

As Reported by the House Retirement and Aging Committee

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A B I L L

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, 11
742.3716, 742.46, and 742.63 be amended; sections 742.43 (742.113) 12
and 742.44 (742.101) be amended, for the purpose of adopting new 13
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 18
742.04 and 742.05 of the Revised Code: 19

(1) "Police officer" means a member of the fund who is or has 20
been an employee of a police department and is not a police 21
retirant. 22

(2) "Firefighter" means a member of the fund who is or has 23
been an employee of a fire department and is not a firefighter 24
retirant. 25

(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. "Police retirant" does 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 Ohio 42
police and fire pension fund, created under section 742.02 of the 43
Revised Code, is vested in a board of trustees of the Ohio police 44
and fire pension fund, which shall consist of nine members as 45
follows: 46

(1) The attorney general; 47

(2) The auditor of state; 48

(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. 62

Two employee members shall be police officers elected by 63
police officers. Two employee members shall be firefighters 64
elected by firefighters. Employee members of the board shall be 65
elected for terms of four years as provided by section 742.04 of 66
the Revised Code. 67

(5) One member known as the firefighter retirant member, who 68
shall be a resident of this state elected by the firefighter 69
retirants. The firefighter retirant member shall be elected for a 70
term of four years as provided by section 742.04 of the Revised 71
Code. 72

(6) One member known as the police retirant member, who shall 73
be a resident of this state elected by the police retirants. The 74
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 and fire pension fund shall estimate annually the amount required to pay its expenses for the ensuing year, and shall fix the amount which shall be transferred from the guarantee fund to the expense fund.

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

Sec. 742.14. (A) The board of trustees of the Ohio police and fire pension fund shall have prepared annually by or under the supervision of an actuary an actuarial valuation of the pension assets, liabilities, and funding requirements of the Ohio police and fire pension fund as established pursuant to sections 742.01 to 742.61 of the Revised Code. The actuary shall complete the valuation in accordance with actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries and prepare a report of the valuation. The report shall include all of the following:

- (1) A summary of the benefit provisions evaluated;

(2) A summary of the census data and financial information used in the valuation;	110 111
(3) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation, including a statement of the assumed rate of payroll growth and assumed rate of growth or decline in the number of members of the fund contributing to the pension fund;	112 113 114 115 116
(4) A summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities;	117 118 119
(5) A schedule showing the effect of any changes in the benefit provisions, actuarial assumptions, or cost methods since the last annual actuarial valuation;	120 121 122
(6) A statement of whether contributions to the pension fund are expected to be sufficient to satisfy the funding objectives established by the board.	123 124 125
The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of November following the year for which the valuation was made.	126 127 128 129 130
(B) The board shall annually thereafter have prepared by an actuary a report showing the adequacy of the rate of the police officer employers' contribution provided for by section 742.33 of the Revised Code, and the adequacy of the rate of the firefighter employers' contribution provided for by section 742.34 of the Revised Code.	131 132 133 134 135 136
(C) At such times as the board determines, and at least once in each quinquennial <u>period</u> , the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the mortality, service, and other experience of the members of the	137 138 139 140

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 151
experience observed over the period of the investigation; 152

(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
of an actuary an actuarial analysis of any introduced legislation 167
expected to have a measurable financial impact on the pension 168
fund. The actuarial analysis shall be completed in accordance with 169
the actuarial standards of practice promulgated by the actuarial 170
standards board of the American academy of actuaries. The actuary 171

shall prepare a report of the actuarial analysis, which shall 172
include all of the following: 173

(1) A summary of the statutory changes that are being 174
evaluated; 175

(2) A description of or reference to the actuarial 176
assumptions and actuarial cost method used in the report; 177

(3) A description of the participant group or groups included 178
in 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. 190

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
full accounting of the revenues and costs relating to the 198
provision of benefits under section 742.45 of the Revised Code. 199
The report shall be made as of December 31, 1997, and the 200
thirty-first day of December of each year thereafter. The report 201
shall include the following: 202

