# As Passed by the House

# 124th General Assembly Regular Session 2001-2002

Sub. S. B. No. 134

SENATORS Blessing, Austria, Spada, Fingerhut, Coughlin, Robert Gardner, Herington, Mumper, Ryan

REPRESENTATIVES Schuring, Ogg, Boccieri, Barrett, Brown, Lendrum, Willamowski, White, DeWine, Schneider, Hollister, Perry, Rhine, Clancy, Niehaus, Otterman, Carano, Redfern, Seitz, Driehaus, Core, Salerno, Carey, Calvert, Aslanides, Womer Benjamin, Roman, Key, DePiero, Latell, Schmidt, Britton, Young, Seaver, Reidelbach, DeBose, Flannery, Reinhard, Hughes, Olman, Gilb, Carmichael, Buehrer, Latta, Schaffer, Hagan, Fessler, D. Miller, Beatty, Fedor, Cirelli, Coates, Sferra, G. Smith, Allen

# A BILL

To amend sections 742.03, 742.14, 742.351, 742.37,	1
742.3716, 742.46, and 742.63; to amend, for the	2
purpose of adopting new section numbers as	3
indicated in parentheses, sections 742.43 (742.113)	4
and 742.44 (742.101); to enact new sections 742.43	5
and 742.44 and sections 742.441, 742.442, 742.443,	6
742.444, 742.445, 742.446, and 742.447 of the	7
Revised Code to provide for establishment of the	8
Ohio Police and Fire Pension Fund deferred	9
retirement option plan.	10

### BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 742.03, 742.14, 742.351, 742.37,11742.3716, 742.46, and 742.63 be amended; sections 742.43 (742.113)12and 742.44 (742.101) be amended, for the purpose of adopting new13

 section numbers as indicated in parentheses; and new sections
 14

 742.43 and 742.44 and sections 742.441, 742.442, 742.443, 742.444,
 15

 742.445, 742.446, and 742.447 of the Revised Code be enacted to
 16

 read as follows:
 17

**Sec. 742.03.** (A) As used in this section and in sections 742.04 and 742.05 of the Revised Code:

(1) "Police officer" means a member of the fund who is or has been an employee of a police department and is not a police retirant.

(2) "Firefighter" means a member of the fund who is or has been an employee of a fire department and is not a firefighter retirant.

(3) "Firefighter retirant" means a member of the fund who is 26 receiving an age and service or disability benefit as a result of 27 service in a fire department or a surviving spouse of a deceased 28 member who is receiving a benefit as a result of the deceased 29 member's service in a fire department. "Firefighter retirant" does 30 not include a member of the fund who is participating in the 31 deferred retirement option plan established under section 742.43 32 of the Revised Code. 33

(4) "Police retirant" means a member of the fund who is 34 receiving an age and service or disability benefit as a result of 35 service in a police department or a surviving spouse of a deceased 36 member who is receiving a benefit as a result of the deceased 37 member's service in a police department. <u>"Police retirant" does</u> 38 not include a member of the fund who is participating in the 39 deferred retirement option plan established under section 742.43 40 of the Revised Code. 41

(B) The administration, control, and management of the Ohio42police and fire pension fund, created under section 742.02 of the43

18

19

20

21

22

23

24

Revised Code, is vested in a board of trustees of the Ohio police and fire pension fund, which shall consist of nine members as follows:

- (1) The attorney general;
- (2) The auditor of state;

(3) The fiscal officer of a municipal corporation who shall 49 be appointed by the governor. This member's term shall be for 50 three years, commencing on the fourth day of June and ending on 51 the third day of June. The fiscal officer member shall hold office 52 from the date of appointment until the end of the term for which 53 appointed. Any fiscal officer member appointed to fill a vacancy 54 occurring prior to the expiration of the term for which the fiscal 55 officer member's predecessor was appointed shall hold office for 56 the remainder of such term. Any fiscal officer member shall 57 continue in office subsequent to the expiration date of the fiscal 58 officer member's term until such member's successor takes office, 59 or until a period of sixty days has elapsed, whichever occurs 60 first. 61

(4) Four members known as employee members.

Two employee members shall be police officers elected by police officers. Two employee members shall be firefighters elected by firefighters. Employee members of the board shall be elected for terms of four years as provided by section 742.04 of the Revised Code.

(5) One member known as the firefighter retirant member, who shall be a resident of this state elected by the firefighter retirants. The firefighter retirant member shall be elected for a term of four years as provided by section 742.04 of the Revised Code.

(6) One member known as the police retirant member, who shallbe a resident of this state elected by the police retirants. The74

46

44

45

47 48

62

63

64

65

66

67

68

69

70

71

police retirant member shall be elected for a term of four years 75 as provided by section 742.04 of the Revised Code. 76

(C) No employee member of the board who retires while a 77
member of the board shall be eligible to become a retirant member 78
for three years after the date of the member's retirement. 79

Sec. 742.44 742.101. The board of trustees of the Ohio police 80 and fire pension fund shall estimate annually the amount required 81 to pay its expenses for the ensuing year, and shall fix the amount 82 which shall be transferred from the guarantee fund to the expense 83 fund. 84

Sec. 742.43 742.113. Except as provided in sections 742.01 to 85 742.61 of the Revised Code, no trustee and no employee of the 86 board of trustees of the Ohio police and fire pension fund shall 87 have any interest, direct or indirect, in the gains or profits of 88 any investment made by the board nor as such, directly or 89 indirectly, receive any pay or annual emolument for the trustee's 90 or employee's services. No trustee or employee of said board 91 shall, directly or indirectly, for self or as an agent or partner 92 of others, borrow any funds or deposits over which the board has 93 jurisdiction or use the same except to make such current and 94 necessary payments as are authorized by the board; nor shall any 95 member or employee of the said board become an endorser or surety 96 or become in any manner an obligor for money loaned by or borrowed 97 from the board. 98

Sec. 742.14. (A) The board of trustees of the Ohio police and 99 fire pension fund shall have prepared annually by or under the 100 supervision of an actuary an actuarial valuation of the pension 101 assets, liabilities, and funding requirements of the Ohio police 102 and fire pension fund as established pursuant to sections 742.01 103 to 742.61 of the Revised Code. The actuary shall complete the 104

valuation in accordance with actuarial standards of practice 105 promulgated by the actuarial standards board of the American 106 academy of actuaries and prepare a report of the valuation. The 107 report shall include all of the following: 108

(1) A summary of the benefit provisions evaluated;

(2) A summary of the census data and financial informationused in the valuation;111

(3) A description of the actuarial assumptions, actuarial
(3) A description of the valuation of the valuation,
(3) A description of the valuation of the valuation,
(3) A description of the valuation of the valuation,
(3) A description of the valuation of the valuation,
(3) A description of the valuation of the valuation,
(3) A description of the valuation of the valuation,
(3) A description of the valuation,
(3) A description,
(3) A description,
(3) A description,
(3) A description,
(13) A description,
(14) A description,
(15) A description,
(16) A description,
(3) A description,
(3) A description,
(4) A description,
(4) A description,
(5) A description,
(6) A description,
(7) A description,
(8) A description,
(9) A description,
(11) A description,
(12) A description,
(13) A description,
(14) A description,
(15) A description,
(16) A description,
(17) A description,
(18) A description,
(19) A description,
(11) A description,
(11) A description,
(11) A description,
(12) A description,
(13) A description,
(14) A description,
(14) A description,
(15) A description,
(16) A description,
(17) A description,
(18) A description,
(18) A description,
(19) A description,
(11) A description,
(12) A description,
(13) A description,
(14) A description,
(14) A description,
(15) A description,</l

(4) A summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities;

(5) A schedule showing the effect of any changes in the
benefit provisions, actuarial assumptions, or cost methods since
the last annual actuarial valuation;

(6) A statement of whether contributions to the pension fund
are expected to be sufficient to satisfy the funding objectives
124
established by the board.
125

The board shall submit the report to the Ohio retirement126study council and the standing committees of the house of127representatives and the senate with primary responsibility for128retirement legislation not later than the first day of November129following the year for which the valuation was made.130

(B) The board shall annually thereafter have prepared by an
131 actuary a report showing the adequacy of the rate of the police
132 officer employers' contribution provided for by section 742.33 of
133 the Revised Code, and the adequacy of the rate of the firefighter
134 employers' contribution provided for by section 742.34 of the
135

109

117

118

Revised Code.

