pieces.

We know that employers are a reliable source of information for employees. However, the information and issues surrounding OPERS membership and retirement benefits can be complicated and time-consuming for many communicators to track. To enhance our services to you—and to position employers to be proactive communicators on retirement topics—OPERS will post timely, topical articles to the Web site for employers to repackage for your internal communications vehicles.

More than print

The information is yours to include in your publications as you choose. You can reproduce information as posters, paycheck stuffers, or as text for print or electronic publications.

Where to go and what you'll find when you get there

To access this tool, simply log on to the OPERS Web site at www.opers.org and click on Employer Information. Under Employer Tools in the left margin you'll find the available material posted.

Here's a sample of articles you'll find:

- Maximizing Health Care Dollars*
- Planning For Retirement*
- Smoking Cessation*

Materials on demand

As always, two-way communication is the best form of communication and employers are the front line resource of information for many employees. Let us know if there is a particular retirement benefits topic of interest to your employees and we'll produce the information for you. Contact the Employer Call Center or email us with your request. ▲

The screenshot shows the OPERS website interface. The "EMPLOYERS" menu is open, and the "Employer Tools" option is highlighted with a red circle and an arrow. The main content area displays "Ohio Public Employees Retirement System" with a tagline "helping you achieve a secure future". Below this, there are sections for "Employer Tools" (listing various manuals and calculators), "Member Retiree About OPERS" (with a search bar and login button), and "Forms & FAQs" (with a dropdown menu for selecting forms).

Employer Reporting Rolls Out Electronic Distribution

After a three-month pilot program, Employer Reporting is now making electronic distribution of employer communications available for all employers. Although available to all, employers must choose to opt-in to the program.

Pilot program feedback

Earlier this year, Employer Reporting piloted an electronic distribution program allowing employers to opt-in for electronic distribution of Employer Reporting communications (*Employer Notices*, *Employer Outreach* newsletter, announcements). The pilot lasted three months and approximately 24 employers were invited to take place in the pilot.

Judging from the evaluation feedback, the pilot program was an impressive success: Of those responding to the evaluation survey:

- 100 percent liked the electronic format,
- 98 percent found the product met their expectations (2 percent missed having print copy),
- 80 percent felt the sign up procedure was simple, and
- 98 percent indicated that the goals outlined during sign up were met.

It's important that if you receive printed materials from other OPERS departments that you continue to review them as you usually do.

The reasons employers chose to sign up are varied and included:

- Simply prefer electronic delivery—2%
- Thought the publications would arrive in a timelier fashion—28%
- Electronic access would get the information to the right individuals within their organization faster—40%
- Environmental/less paper waste—8%

Overview: Electronic Delivery for Employer Communications (EDEC)

If you're ready to join those employers who piloted the EDEC program—here are a few points to consider:

- Electronic distribution is currently available for Employer Reporting-sponsored communications of non-sensitive information only; you will continue to receive communications from other OPERS departments as you always have.
- It's important that if you receive printed materials from other OPERS departments that you continue to review them as you usually do.
- In addition, the EDEC program cannot be used for electronic transmission of secure data (specific information regarding an employee's retirement account) from employers to OPERS.
- Employers who opt-in to EDEC for Employer Reporting-sponsored communications must do so for their entire organization. If the organization determines that electronic distribution is the preferred method, OPERS will discontinue sending print materials.

We encourage you to consider implementing a universal electronic mailbox and putting that mailbox on your contact list to help ensure smooth and timely delivery of Employer Reporting communications. The universal mailbox can be checked daily and will ensure all departmental contacts are kept in the informational loop if the main employer contact is on vacation or terminates.

How EDEC works

Signing up for EDEC is easy—simply call the Employer Call Center and let your customer service representative know you want to explore EDEC. You'll receive three documents to review:

- 1) EDEC Program Information document, which you'll simply need

to review to be knowledgeable about your responsibilities when you opt to receive information electronically.

- 2) Your email distribution list, which lists all current contacts Employer Reporting has for your organization—all employer codes. You'll need to review and update this information to ensure accurate electronic distribution—you can name as many contacts as you would like, however, please keep in mind there can be only one main contact. It is also a good idea to make certain all contacts have the correct indicator for whether they are an authorized signer for your organization. After this list has been updated and verified for accuracy, you'll need to return it to OPERS.