(1) A description of the statutory authority for the benefits provided;	203 204
(2) A summary of the benefits;	205
(3) A summary of the eligibility requirements for the benefits;	206 207
(4) A statement of the number of participants eligible for the benefits;	208 209
(5) A description of the accounting, asset valuation, and funding method used to provide the benefits;	210 211
(6) A statement of the net assets available for the provision of the benefits as of the last day of the fiscal year;	212 213
(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;	214 215 216 217 218
(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;	219 220 221 222
(9) A description of any significant changes that affect the comparability of the report required under this division;	223 224
(10) A statement of the amount paid under division (C) of section 742.45 of the Revised Code.	225 226
The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the thirtieth day of June following the year for which the report was made.	227 228 229 230 231

(F) At least once in each quinquennial period, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the deferred retirement option plan established under section 742.43 of the Revised Code. The investigation shall include an examination of the financial impact, if any, on the fund of offering the plan to members. 232
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The actuary shall prepare a report of the actuarial investigation. The report shall include a determination of whether the plan, as established or modified, has a negative financial impact on the fund and, if so, recommendations on how to modify the plan to eliminate the negative financial impact. If the actuarial report indicates that the plan has a negative financial impact on the fund, the board may modify the plan or cease to allow members who have not already done so to elect to participate in the plan. The firefighter and police officers employers' contributions shall not be increased to offset any negative financial impact of the plan. 238
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If the board ceases to allow members to elect to participate in the plan, the rights and obligations of members who have already elected to participate shall not be altered. 249
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The board may include the actuarial investigation required under this division as part of the actuarial investigation required under division (C) of this section. If the report of the actuarial investigation required by this division is not included in the report required by division (C) of this section, the board shall submit the report required by this division to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of November following the last fiscal year of the period the report covers. 252
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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 280
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
of this section due to the employer's failure to return the 290
completed form required under this section. Payment under this 291
division shall commence on the first day of the second month 292
following a month that includes a day for which an assessment 293
against the employer is required under division (C) of this 294

section. The payment shall be an amount equal to the penalty 295
assessed under division (C) of this section less any 296
administrative costs incurred by the fund in complying with this 297
section. Payment shall continue on a monthly basis until the 298
member receives the total amount attributable to the required 299
penalty for an employer's failure to return the form that was 300
requested for that member's information. 301

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
conditions as such payments were being made from the former fund 322
on the date of the transfer. 323

(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
twenty-fifth years the member was in the active service of the 354
department, plus one and one-half per cent for each year in excess 355
of twenty-five years the member was in the active service of the 356
department. The annual pension shall not exceed seventy-two per 357

cent 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
was in the active service of the department, plus two per cent for 386
each of the twenty-first to twenty-fifth years the member was in 387
the active service of the department, plus one and one-half per 388
cent for each year in excess of twenty-five years the member was 389

in the active service of the department. The annual pension shall 390
not exceed seventy-two per cent of the member's average annual 391
salary. 392

(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
(D) of section 742.63 of the Revised Code. If the surviving spouse 417
ceases to be eligible for a benefit under division (B) or (D) of 418
section 742.63 of the Revised Code, the pension shall be 419
increased, effective the first day of the first month following 420

the day on which the surviving spouse ceases to be eligible for 421
the benefit, to the amount it would be under division (D)(1) of 422
this section had the spouse never been eligible for a benefit 423
under division (B) or (D) of section 742.63 of the Revised Code. 424

(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
to a child under age twenty-two who is a student in and attending 449
an institution of learning or training pursuant to a program 450
designed to complete in each school year the equivalent of at 451
least two-thirds of the full-time curriculum requirements of the 452

institution, as determined by the board. If any surviving child,
regardless of age at the time of the member's death, because of
physical or mental disability, is totally dependent upon the
deceased member for support at the time of death, the child shall
receive a monthly pension under this division during the child's
natural life or until the child has recovered from the disability.

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

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(a) For the period beginning July 1, 2002, and ending June
30, 2003, one hundred sixty-three dollars and fifty cents;

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

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(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
parents, or until dependency ceases, or until remarriage,
whichever event occurs first.

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(2) Each eligible surviving parent shall be paid a monthly
pension as follows:

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

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(b) For the period beginning July 1, 2002, and ending June
30, 2003, one hundred nine dollars for each parent or two hundred
eighteen dollars for a sole dependent parent;

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(c) For the period beginning July 1, 2003, and the first day

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of each July thereafter and continuing for the following twelve
months, an amount equal to the monthly amount paid during the
prior twelve-month period plus three dollars for each parent or
six dollars for a sole dependent parent.

