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Am. Sub. H. B. No. 272

**Representatives Schneider, Evans, D., Reidelbach, Aslanides, Barrett,
Blessing, Bubp, Calvert, Chandler, Coley, Collier, Combs, Daniels, DeBose,
Domenick, Evans, C., Flowers, Hartnett, Key, Martin, Otterman, Patton, T.,
Raussen, Seitz, Setzer, Smith, G., Smith, S., Williams, Yuko
Senators Armbruster, Clancy, Gardner, Mumper, Niehaus, Padgett, Schuring,
Zurz, Harris, Spada**

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A B I L L

To amend sections 145.057, 145.06, 145.201, 145.23, 1
145.294, 145.351, 145.43, 145.45, 145.471, 2
145.472, 145.483, 145.51, 145.82, 145.92, 742.046, 3
742.05, 742.381, 742.56, 3307.06, 3307.061, 4
3307.513, 3307.70, 3309.06, 3309.061, 3309.27, 5
3309.391, 5505.043, 5505.048, 5505.181, and 6
5505.203 and to enact sections 145.52, 145.53, 7
145.583, 145.62, 145.63, 145.64, 145.65, 742.451, 8
3307.393, 3309.692, and 5505.281 of the Revised 9
Code regarding the state retirement systems. 10

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

Section 1. That sections 145.057, 145.06, 145.201, 145.23, 11
145.294, 145.351, 145.43, 145.45, 145.471, 145.472, 145.483, 12
145.51, 145.82, 145.92, 742.046, 742.05, 742.381, 742.56, 3307.06, 13
3307.061, 3307.513, 3307.70, 3309.06, 3309.061, 3309.27, 3309.391, 14
5505.043, 5505.048, 5505.181, and 5505.203 be amended and sections 15
145.52, 145.53, 145.583, 145.62, 145.63, 145.64, 145.65, 742.451, 16

3307.393, 3309.692, and 5505.281 of the Revised Code be enacted to 17
read as follows: 18

Sec. 145.057. (A) The office of an employee member or 19
retirant member of the public employees retirement board who is 20
convicted of or pleads guilty to a felony, a theft offense as 21
defined in section 2913.01 of the Revised Code, or a violation of 22
section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 23
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code 24
shall be deemed vacant. A person who has pleaded guilty to or been 25
convicted of an offense of that nature is ineligible for election 26
to the office of employee member or retirant member of the public 27
employees retirement board. 28

(B) A member of the public employees retirement board who 29
willfully and flagrantly exercises authority or power not 30
authorized by law, refuses or willfully neglects to enforce the 31
law or to perform any official duty imposed by law, or is guilty 32
of gross neglect of duty, gross immorality, drunkenness, 33
misfeasance, malfeasance, or nonfeasance is guilty of misconduct 34
in office. On complaint and hearing in the manner provided for in 35
this section, the board member shall have judgment of forfeiture 36
of the office with all its emoluments entered against the board 37
member, creating in the office a vacancy to be filled as provided 38
by law. 39

(C) Proceedings for removal of a board member on any of the 40
grounds enumerated in division (B) of this section shall be 41
commenced by filing with the court of ~~appeals~~ common pleas of the 42
~~district~~ county in which the board member resides a written 43
complaint specifically setting forth the charge. The complaint 44
shall be accepted if signed by the governor or signed as follows: 45

(1) If the complaint is against an employee member of the 46

board, the complaint must be signed by a number of members of the
employee group represented by the member that equals at least the
following and must include signatures of at least twenty employee
members residing in at least five different counties:

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(a) If the employee member was most recently elected in
accordance with section 145.05 of the Revised Code, ten per cent
of the number of members of the employee group represented by the
employee member who voted in that election;

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(b) If the employee member was most recently elected under
section 145.06 of the Revised Code or took office in accordance
with section 145.051 of the Revised Code, ten per cent of the
number of members of the employee group represented by the
employee member who voted in the most recent election held in
accordance with section 145.05 of the Revised Code for that
employee member position on the board.

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(2) If the complaint is against a retirant member of the
board, the complaint must be signed by a number of former members
of the system authorized to vote for a retirant member in an
election under section 145.05 of the Revised Code that equals at
least the following and must include signatures of at least twenty
former members residing in at least five different counties:

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(a) If the retirant member was most recently elected in
accordance with section 145.05 of the Revised Code, ten per cent
of the number of former members of the system who voted in that
election;

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(b) If the retirant member was most recently elected under
section 145.06 of the Revised Code or took office in accordance
with section 145.051 of the Revised Code, ten per cent of the
number of former members of the system who voted in the most
recent election held in accordance with section 145.05 of the
Revised Code for that retirant member position on the board.