(C) At such times as the board determines, and at least once 137 in each quinquennial period, the board shall have prepared by or 138 under the supervision of an actuary an actuarial investigation of 139 the mortality, service, and other experience of the members of the 140 fund and of other system retirants, as defined in section 742.26 141 of the Revised Code, who are members of a police department or a 142 fire department to update the actuarial assumptions used in the 143 actuarial valuation required by division (A) of this section. The 144 actuary shall prepare a report of the actuarial investigation. The 145 report shall be prepared and any recommended changes in actuarial 146 assumptions shall be made in accordance with the actuarial 147 standards of practice promulgated by the actuarial standards board 148 of the American academy of actuaries. The report shall include all 149 of the following: 150

(1) A summary of relevant decrement and economic assumption experience observed over the period of the investigation;

(2) Recommended changes in actuarial assumptions to be used 153 in subsequent actuarial valuations required by division (A) of 154 this section; 155

(3) A measurement of the financial effect of the recommended 156 changes in actuarial assumptions; 157

(4) If the investigation required by this division includes 158 the investigation required by division (F) of this section, a 159 report of the result of that investigation. 160

The board shall submit the report to the Ohio retirement 161 study council and the standing committees of the house of 162 representatives and the senate with primary responsibility for 163 retirement legislation not later than the first day of November 164 following the last fiscal year of the period the report covers. 165

(D) The board shall have prepared by or under the supervision 166

136

151

of an actuary an actuarial analysis of any introduced legislation167expected to have a measurable financial impact on the pension168fund. The actuarial analysis shall be completed in accordance with169the actuarial standards of practice promulgated by the actuarial170standards board of the American academy of actuaries. The actuary171shall prepare a report of the actuarial analysis, which shall172include all of the following:173

(1) A summary of the statutory changes that are being evaluated;

(2) A description of or reference to the actuarial assumptions and actuarial cost method used in the report;

(3) A description of the participant group or groups included 178in the report; 179

(4) A statement of the financial impact of the legislation, 180 including the resulting increase, if any, in the employer normal 181 cost percentage; the increase, if any, in actuarial accrued 182 liabilities; and the per cent of payroll that would be required to 183 amortize the increase in actuarial accrued liabilities as a level 184 per cent of covered payroll for all active members of the fund 185 over a period not to exceed thirty years; 186

(5) A statement of whether the scheduled contributions to the
187
system after the proposed change is enacted are expected to be
188
sufficient to satisfy the funding objectives established by the
189
board.

Not later than sixty days from the date of introduction of 191 the legislation, the board shall submit a copy of the actuarial 192 analysis to the legislative budget office of the legislative 193 service commission, the standing committees of the house of 194 representatives and the senate with primary responsibility for 195 retirement legislation, and the Ohio retirement study council. 196

(E) The board shall have prepared annually a report giving a 197

#### Page 7

174

175

176

full accounting of the revenues and costs relating to the198provision of benefits under section 742.45 of the Revised Code.199The report shall be made as of December 31, 1997, and the200thirty-first day of December of each year thereafter. The report201shall include the following:202

(1) A description of the statutory authority for the benefits 203provided; 204

(2) A summary of the benefits;

(3) A summary of the eligibility requirements for the 206benefits; 207

(4) A statement of the number of participants eligible for 208the benefits; 209

(5) A description of the accounting, asset valuation, andfunding method used to provide the benefits;211

(6) A statement of the net assets available for the provision 212of the benefits as of the last day of the fiscal year; 213

(7) A statement of any changes in the net assets available
for the provision of benefits, including participant and employer
contributions, net investment income, administrative expenses, and
benefits provided to participants, as of the last day of the
fiscal year;

(8) For the last six consecutive fiscal years, a schedule of
the net assets available for the benefits, the annual cost of
benefits, administrative expenses incurred, and annual employer
contributions allocated for the provision of benefits;

(9) A description of any significant changes that affect the223comparability of the report required under this division;224

(10) A statement of the amount paid under division (C) of 225 section 742.45 of the Revised Code. 226

The board shall submit the report to the Ohio retirement227study council and the standing committees of the house of228representatives and the senate with primary responsibility for229retirement legislation not later than the thirtieth day of June230following the year for which the report was made.231

(F) At least once in each quinquennial period, the board232shall have prepared by or under the supervision of an actuary an233actuarial investigation of the deferred retirement option plan234established under section 742.43 of the Revised Code. The235investigation shall include an examination of the financial236impact, if any, on the fund of offering the plan to members.237

The actuary shall prepare a report of the actuarial 238 investigation. The report shall include a determination of whether 239 the plan, as established or modified, has a negative financial 240 impact on the fund and, if so, recommendations on how to modify 241 the plan to eliminate the negative financial impact. If the 242 actuarial report indicates that the plan has a negative financial 243 impact on the fund, the board may modify the plan or cease to 244 allow members who have not already done so to elect to participate 245 in the plan. The firefighter and police officers employers' 246 contributions shall not be increased to offset any negative 247 financial impact of the plan. 248

If the board ceases to allow members to elect to participate249in the plan, the rights and obligations of members who have250already elected to participate shall not be altered.251

The board may include the actuarial investigation required252under this division as part of the actuarial investigation253required under division (C) of this section. If the report of the254actuarial investigation required by this division is not included255in the report required by division (C) of this section, the board256shall submit the report required by this division to the Ohio257retirement study council and the standing committees of the house258

of representatives and the senate with primary responsibility for	259
retirement legislation not later than the first day of November	260
following the last fiscal year of the period the report covers.	261

Sec. 742.351. (A) On receipt of written notice of a member's 262 election to retire under division (C) of section 742.37 of the 263 Revised Code or to terminate active service as described in 264 division (B) of section 742.444 of the Revised Code, the Ohio 265 police and fire pension fund shall request from the employer 266 verification of the member's termination date and any other 267 information the fund determines necessary to calculate and pay a 268 pension under that division (C) of section 742.37 of the Revised 269 Code. The request shall be on a form created by the fund and 270 specify the date by which the information must be received by the 271 fund, which shall be sixty days after the form is sent by the 272 fund. 273

(B)(1) On receipt of a request for information under division 274 (A) of this section, the employer shall complete the form and 275 return it to the fund not later than the date specified by the 276 fund. 277

(2) If the fund does not receive the completed form by the 278 specified date, the fund shall send notice by certified mail to 279 the employer that unless the completed form is received not later than thirty days after the specified date a penalty will be 281 imposed. 282

(C) The fund shall assess against an employer that fails to 283 return the completed form by the end of the period described in 284 division (B)(2) of this section a penalty determined under section 285 742.353 of the Revised Code. 286

(D) The fund shall make one or more monthly payments to a 287 member whose pension does not commence by the ninety-first day 288 after the fund sends a request for information under division (A) 289

290 of this section due to the employer's failure to return the 291 completed form required under this section. Payment under this 292 division shall commence on the first day of the second month 293 following a month that includes a day for which an assessment 294 against the employer is required under division (C) of this 295 section. The payment shall be an amount equal to the penalty 296 assessed under division (C) of this section less any 297 administrative costs incurred by the fund in complying with this 298 section. Payment shall continue on a monthly basis until the 299 member receives the total amount attributable to the required 300 penalty for an employer's failure to return the form that was 301 requested for that member's information.

sec. 742.37. The board of trustees of the Ohio police and 302 fire pension fund shall adopt rules for the management of the fund 303 and for the disbursement of benefits and pensions as set forth in 304 this section and section 742.39 of the Revised Code. Any payment 305 of a benefit or pension under this section is subject to the 306 provisions of section 742.461 of the Revised Code. Notwithstanding 307 any other provision of this section, no pension or benefit paid or 308 determined under division (B) or (C) of this section or section 309 742.39 of the Revised Code shall exceed the limit established by 310 section 415 of the "Internal Revenue Code of 1986," 100 Stat. 311 2085, 26 U.S.C.A. 415, as amended. 312

(A) Persons who were receiving benefit or pension payments 313 from a police relief and pension fund established under former 314 section 741.32 of the Revised Code, or from a firemen's relief and 315 pension fund established under former section 521.02 or 741.02 of 316 the Revised Code, at the time the assets of the fund were 317 transferred to the Ohio police and fire pension fund, known at 318 that time as the police and firemen's disability and pension fund, 319 shall receive benefit and pension payments from the Ohio police 320 and fire pension fund in the same amount and subject to the same 321

Page 11

322 conditions as such payments were being made from the former fund on the date of the transfer.