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

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

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

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

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

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(4) The monthly pension payable to each eligible dependent
parent under division (F) of this section shall be increased by
thirty dollars for each parent receiving a pension on December 31,
1969.

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(5) A member of the fund, including a survivor of a member, who is receiving a pension in accordance with the rules governing the granting of pensions and benefits in force on April 1, 1947, that provide an increase in the original pension from time to time pursuant to changes in the salaries of active members, shall not 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 division (A), (B), (C)(1), or former division (C)(2) or (7) of this section shall have the pension or benefit increased as follows:

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

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

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

(a) 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;

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

(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 545
receiving an annual pension or benefit on December 31, 1973, 546
pursuant to division (B) of this section, based upon partial 547
disability, off-duty disability, or early vested service, or 548
pursuant to former division (C)(3), (5), or (6) of this section, 549
shall have such annual pension or benefit increased by three 550
hundred dollars. 551

The following are not eligible to receive the increase 552
provided by this division: 553

(1) A member of the fund who is receiving a pension or 554
benefit in accordance with the rules in force on April 1, 1947, 555
governing the granting of pensions and benefits, which provide an 556
increase in the original pension or benefit from time to time 557
pursuant to changes in the salaries of active members; 558

(2) A member of the fund who is receiving a pension or 559
benefit under division (B) or (C)(2) of this section or former 560
division (C)(3), (5), or (6) of this section based on volunteer or 561
part-time service. 562

(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
in an amount less than thirteen thousand dollars a year that is 566
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
following: 573

(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
increase in the original pension or benefit from time to time
pursuant to changes in the salaries of active members;

(b) A member of the fund who is receiving a pension or
benefit based on funded volunteer or funded part-time service.

(L) On and after July 24, 1986:

(1) The pension of each person receiving a pension under
division (D) of this section on July 24, 1986, shall be increased
to three hundred ten dollars per month.

(2) The pension of each person receiving a pension under
division (E) of this section on July 24, 1986, shall be increased
to ninety-three dollars per month.

Sec. 742.3716. (A) As used in this section:

(1) "Eligible person" means a person who meets all of the
following conditions:

(a) Has been receiving a pension or benefit under this
chapter for one year or more based on an award made on or after
July 24, 1986;

(b) Has not made the election provided for in division (B) of
this section;

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

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

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

(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
under section 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
shall be made on forms provided by the trustees of the fund. Once
received by the fund, the election shall be irrevocable and shall
bind the member and any other person who receives a pension or
benefit based on the member's service. No person who receives a
pension or benefit calculated in accordance with division (B) of
this section is eligible to receive a cost-of-living allowance
under this section. If the person making the election receives a
benefit under section 742.3714 of the Revised Code, that person is

not eligible to receive a cost-of-living allowance under section
742.3711 of the Revised Code.

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

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

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

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(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
months.

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Sec. 742.43. The board of trustees of the Ohio police and
fire pension fund shall establish and administer a deferred
retirement option plan. In establishing and administering the
plan, the board shall comply with sections 742.44 to 742.446 of
the Revised Code and may do all things necessary to meet the
requirements of section 401(a) of the "Internal Revenue Code of
1986," as amended, applicable to governmental plans.

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The board shall adopt rules to implement this section and sections 742.44 to 742.446 of the Revised Code. The rules shall specify the date of initial implementation of the plan established under this section. The rules may also specify a period during which an election made under section 742.44 of the Revised Code may be rescinded. 668
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Sec. 742.44. Except as provided in section 742.14 of the Revised Code, at any time prior to filing an application for retirement under division (C)(1) of section 742.37 of the Revised Code, a member who is eligible to retire under that division may elect to participate in the deferred retirement option plan established under section 742.43 of the Revised Code. 674
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To make an election, an eligible member shall complete and submit to the Ohio police and fire pension fund a form prescribed by the fund. At this time the member may, but is not required to, elect under section 742.3711 of the Revised Code to have the member's monthly pension calculated as a retirement allowance payable throughout the member's life or a retirement allowance that continues to a surviving beneficiary. Unless rescinded during a period specified in rules adopted under section 742.43 of the Revised Code, the election is irrevocable from the date it is received by the fund until the employee ceases to participate in the plan as provided in section 742.444 of the Revised Code. 680
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A member is not required to specify the number of years or portion of a year the member will participate in the plan but must agree to terminate active service in a police or fire department and begin receiving the member's pension not later than the date that is eight years after the effective date of the election to participate in the plan or be subject to the forfeiture provisions of division (C) of section 742.444 of the Revised Code. 691
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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
while the member is participating in the deferred retirement 713
option plan. 714