...consider implementing a universal electronic mailbox...

- 3) The EDEC Authorization form, which must be signed on behalf of your organization and returned to OPERS.

Once Employer Reporting receives your updated contact list and your signed authorization form, you'll be added to the electronic distribution list and removed from the print distribution list. Once you receive an Employer Reporting publication electronically, you know you'll no longer need to look for hard copies in the mail.

A few exceptions

Although Employer Reporting tries to deliver on the promise of distributing all materials electronically, there are a few exceptions. For example, we're required to print and distribute the Retirement Board election materials, which include posters and petitions. These documents are not conducive to electronic distribution because they are odd in size and have a

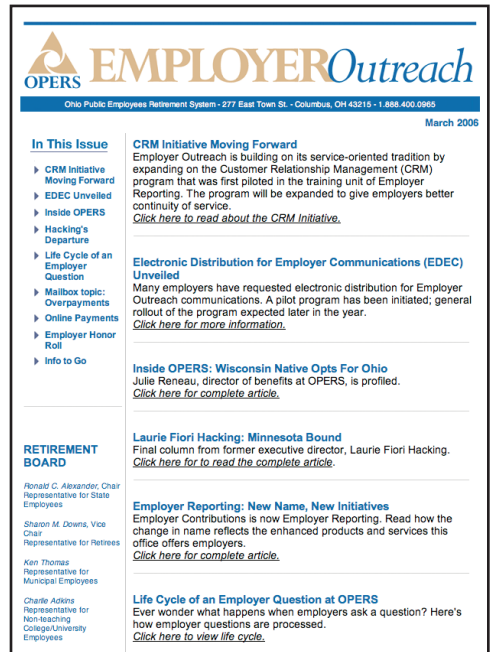
required format for reproduction. When these situations arise and OPERS must send you print communications, you will receive an email notification to look for these documents that will be delivered via U.S. mail.

Style of electronic communications

Because the *Employer Notices* are operations-oriented and usually single focused, the electronic document will look much as it does now when you open your email. However, you'll see the quarterly *Employer Outreach* newsletter will look a little different because it's been reconfigured into an electronic-friendly format.

Here's a shot of the *Employer Outreach* newsletter in electronic format. You'll see it's the exact same information as that found in the print newsletter, but a synopsis is delivered right to your email box. Once you open your email, you have many options about how you process the information. You can:

- Scan and save for later review,
- Scan and click on articles of interest,
- Scan and forward to appropriate individuals,
- Archive for later reference, or
- Delete (although we hope you won't).



Employer Honor Roll

EDEC Honor Roll

Throughout 2006, the *Employer Outreach* honor roll will feature employers who have signed up for electronic delivery via EDEC. Here's a list of employers who have signed up for electronic delivery as of June 1, 2006:

Special thanks to all employers who signed up for the pilot program (names indicated in bold).

- | | |
|---|---|
| City of Circleville
Secretary of State
University of Cincinnati
Environmental Protection Agency
Washington-Centerville Public Library
State Development Department
City of Hilliard
Columbus Zoological Park Association
Ross Correctional Institute
City of Upper Sandusky
Southwest Public Library
Franklin County
Martins Ferry Public Library
Muskingum County Library System
Noble County
City of Coshocton
Village of Carey Wyandot County
Ella M Everhard Library
Jackson Twp Stark County
Hudson Library and Historical Society
Puskarich Public Library | Rehabilitation and Correction
Tuscarawas County
Jackson Metropolitan Housing Authority
Ohio Valley Employment Resource
City of St. Clairsville
Shawnee State University
Central Ohio Technical College
The Ohio State University
Youngstown State University
Rio Grande Community College
University of Toledo
Lorain County Community College
Central State
Cleveland State University
James A Rhodes State College
City of Logan |
|---|---|

Comments on EDEC

Looking for another reason to sign up for EDEC? Here's what some employers are saying about it...

"EDEC is great because now OPERS information doesn't get buried under a mountain of paper. It's great to receive information by email because it can be stored in a folder for future reference."

Luanne Bowman
VP Finance and Administrative Affairs
Rio Grande Community College

"This program should be made available to all employers. With electronic delivery, it's easier to skim for articles that pertain to my job—then I can come back to read them at my leisure."