(B) A member of the fund who, pursuant to law, elected to 324 receive benefits and pensions from a police relief and pension 325 fund established under former section 741.32 of the Revised Code, 326 or from a firemen's relief and pension fund established under 327 former section 741.02 of the Revised Code, in accordance with the 328 rules of the fund governing the granting of benefits or pensions 329 therefrom in force on April 1, 1947, shall receive benefits and 330 pensions from the Ohio police and fire pension fund in accordance 331 with such rules; provided, that any member of the fund who is not 332 receiving a benefit or pension from the fund on August 12, 1975, 333 may, upon application for a benefit or pension to be received on 334 or after August 12, 1975, elect to receive a benefit or pension in 335 accordance with division (C) of this section. 336

(C) Members of the fund who have not elected to receive 337 benefits and pensions from a police relief and pension fund or a 338 firemen's relief and pension fund in accordance with the rules of 339 the fund in force on April 1, 1947, shall receive pensions and 340 benefits in accordance with the following provisions: 341

(1) A member of the fund who has completed twenty-five years 342 of active service in a police or fire department and has attained 343 forty-eight years of age may, at the member's election, retire 344 from the police or fire department, and. Except while 345 participating in the deferred retirement option plan established 346 under section 742.43 of the Revised Code, upon notifying the board 347 in writing of the election, the member shall receive an annual 348 pension, payable in twelve monthly installments, in an amount 349 equal to a percentage of the member's average annual salary. The 350 percentage shall be the sum of two and one-half per cent for each 351 of the first twenty years the member was in the active service of 352 the department, plus two per cent for each of the twenty-first to 353

Page 12

twenty-fifth years the member was in the active service of the354department, plus one and one-half per cent for each year in excess355of twenty-five years the member was in the active service of the356department. The annual pension shall not exceed seventy-two per357cent of the member's average annual salary.358

A member who completed twenty-five years of active service, 359 has resigned or been discharged, and has left the sum deducted 360 from the member's salary on deposit in the pension fund shall, 361 upon attaining forty-eight years of age, be entitled to receive a 362 normal service pension benefit computed and paid under division 363 (C)(1) of this section. 364

(2) A member of the fund who has served fifteen or more years 365 as an active member of a police or fire department and who 366 voluntarily resigns or is discharged from the department for any 367 reason other than dishonesty, cowardice, intemperate habits, or 368 conviction of a felony, shall receive an annual pension, payable 369 in twelve monthly installments, in an amount equal to one and 370 one-half per cent of the member's average annual salary multiplied 371 by the number of full years the member was in the active service 372 of the department. The pension payments shall not commence until 373 the member has attained the age of forty-eight years and until 374 twenty-five years have elapsed from the date on which the member 375 became a full-time regular police officer or firefighter in the 376 department. 377

(3) A member of the fund who has completed fifteen or more 378 years of active service in a police or fire department and who has 379 attained sixty-two years of age, may retire from the department 380 and, upon notifying the board in writing of the election to 381 retire, shall receive an annual pension, payable in twelve monthly 382 installments, in an amount equal to a percentage of the member's 383 average annual salary. The percentage shall be the sum of two and 384 one-half per cent for each of the first twenty years the member 385

386 was in the active service of the department, plus two per cent for 387 each of the twenty-first to twenty-fifth years the member was in 388 the active service of the department, plus one and one-half per 389 cent for each year in excess of twenty-five years the member was 390 in the active service of the department. The annual pension shall 391 not exceed seventy-two per cent of the member's average annual 392 salary.

(4) With the exception of those persons who may make 393 application for benefits as provided in section 742.26 of the 394 Revised Code, no person receiving a pension or other benefit under 395 division (C) of this section on or after July 24, 1986, shall be 396 entitled to apply for any new, changed, or different benefit. 397

If a member covered by division (C) of this section or 398 section 742.38 of the Revised Code dies prior to the time the 399 member has received a payment and leaves a surviving spouse or 400 dependent child, the surviving spouse or dependent child shall 401 receive a pension under division (D) or (E) of this section. 402

(D)(1) Except as provided in division (D)(2) of this section, 403 a surviving spouse of a deceased member of the fund or a surviving 404 spouse described in division (D)(4) of this section shall receive 405 a monthly pension as follows: 406

(a) For the period beginning July 1, 1999, and ending June 407 30, 2000, five hundred fifty dollars; 408

(b) For the period beginning July 1, 2000, and the first day 409 of July of each year thereafter and continuing for the following 410 twelve months, an amount equal to the monthly amount paid during 411 the prior twelve-month period plus sixteen dollars and fifty 412 cents. 413

(2) A surviving spouse of a deceased member of the fund shall 414 receive a monthly pension of four hundred ten dollars if the 415 surviving spouse is eligible for a benefit under division (B) or 416

417 (D) of section 742.63 of the Revised Code. If the surviving spouse 418 ceases to be eligible for a benefit under division (B) or (D) of 419 section 742.63 of the Revised Code, the pension shall be 420 increased, effective the first day of the first month following 421 the day on which the surviving spouse ceases to be eligible for 422 the benefit, to the amount it would be under division (D)(1) of 423 this section had the spouse never been eligible for a benefit 424 under division (B) or (D) of section 742.63 of the Revised Code.

(3) A pension paid under this division shall continue during 425 the natural life of the surviving spouse. Benefits to a deceased 426 member's surviving spouse that were terminated under a former 427 version of this section that required termination due to 428 remarriage and were not resumed prior to September 16, 1998, shall 429 resume on the first day of the month immediately following receipt 430 by the board of an application on a form provided by the board. 431

(4) A surviving spouse of a deceased member of or contributor 432 to a fund established under former Chapter 521. or 741. of the 433 Revised Code whose benefit or pension was terminated or not paid 434 due to remarriage shall receive a monthly pension under division 435 (D)(1) of this section. 436

The pension shall commence on the first day of the month 437 immediately following receipt by the board of a completed 438 application on a form provided by the board and evidence 439 acceptable to the board that at the time of death the deceased 440 spouse was a member of or contributor to a police or firemen's 441 relief and pension fund established under former Chapter 521. or 442 741. of the Revised Code and that the surviving spouse's benefits 443 were terminated or not granted due to remarriage. 444

(E)(1) Each surviving child of a deceased member of the fund 445 shall receive a monthly pension until the child attains the age of 446 eighteen years, or marries, whichever event occurs first. A 447 pension under this division, however, shall continue to be payable 448

449 to a child under age twenty-two who is a student in and attending 450 an institution of learning or training pursuant to a program 451 designed to complete in each school year the equivalent of at 452 least two-thirds of the full-time curriculum requirements of the 453 institution, as determined by the board. If any surviving child, 454 regardless of age at the time of the member's death, because of 455 physical or mental disability, is totally dependent upon the 456 deceased member for support at the time of death, the child shall 457 receive a monthly pension under this division during the child's 458 natural life or until the child has recovered from the disability.