Sec. 742.442. For each member who elects to participate in 715
the deferred retirement option plan, the Ohio police and fire 716
pension fund shall determine under division (C)(1) of section 717
742.37 of the Revised Code the monthly pension amount that would 718
be payable to the member had the member elected to receive a 719
pension under that division. In determining the pension amount, 720
the fund shall use the member's total service credit and average 721
annual salary as of the last day of the employer's payroll period 722
immediately prior to the effective date of the member's election 723
to participate in the plan. The pension amount shall be calculated 724
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

A member who participates in the plan is not eligible to make an election under division (B) of section 742.3716 of the Revised Code. 729
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Sec. 742.443. (A) During the period beginning on the effective date of an election to participate in the deferred retirement option plan and ending on the date participation ceases, a member's monthly pension amount determined under section 742.442 of the Revised Code shall accrue to the member's benefit. To this amount shall be added any benefit increases the member would be eligible for under division (C) of section 742.3716 of the Revised Code had the member, on the effective date of the member's election, retired under division (C)(1) of section 742.37 of the Revised Code. 732
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(B)(1) The amounts contributed under section 742.31 of the Revised Code by a member participating in the deferred retirement option plan shall accrue to the member's benefit as follows: 742
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(a) During the period beginning on the first day of the first payroll period after the election's effective date and ending on the earlier of the date that is two years thereafter or the date the member ceases participation in the plan, fifty per cent of the member's contributions for that period; 745
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(b) During the period beginning on the date that is two years and one day after accruals begin under this division and ending on the earlier of the date that is three years thereafter or the date the member ceases participation in the plan, seventy-five per cent of the member's contributions for that period; 750
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(c) During the period beginning on the date that is three years and one day after accruals begin under this section and ending on the date the member ceases participation in the plan, one hundred per cent of the member's contributions for that 755
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(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
fund, as appropriate. 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
fire department; 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
plan; 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. 785

(B) If a member terminates active service in a police or fire 786
department not later than eight years after the effective date of 787
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 fund of the date of termination on a form prescribed by the fund. The member is not eligible to make another election under section 742.44 of the Revised Code. 790
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(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 the effective date of the election to participate in the plan, the entire amount that has accrued to the member's benefit under the deferred retirement option plan shall be distributed to the member pursuant to the member's selection under division (B)(3) of this section. If the termination of active service occurs before the date that is four years after the effective date of the election to participate, the member shall forfeit the total amount of the interest credited under division (C) of section 742.443 of the Revised Code. 794
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(3) The member shall select one of the following as the method of distribution of the amount to be distributed to the member: 805
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(a) A single payment; 808

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

The fund shall retain amounts accrued to the benefit of a member under the plan until a form specifying the method of distribution selected is filed with the fund by the member or an authorized representative of the member. 810
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The board shall afford a member who selects periodic payments the opportunity at least once during each calendar year to change the member's selection. 814
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(4) Distribution of the amount accrued to a member's benefit under the deferred retirement option plan shall not commence until the date that is the first day of the fourth year after the effective date of the election. 817
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(5) The member shall select a plan of payment under section 742.3711 of the Revised Code for the pension payable to the member under division (C) of section 742.37 of the Revised Code, unless the member selected a plan of payment at the time of electing to participate in the plan. The pension shall commence on the first day of the second month following the date the employee ceases to participate in the plan. 821
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(C) If, at the end of the eight-year period that begins on the effective date of a member's election to participate in the plan, the member has failed to terminate active service in a police or fire department, all of the following apply: 828
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(1) No further amounts shall accrue to the member's benefit, and the member shall forfeit all amounts that have accrued to the member's benefit under section 742.443 of the Revised Code. The amounts forfeited shall be treated as if the member had continued in the active service of a police or fire department and not elected to participate in the plan. 832
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(2) The member shall be granted service credit for the period the member was participating in the plan, and when the member's pension is calculated under section 742.37 of the Revised Code, the calculation shall be made as though the member had never participated in the plan. 838
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(3) Further contributions, and service credit for those contributions, shall be credited as provided in sections 742.31 through 742.34 of the Revised Code. 843
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Sec. 742.445. If a member ceases participation in the deferred retirement option plan due to acceptance by the member of a disability benefit awarded by the board of trustees of the Ohio police and fire pension fund, both of the following apply: 846
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(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