Lynda Obee
Account Clerk
University of Toledo

Info to Go

ECS Update

Last fall, OPERS released an upgrade to ECS, the application through which *Reports of Retirement Contributions* and/or payments can be forwarded electronically. Since employers contributed time and effort to the process by attending training seminars and

providing feedback and questions, we thought you'd enjoy this progress report. Thanks for your effort! As of April 2006:

- A total of 17,261 reports have been submitted since the release of the upgrade...
- Of that number, 37.5 percent or 6,481 have been blocked due to errors...
- So that means 10,780 reports were submitted successfully—62.5 percent of all attempts. ▲

Focus Groups Wrap

In May, representatives from the larger employer groups agreed to participate in focus groups aimed at helping Employer Reporting deliver more effective communications. Here's a snapshot of the input:

• Most valuable source for communication? • Your opinion on the timing of current communications:

Access to Employer Call Center	100%	<i>Employer Outreach</i> newsletter/quarterly	100% positive on timing
<i>Employer Notices</i>	58%	<i>Employer Notices</i> as needed	100% positive on timing
Newsletter	4%	<i>Account Summary</i> /quarterly	20% request monthly
<i>Account Summary</i>	2%	<i>Employer Manual</i> /updates as needed	50% viewed as timely,
Anything via Internet	70%		50% no opinion expressed ▲

• Favorite way to receive current communication?

U.S. Mail	13%
Electronically	86%
Training classes	50%
Passed along from supervisor	3%

• Single most important communication critical to you doing your job well?

<i>Employer Notices</i>	100%
-------------------------	------

• What needs to be improved or changed with employer communications?

More electronic distribution	80%
Teleconferencing for training	50%
Dedicated customer service rep	70%
Ability to report service purchases via payroll deduction using ECS	20%



Almost 30 employer representatives agreed to participate in the Employer Reporting-sponsored focus group held in Columbus.

Page left blank intentionally.

This newsletter is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact the Employer Outreach Office at 888-400-0965, or seek legal advice from your attorney.



RETIREMENT Board

- | | | |
|---|---|---|
| <p>Ronald C. Alexander, Chair
Representative for State Employees</p> <p>Sharon M. Downs, Vice Chair
Representative for Retirees</p> <p>Ken Thomas
Representative for Municipal Employees</p> <p>Charlie Adkins
Representative for Non-teaching College/University Employees</p> | <p>John W. Maurer
Representative for Retirees</p> <p>Cynthia Sledz
Representative for Miscellaneous Employees</p> <p>Helen Youngblood
Representative for County Employees</p> <p>Carol Nolan Drake
Director, Dept. of Administrative Services</p> | <p>Robert C. Smith
Governor Appointed Investment Expert</p> <p>Warren W. Tyler
Treasurer Appointed Investment Expert</p> <p>Blake W. Sherry
Interim Executive Director</p> |
|---|---|---|

This legislative update is designed to provide employers with an overview of pending state and federal legislation with potential impact to OPERS. Because this publication reviews information from an employer's perspective, only the provisions that affect employers will be covered in detail here. Additional information on the provisions impacting members and retirees can be found on the OPERS Web site, www.opers.org.

House Bill 272 Update

In May, the House Financial Institutions, Real Estate and Securities committee completed its seventh hearing on House Bill 272 (Rep. Schneider, R-Cincinnati). The bill contains a number of provisions designed to improve the System's funded status and provide additional savings opportunities for members. During the course of the hearings, committee members requested information on a number of the bill's provisions, including two provisions that would directly impact our employers—an increase in the minimum monthly earnable salary required to earn full-time OPERS service credit and the remittance of employer retirement contributions on a monthly (rather than quarterly) basis. After accepting a substitute version of the bill, which contained changes reviewed and approved by the Ohio Retirement Study Council, the bill was further amended by the committee to remove the minimum earnable salary provision. OPERS intends to revisit this issue at a later date.

Due to the busy session days throughout May, H.B. 272 was not voted out of committee before the General Assembly adjourned for the summer.

OPERS' position

Protecting the System's funded status for pensions and extending the long-term solvency of the retiree health care program are, and will continue to be, two of the Retirement Board's highest priorities. The proposed changes in H.B. 272 support these priorities. Therefore, we'll continue to work with our constituency groups, those who represent our employers, members, and retirees to explain the importance of these changes.