(2) An eligible surviving child shall receive a monthly pension as follows:

(a) For the period beginning July 1, 2002, and ending June30, 2003, one hundred sixty-three dollars and fifty cents;

(b) For the period beginning July 1, 2003, and the first day
of each July thereafter and continuing for the following twelve
464
months, an amount equal to the monthly amount paid during the
465
prior twelve-month period plus four dollars and fifty cents.
466

(F)(1) If a deceased member of the fund leaves no surviving
spouse or surviving children, but leaves one or two parents
dependent upon the deceased member for support, each parent shall
be paid a monthly pension. The pensions provided for in this
division shall be paid during the natural life of the surviving
qri
parents, or until dependency ceases, or until remarriage,
whichever event occurs first.

(2) Each eligible surviving parent shall be paid a monthly474pension as follows:475

(a) For the period ending June 30, 2002, one hundred six 476
dollars for each parent or two hundred twelve dollars for a sole 477
dependent parent; 478

(b) For the period beginning July 1, 2002, and ending June 479

459 460

461

30, 2003, one hundred nine dollars for each parent or two hundred480eighteen dollars for a sole dependent parent;481

(c) For the period beginning July 1, 2003, and the first day
482
of each July thereafter and continuing for the following twelve
483
months, an amount equal to the monthly amount paid during the
484
prior twelve-month period plus three dollars for each parent or
485
six dollars for a sole dependent parent.

(G) Subject to the provisions of section 742.461 of the 487 Revised Code, a member of the fund who voluntarily resigns or is 488 removed from active service in a police or fire department is 489 entitled to receive an amount equal to the sums deducted from the 490 member's salary and credited to the member's account in the fund, 491 except that a member receiving a disability benefit or service 492 pension is not entitled to receive any return of contributions to 493 the fund. 494

(H) On and after January 1, 1970, all pensions shall be495increased in accordance with the following provisions:496

(1) A member of the fund who retired prior to January 1, 497
1967, has attained age sixty-five on January 1, 1970, and was 498
receiving a pension on December 31, 1969, pursuant to division (B) 499
or (C)(1) of this section or former division (C)(2), (3), (4), or 500
(5) of this section, shall have the pension increased by ten per 501
cent. 502

(2) The monthly pension payable to eligible surviving spouses 503
under division (D) of this section shall be increased by forty 504
dollars for each surviving spouse receiving a pension on December 505
31, 1969. 506

(3) The monthly pension payable to each eligible child under 507
division (E) of this section shall be increased by ten dollars for 508
each child receiving a pension on December 31, 1969. 509

(4) The monthly pension payable to each eligible dependent 510

511 parent under division (F) of this section shall be increased by 512 thirty dollars for each parent receiving a pension on December 31, 513 1969.

(5) A member of the fund, including a survivor of a member, 514 who is receiving a pension in accordance with the rules governing 515 the granting of pensions and benefits in force on April 1, 1947, 516 that provide an increase in the original pension from time to time 517 pursuant to changes in the salaries of active members, shall not 518 be eligible for the benefits provided in this division.

(I) On and after January 1, 1977, a member of the fund who was receiving a pension or benefit on December 31, 1973, under 521 division (A), (B), (C)(1), or former division (C)(2) or (7) of 522 523 this section shall have the pension or benefit increased as follows:

(1) If the member's annual pension or benefit is less than 525 two thousand seven hundred dollars, it shall be increased to three 526 thousand dollars. 527

(2) If the member's annual pension or benefit is two thousand 528 seven hundred dollars or more, it shall be increased by three 529 hundred dollars. 530

The following shall not be eligible to receive increased 531 pensions or benefits as provided in this division: 532

(a) A member of the fund who is receiving a pension or 533 benefit in accordance with the rules in force on April 1, 1947, 534 governing the granting of pensions and benefits, which provide an 535 increase in the original pension or benefit from time to time 536 pursuant to changes in the salaries of active members; 537

(b) A member of the fund who is receiving a pension or 538 benefit under division (A) or (B) of this section, based on funded 539 volunteer or funded part-time service, or off-duty disability, or 540 partial on-duty disability, or early vested service; 541

519 520

(c) A member of the fund who is receiving a pension under division (C)(1) of this section, based on funded volunteer or funded part-time service.

(J) On and after July 1, 1977, a member of the fund who was
receiving an annual pension or benefit on December 31, 1973,
pursuant to division (B) of this section, based upon partial
547
disability, off-duty disability, or early vested service, or
pursuant to former division (C)(3), (5), or (6) of this section,
shall have such annual pension or benefit increased by three
550
hundred dollars.

The following are not eligible to receive the increase provided by this division:

(1) A member of the fund who is receiving a pension or
benefit in accordance with the rules in force on April 1, 1947,
governing the granting of pensions and benefits, which provide an
increase in the original pension or benefit from time to time
pursuant to changes in the salaries of active members;

(2) A member of the fund who is receiving a pension or
benefit under division (B) or (C)(2) of this section or former
division (C)(3), (5), or (6) of this section based on volunteer or
part-time service.

(K)(1) Except as otherwise provided in this division, every 563 person who on July 24, 1986, is receiving an age and service or 564 disability pension, allowance, or benefit pursuant to this chapter 565 566 in an amount less than thirteen thousand dollars a year that is based upon an award made effective prior to February 28, 1984, 567 shall receive an increase of six hundred dollars a year or the 568 amount necessary to increase the pension or benefit to four 569 thousand two hundred dollars after all adjustments required by 570 this section, whichever is greater. 571

(2) Division (K)(1) of this section does not apply to the 572

543 544

552

553

(a) A member of the fund who is receiving a pension or 574 benefit in accordance with rules in force on April 1, 1947, that 575 govern the granting of pensions and benefits and that provide an 576 increase in the original pension or benefit from time to time 577 pursuant to changes in the salaries of active members; 578 (b) A member of the fund who is receiving a pension or 579 benefit based on funded volunteer or funded part-time service. 580 (L) On and after July 24, 1986: 581 (1) The pension of each person receiving a pension under 582 division (D) of this section on July 24, 1986, shall be increased 583 to three hundred ten dollars per month. 584 (2) The pension of each person receiving a pension under 585 division (E) of this section on July 24, 1986, shall be increased 586 to ninety-three dollars per month. 587 Sec. 742.3716. (A) As used in this section: 588 589 (1) "Eligible person" means a person who meets all of the following conditions: 590 (a) Has been receiving a pension or benefit under this 591 chapter for one year or more based on an award made on or after 592 July 24, 1986; 593 (b) Has not made the election provided for in division (B) of 594

(c) Is not the spouse or survivor of a person who has made 596 the election provided for in division (B) of this section; 597

(d) Is receiving a benefit in accordance with division (A), 598 (B), or (C) of section 742.37, division (C)(2), (3), (4), or (5) 599 600 of former section 742.37, section 742.3711, or section 742.39 of 601 the Revised Code.

573

595

Sub. S. B. No. 134 As Passed by the House following:

this section;

(2) "Recalculated average annual salary" means the highest
average annual compensation of a member of the Ohio police and
fire pension fund during any three years of contributions,
including amounts included in terminal pay attributable to such
three years, determined by dividing the member's total earnings as
an employee during such years by three.