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
be paid in a single payment. 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

(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 support, the parent or parents shall receive a pension or benefit determined under division (F) of section 742.37 of the Revised Code and, if the member was killed in the line of duty, division (E) of section 742.63 of the Revised Code.

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(5) The member's surviving spouse or contingent dependent beneficiary shall receive the greater of a retirement allowance under section 742.3714 of the Revised Code or the retirement allowance resulting from an election made by the member under section 742.3711 of the Revised Code.

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(C) A pension, benefit, or allowance described in division (B) of this section is effective on the first day of the month after the member's date of death. Payments shall not commence until the board receives any documentation it requires pursuant to rules adopted by the board.

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Sec. 742.447. On receipt of written notice under division (B) of section 742.444 of the Revised Code of a member's termination of active service, the Ohio police and fire pension fund shall request from the employer verification of the member's termination date and any other information the fund determines necessary to calculate and pay a pension under that division. The verification of termination shall be filed in accordance with section 742.351 of the Revised Code.

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Sec. 742.46. The granting of a benefit or pension to any person under sections 742.01 to 742.61 of the Revised Code, other than a person participating in the deferred retirement option plan established under section 742.43 of the Revised Code, vests a 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

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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

(iii) A full-time regular firefighter employed by the state, 936
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 natural resources;	940 941
(vi) A full-time department of public safety enforcement agent;	942 943
(vii) A full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation;	944 945 946
(viii) A full-time law enforcement officer of a conservancy district;	947 948
(ix) A correction officer at an institution under the control of a county, a group of counties, a municipal corporation, or the department of rehabilitation and correction;	949 950 951
(x) A state university law enforcement officer.	952
(d) A member of a retirement system operated by a municipal corporation who at the time of death was a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of the municipal corporation.	953 954 955 956
(2) Notwithstanding section 742.01 of the Revised Code, "fire or police department" includes a fire department of the state or an instrumentality of the state or of a municipal corporation, township, joint fire district, or other political subdivision, the state highway patrol, a county sheriff's office, the security force of an institution under the control of the department of rehabilitation and correction, the security force of a jail or workhouse under the control of a county, group of counties, or municipal corporation, the security force of a metropolitan, county, or township park district, the security force of lands under the control of the department of natural resources, department of public safety enforcement agents, the security force of parks, waterway lands, or reservoir lands under the control of a municipal corporation, the security force of a conservancy	957 958 959 960 961 962 963 964 965 966 967 968 969 970

district, the police department of a township or municipal corporation, and the police force of a state university. 971
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(3) "Firefighter or police officer" includes a state highway patrol trooper, a county sheriff or deputy sheriff, a correction officer at an institution under the control of a county, a group of counties, a municipal corporation, or the department of rehabilitation and correction, a police officer employed by a township or municipal corporation, a firefighter employed by the state, an instrumentality of the state, a municipal corporation, a township, a joint fire district, or another political subdivision, a full-time park district ranger or patrol trooper, a full-time law enforcement officer of the department of natural resources, a full-time department of public safety enforcement agent, a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation, a full-time law enforcement officer of a conservancy district, and a state university law enforcement officer. 973
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(4) "Correction officer" includes, in addition to any correction officer, any correction corporal, sergeant, lieutenant, or captain, and the equivalents of all such persons. 988
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(5) "A park district ranger or patrol trooper" means a peace officer commissioned to make arrests, execute warrants, and preserve the peace upon lands under the control of a board of park commissioners of a metropolitan, county, or township park district. 991
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(6) "Metropolitan, county, or township park district" means a park district created under the authority of Chapter 511. or 1545. of the Revised Code. 996
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(7) "Conservancy district" means a conservancy district created under the authority of Chapter 6101. of the Revised Code. 999
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(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
corporation. 1019