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(D) The clerk of the court of ~~appeals~~ common pleas in which a 78
complaint against a member of the board is filed under division 79
(C) of this section shall do both of the following with respect to 80
the complaint: 81

(1) Submit the signatures obtained pursuant to division (C) 82
of this section to the board for purposes of verifying the 83
validity of the signatures. The board shall verify the validity of 84
the signatures and report its findings to the court. 85

(2) Cause a copy of the complaint to be served on the board 86
member at least ten days before the hearing on the complaint. The 87
court shall hold a public hearing not later than thirty days after 88
the filing of the complaint. The court may subpoena witnesses and 89
compel their attendance in the same manner as in civil cases. 90
Process shall be served by the sheriff of the county in which the 91
witness resides. Witness fees and other fees in connection with 92
the proceedings shall be the same as in civil cases. The court may 93
suspend the board member pending the hearing. 94

If the court finds that one or more of the charges in the 95
complaint are true, it shall make a finding for removal of the 96
board member. The court's finding shall include a full, detailed 97
statement of the reasons for the removal. The finding shall be 98
filed with the clerk of the court and be made a matter of public 99
record. 100

The board member has the right ~~of review or to~~ appeal to the 101
~~supreme court on leave first obtained. The supreme court shall~~ 102
~~hear the case in not more than thirty court days after granting~~ 103
~~leave. In other respects, the hearing shall follow the regular~~ 104
~~procedure in appealable cases that originate in the court of~~ 105
appeals. 106

(E) No individual who has been removed from the board 107
pursuant to this section shall be eligible to fill an elective or 108

appointed position as a member of the board.

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Sec. 145.06. (A) ~~If~~ Except as provided in division (D) of this section, if a vacancy occurs in the term of any employee member of the public employees retirement board, the remaining members of the board shall elect a successor employee member from the employee group lacking representation because of the vacancy. On certification of the election results in accordance with rules adopted under section 145.058 of the Revised Code, the successor employee member shall hold office until the first day of the new term that follows the next board election that occurs not less than ninety days after the successor employee member's election.

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Any employee member of the board who fails to attend the meetings of the board for three months or longer, without valid excuse, shall be considered as having resigned, and the board shall declare the employee member's office vacated as of the date of the adoption of a proper resolution.

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(B) ~~If~~ Except as provided in division (D) of this section, if a vacancy occurs during the term of office of a retirant member of the board, the remaining members of the board shall elect a successor retirant member who shall be a former member of the public employees retirement system who is eligible for election under section 145.04 of the Revised Code as a retirant member of the board. On certification of the election results in accordance with rules adopted under section 145.058 of the Revised Code, the successor retirant member shall hold office until the first day of the new term that follows the next board election that occurs not less than ninety days after the successor retirant member's election.

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If a retirant member of the board fails to attend the meetings of the board for three months or longer, without valid excuse, the retirant member shall be considered as having

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resigned, and the board shall declare the member's office vacated 140
as of the date of the adoption of a proper resolution. 141

If as a result of changed circumstances a retirant member 142
would no longer qualify for membership on the board as the 143
retirant member, the retirant member's office shall be considered 144
vacant, and a successor retirant member shall be chosen in the 145
manner specified in this division. 146

(C) Elections under this section to fill a vacancy on the 147
board shall be conducted in accordance with rules adopted under 148
section 145.058 of the Revised Code. 149

(D) A successor member need not be elected under division (A) 150
or (B) of this section for a vacancy that occurs on or after the 151
first day of October of the year in which the vacated term ends. 152

Sec. 145.201. (A) Subject to the limit described in division 153
(C) of this section, any member who is or has been an elected 154
official of the state or any political subdivision thereof or has 155
been appointed by the governor with the advice and consent of the 156
senate to serve full-time as a member of a board, commission, or 157
other public body may at any time prior to retirement purchase 158
additional service credit in an amount not to exceed thirty-five 159
per cent of the service credit allowed the member for the period 160
of service as an elected or appointed official subsequent to 161
January 1, 1935, other than credit for military service, part-time 162
service, and service subject to the tax on wages imposed by the 163
"Federal Insurance Contributions Act," 68A Stat. 415 (1954), 26 164
U.S.C.A. 3101, as amended. 165