(B)(1) Notwithstanding section 742.37 or 742.39 of the 608 Revised Code, a member of the fund who is not receiving a pension 609 or benefit under this chapter and who on January 1, 1989, has 610 completed fifteen or more years of active service in a police or 611 fire department may elect to have any future benefit or pension 612 paid to the member or the member's spouse or survivors under this 613 chapter calculated on the basis of the member's recalculated 614 average annual salary rather than the member's average annual 615 salary. The election shall be made by the member prior to or at 616 the time of making an election under section 742.3711 of the 617 Revised Code. This division does not apply to a member of the fund 618 who has elected to participate in the deferred retirement option 619 plan established under section 742.43 of the Revised Code. 620

(2) If the member eligible to make the election under
division (B)(1) of this section dies prior to making the election
and at the time of death is eligible to retire and receive a
pension or benefit under division (C)(1) or (3) of section 742.37
of the Revised Code, the person entitled to receive a benefit
division 742.3714 of the Revised Code may make the election
provided for in division (B)(1) of this section.

(3) The election under division (B)(1) or (2) of this section
628
shall be made on forms provided by the trustees of the fund. Once
629
received by the fund, the election shall be irrevocable and shall
630
bind the member and any other person who receives a pension or
631
benefit based on the member's service. No person who receives a
632
pension or benefit calculated in accordance with division (B) of
633

this section is eligible to receive a cost-of-living allowance634under this section. If the person making the election receives a635benefit under section 742.3714 of the Revised Code, that person is636not eligible to receive a cost-of-living allowance under section637742.3711 of the Revised Code.638

(C)(1) The board of trustees of the Ohio police and fire 640 pension fund shall annually increase all benefits payable to 641 eligible persons by three per cent, except that no benefit shall 642 exceed the limit established by section 415 of the "Internal 643 Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as 644 amended. 645

The first increase is payable to all eligible persons who on 646 July 1, 1988, have been receiving a pension or benefit for twelve 647 months or longer. The increase is payable for the ensuing 648 twelve-month period or until the next increase is granted under 649 this section, whichever is later. 650

The date of the first increase paid under this section shall 651 be the anniversary date for future increases. The pension or 652 benefit used in the first calculation of an increase under this 653 section shall remain as the base for all future increases paid 654 under this section, unless a new base is established by law. 655

(2) Increases paid in years subsequent to the year of the
first increase paid under this section shall be paid to all
eligible persons who, on the date that the increase is authorized
by the board, have been receiving a pension or benefit for twelve
659
months.

Sec. 742.43. The board of trustees of the Ohio police and661fire pension fund shall establish and administer a deferred662retirement option plan. In establishing and administering the663plan, the board shall comply with sections 742.44 to 742.446 of664

5
-
5
7
3
Э
C
1
2
3
1
5
5
7
3
Э
C
1

sι by the fund. At this time the member may, but is not required to, 682 elect under section 742.3711 of the Revised Code to have the 683 member's monthly pension calculated as a retirement allowance 684 payable throughout the member's life or a retirement allowance 685 that continues to a surviving beneficiary. Unless rescinded during 686 a period specified in rules adopted under section 742.43 of the 687 Revised Code, the election is irrevocable from the date it is 688 received by the fund until the employee ceases to participate in 689 the plan as provided in section 742.444 of the Revised Code. 690

A member is not required to specify the number of years or 691 portion of a year the member will participate in the plan but must 692 agree to terminate active service in a police or fire department 693 and begin receiving the member's pension not later than the date 694

## Page 24

that is eight years after the effective date of the election to	695
	696
participate in the plan or be subject to the forfeiture provisions	697
of division (C) of section 742.444 of the Revised Code.	0,00,0
The effective date of an election made under this section is	698
the first day of the employer's first payroll period immediately	699
following the board's receipt of the notice of election.	700
Sec. 742.441. A member who makes an election under section	701
742.44 of the Revised Code shall continue in the active service of	702
a police or fire department but shall not earn service credit	703
under this chapter for employment after the election's effective	704
date. While the member is in the active service of a police or	705
fire department, the member shall contribute to the Ohio police	706
and fire pension fund in accordance with section 742.31 of the	707
Revised Code and the employer shall contribute and report in	708
accordance with either section 742.33 or 742.34 of the Revised	709
Code.	710
Neither the member nor the member's spouse and dependents are	711
eligible for benefits under section 742.45 of the Revised Code	712
eligible for benefits under section 742.45 of the Revised Code while the member is participating in the deferred retirement	712 713
while the member is participating in the deferred retirement	713
while the member is participating in the deferred retirement	713
while the member is participating in the deferred retirement option plan.	713 714
while the member is participating in the deferred retirement option plan. Sec. 742.442. For each member who elects to participate in	713 714 715
while the member is participating in the deferred retirement option plan. Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire	713 714 715 716
<pre>while the member is participating in the deferred retirement option plan.  Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire pension fund shall determine under division (C)(1) of section</pre>	713 714 715 716 717
<pre>while the member is participating in the deferred retirement option plan. Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire pension fund shall determine under division (C)(1) of section 742.37 of the Revised Code the monthly pension amount that would</pre>	713 714 715 716 717 718
<pre>while the member is participating in the deferred retirement option plan. Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire pension fund shall determine under division (C)(1) of section 742.37 of the Revised Code the monthly pension amount that would be payable to the member had the member elected to receive a</pre>	713 714 715 716 717 718 719
<pre>while the member is participating in the deferred retirement option plan. Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire pension fund shall determine under division (C)(1) of section 742.37 of the Revised Code the monthly pension amount that would be payable to the member had the member elected to receive a pension under that division. In determining the pension amount,</pre>	713 714 715 716 717 718 719 720
<pre>while the member is participating in the deferred retirement option plan. Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire pension fund shall determine under division (C)(1) of section 742.37 of the Revised Code the monthly pension amount that would be payable to the member had the member elected to receive a pension under that division. In determining the pension amount, the fund shall use the member's total service credit and average</pre>	713 714 715 716 717 718 719 720 721

as a retirement allowance payable for the member's life, except	725
that, if at the time of electing to participate in the plan the	726
member selected another plan of payment, the pension shall be	727
calculated using the plan of payment selected.	728
<u>A member who participates in the plan is not eligible to make</u>	729
an election under division (B) of section 742.3716 of the Revised	730
Code.	731
Sec. 742.443. (A) During the period beginning on the	732
effective date of an election to participate in the deferred	733
retirement option plan and ending on the date participation	734
ceases, a member's monthly pension amount determined under section	735
742.442 of the Revised Code shall accrue to the member's benefit.	736
To this amount shall be added any benefit increases the member	737
would be eligible for under division (C) of section 742.3716 of	738
the Revised Code had the member, on the effective date of the	739
member's election, retired under division (C)(1) of section 742.37	740
of the Revised Code.	741
(B)(1) The amounts contributed under section 742.31 of the	742
Revised Code by a member participating in the deferred retirement	743
option plan shall accrue to the member's benefit as follows:	744
(a) During the period beginning on the first day of the first	745
payroll period after the election's effective date and ending on	746
the earlier of the date that is two years thereafter or the date	747
the member ceases participation in the plan, fifty per cent of the	748
member's contributions for that period;	749
(b) During the period beginning on the date that is two years	750
and one der often example been weden this division and ending on	7 - 1

(b) During the period beginning on the date that is two years750and one day after accruals begin under this division and ending on751the earlier of the date that is three years thereafter or the date752the member ceases participation in the plan, seventy-five per cent753of the member's contributions for that period;754

	/55
(c) During the period beginning on the date that is three	756
years and one day after accruals begin under this section and	757
ending on the date the member ceases participation in the plan,	758
one hundred per cent of the member's contributions for that	759
period.	760
(2) The Ohio police and fire pension fund shall credit the	761
portion of a member's contributions that are not accrued to the	762
member's benefit under division (B)(1) of this section to the	763
police officers' contribution fund or firefighters' contribution	764
<u>fund, as appropriate.</u>	765
(C) During the period beginning on the election's effective	766
date and ending on the date the member ceases participation in the	767
plan, the amounts described in divisions (A) and (B)(1) of this	768
section shall earn interest at an annual rate established by the	769
board of trustees of the fund and compounded annually using a	770
method established by rule adopted under section 742.43 of the	771
Revised Code.	772
Sec. 742.444. (A) A member's participation in the deferred	773
retirement option plan ceases on the occurrence of the earliest of	774
the following:	775
(1) Termination of the member's active service in a police or	776
<u>fire department;</u>	777
(2) The last day of the eight-year period that begins on the	778
effective date of the member's election to participate in the	779
<u>plan;</u>	780
(3) Acceptance by the member of a disability benefit awarded	781
by the board of trustees of the Ohio police and fire pension fund,	782
unless the acceptance is revoked by the member in accordance with	783
rules adopted by the board;	784

(4) The member's death.