We hope that hearings on H.B. 272 will continue when the General Assembly returns to Columbus this fall. In the meantime, we'll continue to educate the members of the legislature about the significance of the proposed changes in H.B. 272. ▲

Overview of Tax Expenditure Limitation (TEL)

In recent months, the proposed Tax Expenditure Limitation (TEL) constitutional amendment received a significant amount of attention by our employers and the media throughout Ohio. Some employers have been asking about the impact of the TEL on OPERS and the other state retirement systems.

As a matter of background, TEL was originally proposed as an amendment to the Ohio Constitution that would have limited state and local government spending. As drafted, this constitutional amendment would have required a vote of the people to override and/or to change the spending limitations. In response to concerns raised about the TEL as a constitutional amendment, the Ohio General Assembly recently enacted a statutory version of TEL that will allow state lawmakers, without a public vote, to change any portion of the limitation. In addition, the statutory TEL places a spending limitation restriction on state funds only; no direct restrictions are placed on local governments.

Here's an overview of the current statutory amendment:

TEL has a variety of provisions that include:

- Limits for state expenditures to 3.5 percent growth or the rate of inflation in the preceding calendar year, plus the rate of population change during the same period;
- Requires the governor to set state appropriation limit for the legislature;
- Requires legislative vote to exceed the limit, and to pass with a two-thirds vote;
- Excludes from the limit expenditures made with federal funds; and
- In the event of an emergency, allows spending to exceed the cap.

OPERS' position:

Because OPERS is not a state agency, the Retirement System is not directly impacted by the statutory spending limitations imposed on state government. OPERS staff is currently working with our actuary to review the provisions of the statutory TEL, and determine if any provisions may indirectly impact OPERS. We'll update you on this issue in future editions of the *Legislative Agenda*. ▲

How does a bill become law?

The winding road from good idea to enacted legislation can be long—and each piece of legislation has its own story. For many of us, high school civics class is a dim memory; here's a refresher course on the seven-part (more or less) process for Ohio:



Step 1: Longest journey begins with a single step

A need is perceived and—an idea for a new law or a change in an existing law—to address the need is generated. (Anyone can develop an idea for legislation: a legislator, a state agency, the governor, a special interest group, or a private citizen.) For each idea, a legislator requests the Legislative Service Commission (LSC) write the proposed idea into a bill.

Step 2: The process begins

Once a proposed bill is filed with the House or Senate clerk, it is given a number. The proposed bill has now been introduced to the House or Senate and will be referred to the appropriate committee for review.

Step 3: The plot thickens

The standing committee to which the bill was referred holds public hearings on the bill, amends or substitutes a new version of the bill, refers the bill to a subcommittee, postpones action, and moves the bill along—or not. It is possible for a bill to be defeated here.

Step 4: Another look

Once approved by the standing committee, the bill is presented to the House Rules and Reference Committee or Senate Rules Committee who may take no action or schedule the bill for floor action within the House or Senate. If scheduled for a floor vote, the bill will be debated and voted upon.

What's it take for a vote to carry?

- A bill without an emergency clause can pass with a simple majority, but
- With an emergency clause requires a two-thirds majority.
- Overriding a governor's veto requires a three-fifths majority.
- Joint resolutions that propose amendments to the Ohio Constitution require a three-fifths majority.

Step 5: Another day, another house

If the bill passes in the first house (House or Senate), it's sent to the second house where the process is repeated (introduction, referral to standing committee, floor vote). If changes are made...back it goes to the original house for agreement. This can take some time; however, once both houses agree, the bill is signed by the Speaker of the House of Representatives and the President of the Senate.

Step 6: One more stop

At this point the act is presented to the Governor who can:

- Sign the act into law and file it with the Secretary of State to become effective 91 days later,
- Not sign it within 10 days after presentation and it becomes law without the Governor's signature, or
- Veto the act and return it to the originating house with a veto message.

Step 7: The last word

The bill can still become law—even with the Governor's veto—with an override vote of three-fifths of the members of both the House and the Senate.

Now you know the long and winding road from idea to legislation. The steps and safeguards are all a part of what makes a democracy work for its population—and now you also know the process by which your state representatives actively represent their constituents.

The information in this *Legislative Agenda* for OPERS' reporting employers is designed to give you an overview on legislative activities. More detailed information is available by contacting Tom Sherman, OPERS' government relations officer at 614-222-2924; or you can visit the Web site at www.opers.org.