The additional service credit may be purchased by paying into 166
the employees' savings fund an amount computed by multiplying by 167
the employee contribution rate in effect at the time of purchase 168
the member's earnable salary for the period of service upon which 169

the purchased credit is based, by the number of years or portions 170
thereof of additional service credit to be purchased, and by 171
paying into the employers' accumulation fund an amount equal to 172
the full amount paid into the employees' savings fund. If a member 173
purchases less than the full amount of the additional service 174
credit to which the member is entitled, the period of service upon 175
which the purchase is computed shall be the member's earliest 176
period of such service. The member shall receive full credit for 177
such additional elective service in computing an allowance or 178
benefit under section 145.20, 145.33, 145.331, 145.34, 145.36, 179
145.361, or 145.46 of the Revised Code, notwithstanding any other 180
provision of this chapter. The payment to the employees' savings 181
fund and the employers' accumulation fund for such additional 182
elective service credit shall, in the event of death or withdrawal 183
from service, be considered as accumulated contributions of the 184
member. 185

A member of a board, commission, or other public body shall 186
be considered to be serving full-time if full-time service is 187
required by law or if the director of administrative services 188
determines that the duties of the position require full-time 189
service. 190

(B) Notwithstanding division (A) of this section, a member 191
who purchased service credit under this section prior to January 192
1, 1980, on the basis of part-time service shall be permitted to 193
retain the credit and shall be given full credit for it in 194
computing an allowance or benefit under section 145.20, 145.33, 195
145.331, 145.34, 145.36, 145.361, or 145.46 of the Revised Code. 196
The public employees retirement board has no authority to cancel 197
or rescind such credit. 198

(C) A purchase made under this section shall not exceed the 199
limits established by division (n) of section 415 of the "Internal 200
Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415(n), as 201

amended. 202

(D) Subject to rules adopted by the public employees 203
retirement board, a member who has purchased service credit under 204
this section is entitled to be refunded all or a portion of the 205
actual amount the member paid for the service credit if, in 206
computing an age and service retirement allowance under division 207
(A)(5) of section 145.33 of Revised Code, the allowance exceeds 208
the limit established by division (A)(6) of that section. 209

A refund under this division cancels the equivalent amount of 210
service credit. 211

Sec. 145.23. The funds hereby created are the employees' 212
savings fund, the employers' accumulation fund, the annuity and 213
pension reserve fund, the income fund, the survivors' benefit 214
fund, the defined contribution fund, and the expense fund. 215

(A) The employees' savings fund is the fund in which shall be 216
accumulated contributions from the earnable salaries of 217
contributors for the purchase of annuities or retirement 218
allowances. 219

The accumulated contributions of a contributor returned to 220
the contributor upon withdrawal, or paid to the contributor's 221
estate or designated beneficiary in the event of death, shall be 222
paid from the employees' savings fund. Any accumulated 223
contributions forfeited by failure of a member, or a member's 224
estate, to claim the same, shall be transferred from the 225
employees' savings fund to the income fund. The accumulated 226
contributions of a contributor shall be transferred from the 227
employees' savings fund to the annuity and pension reserve fund in 228
the event of the contributor's retirement. 229

(B) The employers' accumulation fund is the fund in which 230
shall be accumulated the reserves for the payment of all pensions 231

and disability benefits payable as provided in this chapter. The 232
amounts paid by any employer under section 145.48 of the Revised 233
Code shall be credited to the employers' accumulation fund. 234
Amounts paid by an employer under section 145.483 of the Revised 235
Code shall be credited to the employers' accumulation fund, except 236
that if the amounts paid by the employer are for members 237
participating in a PERS defined contribution plan those amounts 238
may be credited to the defined contribution fund. 239

Any payments made into the employers' accumulation fund by a 240
member as provided in section 145.31 of the Revised Code shall be 241
refunded to such member under the conditions specified in section 242
145.40 of the Revised Code. 243

Upon the retirement of a contributor, the full amount of the 244
contributor's pension reserve shall be transferred from the 245
employers' accumulation fund to the annuity and pension reserve 246
fund. 247

(C) The annuity and pension reserve fund is the fund from 248
which shall be paid all pensions, disability benefits, annuities, 249
and benefits in lieu thereof, because of which reserves have been 250
transferred from the employees' savings fund and the employers' 251
accumulation fund. 252