(B) If a member terminates active service in a police or fire 786 department not later than eight years after the effective date of the member's election to participate in the plan, all of the 788 following apply: 789

(1) The member shall notify the Ohio police and fire pension 790 fund of the date of termination on a form prescribed by the fund. 791 The member is not eligible to make another election under section 792 742.44 of the Revised Code. 793

794 (2) If the member's termination of active service occurs on or after the date that is the first day of the fourth year after 795 the effective date of the election to participate in the plan, the 796 entire amount that has accrued to the member's benefit under the 797 deferred retirement option plan shall be distributed to the member 798 pursuant to the member's selection under division (B)(3) of this 799 section. If the termination of active service occurs before the 800 date that is four years after the effective date of the election 801 to participate, the member shall forfeit the total amount of the 802 interest credited under division (C) of section 742.443 of the 803 Revised Code. 804

(3) The member shall select one of the following as the method of distribution of the amount to be distributed to the member:

(a) A single payment;

(b) Periodic payments as determined by the board. 809

The fund shall retain amounts accrued to the benefit of a 810 member under the plan until a form specifying the method of 811 distribution selected is filed with the fund by the member or an 812 authorized representative of the member. 813

The board shall afford a member who selects periodic payments 814

787

805

806 807

808

#### 815 the opportunity at least once during each calendar year to change 816 the member's selection. (4) Distribution of the amount accrued to a member's benefit 817 under the deferred retirement option plan shall not commence until 818 the date that is the first day of the fourth year after the 819 effective date of the election. 820 (5) The member shall select a plan of payment under section 821 742.3711 of the Revised Code for the pension payable to the member 822 under division (C) of section 742.37 of the Revised Code, unless 823 the member selected a plan of payment at the time of electing to 824 participate in the plan. The pension shall commence on the first 825 day of the second month following the date the employee ceases to 826 participate in the plan. 827 (C) If, at the end of the eight-year period that begins on 828 the effective date of a member's election to participate in the 829 plan, the member has failed to terminate active service in a 830 police or fire department, all of the following apply: 831 (1) No further amounts shall accrue to the member's benefit, 832 and the member shall forfeit all amounts that have accrued to the 833 member's benefit under section 742.443 of the Revised Code. The 834 amounts forfeited shall be treated as if the member had continued 835 in the active service of a police or fire department and not 836 elected to participate in the plan. 837 (2) The member shall be granted service credit for the period 838

the member was participating in the plan, and when the member's839pension is calculated under section 742.37 of the Revised Code,840the calculation shall be made as though the member had never841participated in the plan.842

(3) Further contributions, and service credit for those843contributions, shall be credited as provided in sections 742.31844through 742.34 of the Revised Code.845

Page 28

Sec. 742.445. If a member ceases participation in the	846
deferred retirement option plan due to acceptance by the member of	847
a disability benefit awarded by the board of trustees of the Ohio	848
police and fire pension fund, both of the following apply:	849
(A) The member shall forfeit all amounts that have accrued	850
under section 742.443 of the Revised Code to the member's benefit	851
under the deferred retirement option plan, and those amounts shall	852
be treated as if the member had continued in the active service of	853
a police or fire department and not participated in the plan.	854
(B) The member shall be granted service credit for the period	855
the member was participating in the plan.	856
cos 712 116 (A) he wood in this costion "killed in the	0 5 7
Sec. 742.446. (A) As used in this section, "killed in the	857
line of duty" has the same meaning as in section 742.63 of the	858
Revised Code.	859
(B) If a member dies while participating in the deferred	860
retirement option plan, all of the following apply:	861
(1) The amounts accrued to the member's benefit shall be paid	862
to the member's surviving spouse or, if there is no surviving	863
spouse, the beneficiary designated by the member on a form	864
provided by the Ohio police and fire pension fund. If there is no	865
surviving spouse or designated beneficiary, the amounts accrued to	866
the member's benefit shall be paid to the member's estate. A	867
surviving spouse or designated beneficiary may select a method of	868
distribution described in division (B)(3) of section 742.444 of	869
the Revised Code. Any amount payable to the member's estate shall	870
<u>be paid in a single payment.</u>	871
(2) The surviving spouse shall receive a pension or benefit	872
determined under division (D) of section 742.37 of the Revised	873
Code and, if the member was killed in the line of duty, division	874
(F) of section 742.63 of the Revised Code.	875

#### Page 30

(3) If eligible, each surviving child shall receive a pension	876
or benefit determined under division (E) of section 742.37 of the	877
Revised Code and, if the member was killed in the line of duty,	878
division (G) of section 742.63 of the Revised Code.	879
(4) If the member has no surviving spouse or surviving	880
children, but has a parent or parents dependent on the member for	881
support, the parent or parents shall receive a pension or benefit	882
determined under division (F) of section 742.37 of the Revised	883
Code and, if the member was killed in the line of duty, division	884
(E) of section 742.63 of the Revised Code.	885
(5) The member's surviving spouse or contingent dependent	886
beneficiary shall receive the greater of a retirement allowance	887
under section 742.3714 of the Revised Code or the retirement	888
allowance resulting from an election made by the member under	889
section 742.3711 of the Revised Code.	890
(C) A pension, benefit, or allowance described in division	891
(B) of this section is effective on the first day of the month	892
after the member's date of death. Payments shall not commence	893
until the board receives any documentation it requires pursuant to	894
rules adopted by the board.	895
Sec. 742.447. On receipt of written notice under division (B)	896
of section 742.444 of the Revised Code of a member's termination	897
of active service, the Ohio police and fire pension fund shall	898
request from the employer verification of the member's termination	899

date and any other information the fund determines necessary to900calculate and pay a pension under that division. The verification901of termination shall be filed in accordance with section 742.351902of the Revised Code.903

Sec. 742.46. The granting of a benefit or pension to any904person under sections 742.01 to 742.61 of the Revised Code, other905

than a person participating in the deferred retirement option plan	906
established under section 742.43 of the Revised Code, vests a	907
right in such person to obtain and receive the amount of such	
benefit or pension granted to the person subject to sections	
742.01 to 742.61 of the Revised Code. Subject to section 742.444	910
of the Revised Code, a person participating in the deferred	911
retirement option plan vests in the right to obtain and receive	912
the amount accrued to the benefit of the person when the person	913
ceases participating in the plan.	914
Such right may be enforced by an action in mandamus	915
instituted in the court of common pleas in the county in which the	916
person granted such benefit or pension resides.	917
Sec. 742.63. The board of trustees of the Ohio police and	918
fire pension fund shall adopt rules for the management of the Ohio	919
public safety officers death benefit fund and for disbursements of	920
benefits as set forth in this section.	921
(A) As used in this section:	922
(1) "Member" means all of the following:	923
(a) A member of the Ohio police and fire pension fund,	924
including a member of the fund who has elected to participate in	925
the deferred retirement option plan established under section	926
742.43 of the Revised Code or a member of or contributor to a	927
police or firemen's relief and pension fund established under	928
former Chapter 521. or 741. of the Revised Code;	929
(b) A member of the state highway patrol retirement system;	930
(c) A member of the public employees retirement system who at	931
the time of the member's death was one of the following:	932
(i) A county sheriff or deputy sheriff;	933
(ii) A full-time regular police officer in a municipal	934
corporation or township;	935