(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; 1029

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

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

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

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

(D) If a member killed in the line of duty as a firefighter or police officer is survived by both a spouse and a child or children, the monthly benefit provided shall be as follows:

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

receive an amount equal to one-half of the full death benefit amount. 1064
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(b) If the surviving spouse dies or the child becomes ineligible as provided in division (H) of this section, the surviving spouse or child remaining eligible shall receive the full death benefit amount. 1066
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(2)(a) If there is a surviving spouse and more than one child, the spouse shall receive an amount each month equal to one-third of the full death benefit amount and the children shall receive an amount, equally divided among them, equal to two-thirds of the full death benefit amount. 1070
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(b) If a spouse and more than one child each are receiving a death benefit under division (D)(2)(a) of this section and the spouse dies, the children shall receive an amount each month, equally divided among them, equal to the full death benefit amount. 1075
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(c) If a spouse and more than one child each are receiving a benefit under division (D)(2)(a) of this section and any of the children becomes ineligible to receive a benefit as provided in division (H) of this section, the spouse and remaining eligible child or children shall receive a death benefit as follows: 1080
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(i) If there are two or more remaining eligible children, the spouse shall receive an amount each month equal to one-third of the full death benefit amount and the children shall receive an amount each month, equally divided among them, equal to two-thirds of the full death benefit amount; 1085
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(ii) If there is one remaining eligible child, the spouse shall receive an amount each month equal to one-half of the full death benefit amount, and the child shall receive an amount each month equal to one-half of the full death benefit amount. 1090
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(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
children become ineligible to receive a benefit as provided in
division (H) of this section, the spouse shall receive the full
death benefit amount.

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

(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
survived by only a parent or parents dependent upon the member for
support, the parent or parents shall receive an amount each month
equal to the full death benefit amount. If there is more than one
surviving parent dependent upon the deceased member for support,
the death benefit amount shall be divided equally among the
surviving parents. On the death of one of the surviving parents,
the full death benefit amount shall be paid to the other parent.

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

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

(b) A qualified surviving spouse of a deceased member of or
contributor to a police or firemen's relief and pension fund
established under former Chapter 521. or 741. of the Revised Code

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 1137
(F)(1)(b) of this section shall commence on the first day of the 1138
month immediately following receipt by the board of a completed 1139
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. 1142

(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
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
retirement eligibility date. If there is more than one remaining 1166
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
equivalent of at least two-thirds of the full-time curriculum 1185
requirements of the institution, as determined by the trustees of 1186
the fund. 1187

(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. 1202

(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
municipal corporation who at the time of the member's death was a 1216
full-time law enforcement officer of parks, waterway lands, or 1217
reservoir lands under the control of the municipal corporation, 1218
the member died prior to April 9, 1981, in the case of a benefit 1219
under division (B), (C), or (D) of this section, or prior to 1220

January 1, 1980, in the case of a benefit under division (E) of 1221
this section. 1222

(4) In the case of a full-time department of public safety 1223
enforcement agent who prior to June 30, 1999, was a liquor control 1224
investigator of the department of public safety, the member died 1225
prior to December 23, 1986; 1226

(5) In the case of a full-time department of public safety 1227
enforcement agent other than an enforcement agent who, prior to 1228
June 30, 1999, was a liquor control investigator, the member died 1229
prior to June 30, 1999. 1230

(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 1244
member's retirement eligibility date, it shall be paid under 1245
division (F) of this section and shall terminate as provided in 1246
that division. A benefit paid to a surviving spouse under division 1247
(F) of this section shall be determined in accordance with that 1248
division, even if benefits paid to surviving children are 1249
terminated as a result. 1250

As Reported by the House Retirement and Aging Committee

Section 2. That existing sections 742.03, 742.14, 742.351, 1251
742.37, 742.3716, 742.43, 742.44, 742.46, and 742.63 of the 1252
Revised Code are hereby repealed. 1253