~~Any member participating in the PERS defined benefit plan may 253~~
~~deposit in the employees' savings fund, subject to rules 254~~
~~established by the public employees retirement system, additional 255~~
~~amounts, and, at the time of age and service retirement, shall 256~~
~~receive in return therefor, at the participant's option, either an 257~~
~~annuity having a reserve equal to the amount deposited or a cash 258~~
~~refund of such amounts together with such interest as may have 259~~
~~been allowed by the board. Such deposits for additional annuity 260~~
~~together with such interest as may have been allowed by the board 261~~
~~at the end of each calendar year shall be refunded in the event of 262~~

~~death prior to retirement or withdrawal of accumulated 263
contributions as provided in sections 145.40 and 145.43 of the 264
Revised Code or upon application of the contributor prior to age 265
and service retirement. 266~~

~~Any additional deposits that were made under this section by 267
a member who elects under section 145.191 of the Revised Code to 268
participate in a PERS defined contribution plan shall be credited 269
to the defined contribution plan elected by the member under that 270
section. 271~~

~~For deposits received in a calendar year, interest shall be 272
earned beginning on the first day of the calendar year next 273
following and ending on the last day of that year, except that in 274
the case of a payment under this division made prior to the last 275
day of a year, interest shall be earned ending on the last day of 276
the month prior to the date of payment. The board shall credit 277
interest at the end of the calendar year in which it is earned. 278~~

(D) The income fund is the fund from which interest is 279
transferred and credited on the amounts in the funds described in 280
divisions (B), (C), and (F) of this section, and is a contingent 281
fund from which the special requirements of the funds may be paid 282
by transfer from this fund. All income derived from the investment 283
of the funds of the system, together with all gifts and bequests, 284
or the income therefrom, shall be paid into this fund. 285

Any deficit occurring in any other fund that will not be 286
covered by payments to that fund, as otherwise provided in Chapter 287
145. of the Revised Code, shall be paid by transfers of amounts 288
from the income fund to such fund or funds. If the amount in the 289
income fund is insufficient at any time to meet the amounts 290
payable to the funds described in divisions (C) and (F) of this 291
section, the amount of the deficiency shall be transferred from 292
the employers' accumulation fund. 293

The system may accept gifts and bequests. Any gifts or 294
bequests, any funds which may be transferred from the employees' 295
savings fund by reason of lack of a claimant, any surplus in any 296
fund created by this section, or any other funds whose disposition 297
is not otherwise provided for, shall be credited to the income 298
fund. 299

(E) The expense fund is the fund from which shall be paid the 300
expenses of the administration of this chapter, exclusive of 301
amounts payable as retirement allowances and as other benefits. 302

(F) The survivors' benefit fund is the fund from which shall 303
be paid dependent survivor benefits provided by section 145.45 of 304
the Revised Code. 305

(G) The defined contribution fund is the fund in which shall 306
be accumulated the contributions deducted from the earnable salary 307
of members participating in a PERS defined contribution plan, as 308
provided in section 145.85 of the Revised Code, together with any 309
earnings and employer contributions, as provided in section 145.86 310
of the Revised Code, credited thereon. The defined contribution 311
fund is the fund from which shall be paid all benefits provided 312
under a PERS defined contribution plan. 313

Sec. 145.294. (A) The public employees retirement board may 314
establish by rule a payroll deduction plan for payment of the cost 315
of restoring service credit under section 145.31 or 145.311 of the 316
Revised Code or purchasing any service credit members of the 317
public employees retirement system are eligible to purchase under 318
this chapter, or for making additional deposits under section 319
145.583 or 145.62 of the Revised Code. In addition to any other 320
matter considered relevant by the board, the rules shall specify 321
all of the following: 322

(1) The types of service credit that may be paid for through 323

payroll deduction, including the section of the Revised Code that
authorizes the purchase of each type of service credit for which
payment may be made by payroll deduction;

(2) The procedure for informing the member's employer and the
system that the member wishes to purchase service credit under
this chapter or make additional deposits under section 145.583 or
145.62 of the Revised Code through payroll deduction;

(3) The procedure to be followed by the system and employers
to determine for each request the amount to be deducted, the
number of deductions to be made, and the interval at which
deductions will be made. The rules may provide for a minimum
amount for each deduction or a maximum number of deductions for
the purchase of any type of credit.