Page 31

#### an instrumentality of the state, a municipal corporation, a 937 township, a joint fire district, or another political subdivision; 938 (iv) A full-time park district ranger or patrol trooper; 939 (v) A full-time law enforcement officer of the department of 940 natural resources; 941 (vi) A full-time department of public safety enforcement 942 943 agent; (vii) A full-time law enforcement officer of parks, waterway 944 lands, or reservoir lands under the control of a municipal 945 corporation; 946 (viii) A full-time law enforcement officer of a conservancy 947 district; 948 (ix) A correction officer at an institution under the control 949 of a county, a group of counties, a municipal corporation, or the 950 department of rehabilitation and correction; 951 (x) A state university law enforcement officer. 952 (d) A member of a retirement system operated by a municipal 953 corporation who at the time of death was a full-time law 954 enforcement officer of parks, waterway lands, or reservoir lands 955 under the control of the municipal corporation. 956 (2) Notwithstanding section 742.01 of the Revised Code, "fire 957 or police department" includes a fire department of the state or 958 an instrumentality of the state or of a municipal corporation, 959 township, joint fire district, or other political subdivision, the 960 state highway patrol, a county sheriff's office, the security 961 force of an institution under the control of the department of 962 rehabilitation and correction, the security force of a jail or 963 workhouse under the control of a county, group of counties, or 964

municipal corporation, the security force of a metropolitan,

(iii) A full-time regular firefighter employed by the state,

Page 32

936

county, or township park district, the security force of lands 966 under the control of the department of natural resources, 967 department of public safety enforcement agents, the security force 968 of parks, waterway lands, or reservoir lands under the control of 969 a municipal corporation, the security force of a conservancy 970 district, the police department of a township or municipal 971 corporation, and the police force of a state university. 972

(3) "Firefighter or police officer" includes a state highway 973 patrol trooper, a county sheriff or deputy sheriff, a correction 974 officer at an institution under the control of a county, a group 975 of counties, a municipal corporation, or the department of 976 rehabilitation and correction, a police officer employed by a 977 township or municipal corporation, a firefighter employed by the 978 state, an instrumentality of the state, a municipal corporation, a 979 township, a joint fire district, or another political subdivision, 980 a full-time park district ranger or patrol trooper, a full-time 981 law enforcement officer of the department of natural resources, a 982 full-time department of public safety enforcement agent, a 983 full-time law enforcement officer of parks, waterway lands, or 984 reservoir lands under the control of a municipal corporation, a 985 full-time law enforcement officer of a conservancy district, and a 986 state university law enforcement officer. 987

(4) "Correction officer" includes, in addition to any
988
correction officer, any correction corporal, sergeant, lieutenant,
989
or captain, and the equivalents of all such persons.
990

(5) "A park district ranger or patrol trooper" means a peace
991
officer commissioned to make arrests, execute warrants, and
992
preserve the peace upon lands under the control of a board of park
993
commissioners of a metropolitan, county, or township park
994
district.

(6) "Metropolitan, county, or township park district" means a 996park district created under the authority of Chapter 511. or 1545. 997

of the Revised Code.

(7) "Conservancy district" means a conservancy district 999 created under the authority of Chapter 6101. of the Revised Code. 1000

(8) "Law enforcement officer" means an officer commissioned 1001 to make arrests, execute warrants, and preserve the peace upon 1002 lands under the control of the governmental entity granting the 1003 commission. 1004

(9) "Department of natural resources law enforcement officer" 1005 includes a forest officer designated pursuant to section 1503.29 1006 of the Revised Code, a preserve officer designated pursuant to 1007 section 1517.10 of the Revised Code, a wildlife officer designated 1008 pursuant to section 1531.13 of the Revised Code, a park officer 1009 designated pursuant to section 1541.10 of the Revised Code, and a 1010 state watercraft officer designated pursuant to section 1547.521 1011 of the Revised Code. 1012

(10) "Retirement eligibility date" means the last day of the 1013 month in which a deceased member would have first become eligible, 1014 had the member lived, for the retirement pension provided under 1015 section 145.33, Chapter 521. or 741., division (C)(1) of section 1016 742.37, or division (A)(1) of section 5505.17 of the Revised Code 1017 or provided by a retirement system operated by a municipal 1018 1019 corporation.

(11) "Death benefit amount" means an amount equal to the full 1020 monthly salary received by a deceased member prior to death, minus 1021 an amount equal to the benefit received under section 145.45, 1022 742.37, 742.3714, or 5505.17 of the Revised Code or the benefit 1023 received from a retirement system operated by a municipal 1024 corporation, plus any increases in salary that would have been 1025 granted the deceased member. 1026

(12) "Killed in the line of duty" means either of the 1027 following: 1028

(a) Death in the line of duty;

(b) Death from injury sustained in the line of duty, 1030 including heart attack or other fatal injury or illness caused 1031 while in the line of duty. 1032

(B) A spouse of a deceased member shall receive a death 1033 benefit each month equal to the full death benefit amount, 1034 provided that the deceased member was a firefighter or police 1035 officer killed in the line of duty and there are no surviving 1036 children eligible for a benefit under this section. The spouse 1037 shall receive this benefit during the spouse's natural life until 1038 the deceased member's retirement eligibility date, on which date 1039 the benefit provided under this division shall terminate. 1040

(C)(1) If a member killed in the line of duty as a 1041 firefighter or police officer is survived only by a child or 1042 children, the child or children shall receive a benefit each month 1043 equal to the full death benefit amount. If there is more than one 1044 surviving child, the benefit shall be divided equally among these 1045 children. 1046

1047 (2) If the death benefit paid under this division is divided among two or more surviving children and any of the children 1048 become ineligible to continue receiving a portion of the benefit 1049 as provided in division (H) of this section, the full death 1050 benefit amount shall be paid to the remaining eligible child or 1051 divided among the eligible children so that the benefit paid to 1052 the remaining eligible child or children equals the full death 1053 benefit amount. 1054

(3) Notwithstanding divisions (C)(1) and (2) of this section, 1055 all death benefits paid under this division shall terminate on the 1056 deceased member's retirement eligibility date. 1057

(D) If a member killed in the line of duty as a firefighter 1058 or police officer is survived by both a spouse and a child or 1059

children, the monthly benefit provided shall be as follows: 1060

(1)(a) If there is a surviving spouse and one surviving 1061 child, the spouse shall receive an amount each month equal to 1062 one-half of the full death benefit amount and the child shall 1063 receive an amount equal to one-half of the full death benefit 1064 amount. 1065

(b) If the surviving spouse dies or the child becomes 1066
ineligible as provided in division (H) of this section, the 1067
surviving spouse or child remaining eligible shall receive the 1068
full death benefit amount. 1069

(2)(a) If there is a surviving spouse and more than one 1070 child, the spouse shall receive an amount each month equal to 1071 one-third of the full death benefit amount and the children shall 1072 receive an amount, equally divided among them, equal to two-thirds 1073 of the full death benefit amount. 1074

(b) If a spouse and more than one child each are receiving a 1075
death benefit under division (D)(2)(a) of this section and the 1076
spouse dies, the children shall receive an amount each month, 1077
equally divided among them, equal to the full death benefit 1078
amount. 1079

(c) If a spouse and more than one child each are receiving a 1080 benefit under division (D)(2)(a) of this section and any of the 1081 children becomes ineligible to receive a benefit as provided in 1082 division (H) of this section, the spouse and remaining eligible 1083 child or children shall receive a death benefit as follows: 1084

(i) If there are two or more remaining eligible children, the 1085
spouse shall receive an amount each month equal to one-third of 1086
the full death benefit amount and the children shall receive an 1087
amount each month, equally divided among them, equal to two-thirds 1088
of the full death benefit amount; 1089

(ii) If there is one remaining eligible child, the spouse 1090

Page 36

1091 shall receive an amount each month equal to one-half of the full 1092 death benefit amount, and the child shall receive an amount each 1093 month equal to one-half of the full death benefit amount.

(d) If a spouse and more than one child each are receiving a 1094 benefit under division (D)(2)(a) of this section and all of the 1095 children become ineligible to receive a benefit as provided in 1096 division (H) of this section, the spouse shall receive the full 1097 death benefit amount. 1098

(3) Notwithstanding divisions (D)(1) and (2) of this section, 1099 death benefits paid under this division to a surviving spouse 1100 shall terminate on the member's retirement eligibility date. Death 1101 benefits paid to a surviving child or children shall terminate on 1102 the deceased member's retirement eligibility date unless earlier 1103 terminated pursuant to division (H) of this section. 1104

1106 (E) If a member, on or after January 1, 1980, is killed in the line of duty as a firefighter or police officer and is 1107 survived by only a parent or parents dependent upon the member for 1108 support, the parent or parents shall receive an amount each month 1109 equal to the full death benefit amount. If there is more than one 1110 surviving parent dependent upon the deceased member for support, 1111 the death benefit amount shall be divided equally among the 1112 surviving parents. On the death of one of the surviving parents, 1113 the full death benefit amount shall be paid to the other parent. 1114

(F)(1) The following shall receive a monthly death benefit 1115 under this division:

(a) A surviving spouse whose benefits are terminated in 1117 accordance with division (B) or (D)(3) of this section on the 1118 deceased member's retirement eligibility date, or who would 1119 qualify for a benefit under division (B) or (D) of this section 1120 except that the deceased member reached the member's retirement 1121

1105

or to the member's death;
---------------------------

(b) A qualified surviving spouse of a deceased member of or 1123
contributor to a police or firemen's relief and pension fund 1124
established under former Chapter 521. or 741. of the Revised Code 1125
who was a firefighter or police officer killed in the line of 1126
duty. 1127

(2) The monthly death benefit shall be one-half of an amount 1128 equal to the monthly salary received by the deceased member prior 1129 to the member's death, plus any salary increases the deceased 1130 member would have received prior to the member's retirement 1131 eligibility date. The benefit shall terminate on the surviving 1132 spouse's death. A death benefit payable under this division shall 1133 be reduced by an amount equal to any allowance or benefit payable 1134 to the surviving spouse under section 742.3714 of the Revised 1135 Code. 1136

(3) A benefit granted to a surviving spouse under division
(F)(1)(b) of this section shall commence on the first day of the
month immediately following receipt by the board of a completed
application on a form provided by the board and any evidence the
1140
board may require to establish that the deceased spouse was killed
1141
in the line of duty.

(G)(1) If there is not a surviving spouse eligible to receive 1143 a death benefit under division (F) of this section or the 1144 surviving spouse receiving a death benefit under that division 1145 dies, a surviving child or children whose benefits under division 1146 (C) or (D) of this section are or have been terminated pursuant to 1147 division (C)(3) or (D)(3) of this section or who would qualify for 1148 a benefit under division (C) or (D) of this section except that 1149 the deceased member reached the member's retirement eligibility 1150 date prior to the member's death shall receive a monthly death 1151 benefit under this division. The monthly death benefit shall be 1152 one-half of an amount equal to the monthly salary received by the 1153

Page 38

deceased member prior to the member's death, plus any salary 1154 increases the member would have received prior to the member's 1155 retirement eligibility date. If there is more than one surviving 1156 child, the benefit shall be divided equally among the surviving 1157 children. 1158

(2) If two or more surviving children each are receiving a 1159 benefit under this division and any of those children becomes 1160 ineligible to continue receiving a benefit as provided in division 1161 (H) of this section, the remaining eligible child or children 1162 shall receive an amount equal to one-half of the monthly salary 1163 received by the deceased member prior to death, plus any salary 1164 increases the deceased member would have received prior to the 1165 1166 retirement eligibility date. If there is more than one remaining eligible child, the benefit shall be divided equally among the 1167 eligible children. 1168

(3) A death benefit, or portion of a death benefit, payable 1169 to a surviving child under this division shall be reduced by an 1170 amount equal to any allowance or benefit payable to that child 1171 under section 742.3714 of the Revised Code, but the reduction in 1172 that child's benefit shall not affect the amount payable to any 1173 other surviving child entitled to a portion of the death benefit. 1174

(H) A death benefit paid to a surviving child under division 1175
(C), (D), or (G) of this section shall terminate on the death of 1176
the child or, unless one of the following is the case, when the 1177
child reaches age eighteen: 1178

(1) The child, because of physical or mental disability, is 1179
unable to provide the child's own support, in which case the death 1180
benefit shall terminate when the disability is removed; 1181

(2) The child is unmarried, under age twenty-two, and a 1182
student in and attending an institution of learning or training 1183
pursuant to a program designed to complete in each school year the 1184

1185 equivalent of at least two-thirds of the full-time curriculum 1186 requirements of the institution, as determined by the trustees of 1187 the fund.

(I) Acceptance of any death benefit under this section does 1188 not prohibit a spouse or child from receiving other benefits 1189 provided under the Ohio police and fire pension fund, the state 1190 highway patrol retirement system, the public employees retirement 1191 system, or a retirement system operated by a municipal 1192 corporation. 1193

(J) No person shall receive a benefit under this section if 1194 any of the following occur: 1195

(1) The person fails to exercise the right to a monthly 1196 survivor benefit under division (A) or (B) of section 145.45, 1197 division (D), (E), or (F) of section 742.37, or division (A)(3), 1198 (4), or (7) of section 5505.17 of the Revised Code; to a monthly 1199 survivor benefit from a retirement system operated by a municipal 1200 corporation; or to a retirement allowance under section 742.3714 1201 of the Revised Code.

(2) The member's accumulated contributions under this chapter 1203 or Chapter 145. or 5505. of the Revised Code are refunded unless 1204 the member had been a member of the public employees retirement 1205 system and had fewer than eighteen months of total service credit 1206 at the time of death. 1207

(3) In the case of a full-time park district ranger or patrol 1208 trooper, a full-time law enforcement officer of the department of 1209 natural resources, a full-time law enforcement officer of parks, 1210 waterway lands, or reservoir lands under the control of a 1211 municipal corporation, a full-time law enforcement officer of a 1212 conservancy district, a correction officer at an institution under 1213 the control of a county, group of counties, or municipal 1214 corporation, or a member of a retirement system operated by a 1215

(4) In the case of a full-time department of public safety
enforcement agent who prior to June 30, 1999, was a liquor control
investigator of the department of public safety, the member died
prior to December 23, 1986;

(5) In the case of a full-time department of public safety
enforcement agent other than an enforcement agent who, prior to
June 30, 1999, was a liquor control investigator, the member died
prior to June 30, 1999.

(K) A surviving spouse whose benefit was terminated prior to 1231 June 30, 1999, due to remarriage shall receive a benefit under 1232 division (B), (D), or (F) of this section beginning on the first 1233 day of the month following receipt by the board of an application 1234 on a form provided by the board. The benefit amount shall be 1235 determined as of that date. 1236

(1) If the benefit will begin prior to the deceased member's 1237 retirement eligibility date, it shall be paid under division (B) 1238 or (D) of this section and shall terminate as provided in those 1239 divisions. A benefit paid to a surviving spouse under division (D) 1240 of this section shall be determined in accordance with that 1241 division, even if benefits paid to surviving children are reduced 1242 as a result. 1243

(2) If the benefit will begin on or after the deceased
member's retirement eligibility date, it shall be paid under
division (F) of this section and shall terminate as provided in
1246

that division. A benefit paid to a surviving spouse under division1247(F) of this section shall be determined in accordance with that1248division, even if benefits paid to surviving children are1249terminated as a result.1250

Section 2. That existing sections 742.03, 742.14, 742.351,1251742.37, 742.3716, 742.43, 742.44, 742.46, and 742.63 of the1252Revised Code are hereby repealed.1253

#### Page 42