(4) The procedure to be followed by employers in transmitting
amounts deducted from the salaries of their employees to the
system;

(5) The procedure to be followed by the system in crediting
service credit to members who choose to purchase it through
payroll deduction.

(B) If the board establishes a payroll deduction plan under
this section, it shall certify to the member's employer for each
member for whom deductions are to be made, the amount of each
deduction and the payrolls from which deductions are to be made.
The employer shall make the deductions as certified and transmit
the amounts deducted in accordance with the rules established by
the board under this section.

(C) Rules adopted under this section shall not affect any
right to purchase service credit conferred by any other section of
the Revised Code, including the right of a member under any such
section to purchase only part of the service credit the member is
eligible to purchase.

(D) No payroll deduction made pursuant to this section may 355
exceed the amount of a member's net compensation after all other 356
deductions and withholdings required by law. 357

Sec. 145.351. Not later than March 1, 2000, and each first 358
day of March ~~for the succeeding five years~~ thereafter, the public 359
employees retirement board shall make and submit a report for the 360
preceding fiscal year of the disability retirement experience of 361
each employer. The report shall specify the total number of 362
disability applications submitted, the status of each application 363
as of the last day of the fiscal year, total applications granted 364
or denied, and the percentage of disability benefit recipients to 365
the total number of the employer's employees who are members of 366
the public employees retirement system. The report shall be 367
submitted to the governor, the Ohio retirement study council, and 368
the chairpersons of the standing committees and subcommittees of 369
the senate and house of representatives with primary 370
responsibility for retirement legislation. 371

Sec. 145.43. (A) As used in this section and in section 372
145.45 of the Revised Code: 373

(1) "Child" means a biological or legally adopted child of a 374
deceased member. If a court hearing for an interlocutory decree 375
for adoption was held prior to the member's death, "child" 376
includes the child who was the subject of the hearing 377
notwithstanding the fact that the final decree of adoption, 378
adjudging the surviving spouse as the adoptive parent, is made 379
subsequent to the member's death. 380

(2) "Parent" is a parent or legally adoptive parent of a 381
deceased member. 382

(3) "Dependent" means a beneficiary who receives one-half of 383
the beneficiary's support from a member during the twelve months 384

prior to the member's death.

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(4) "Surviving spouse" means an individual who establishes a valid marriage to a member at the time of the member's death by marriage certificate or pursuant to division (E) of this section.

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(5) "Survivor" means a surviving spouse, child, or parent.

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(6) "Accumulated contributions" has the meaning given in section 145.01 of the Revised Code, except that, notwithstanding that section, it does not include additional amounts deposited in the employees' savings fund pursuant to the version of division (C) of section 145.23 of the Revised Code as it existed immediately prior to the effective date of this amendment or pursuant to section 145.62 of the Revised Code.

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(B) Except as provided in division (C)(1) of section 145.45 of the Revised Code, should a member die before age and service retirement, the member's accumulated contributions, ~~any deposits for purchase of additional annuity, any payment the member has made to restore previously forfeited service credit as provided in section 145.31 of the Revised Code,~~ and any applicable amount calculated under section 145.401 of the Revised Code, shall be paid to the person or persons the member has designated in writing duly executed on a form provided by the public employees retirement board, signed by the member, and filed with the board prior to the member's death. A member may designate two or more persons as beneficiaries ~~jointly~~ to be paid the accumulated account in a lump sum. The Subject to rules adopted by the board, a member who designates two or more persons as beneficiaries under this division shall specify the percentage of the lump sum that each beneficiary is to be paid. If the member has not specified the percentages, the lump sum shall be divided equally among the beneficiaries.

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The last designation of any beneficiary revokes all previous

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designations. The member's marriage, divorce, marriage 416
dissolution, legal separation, or withdrawal of account, or the 417
birth of the member's child, or adoption of a child, shall 418
constitute an automatic revocation of the member's previous 419
designation. If a deceased member was also a member of the school 420
employees retirement system or the state teachers retirement 421
system, the beneficiary last established among the systems shall 422
be the sole beneficiary in all the systems. 423

If the accumulated contributions of a deceased member are not 424
claimed by a beneficiary or by the estate of the deceased member 425
within five years, the contributions shall be transferred to the 426
income fund and thereafter paid to the beneficiary or to the 427
member's estate upon application to the board. The board shall 428
formulate and adopt the necessary rules governing all designations 429
of beneficiaries. 430

(C) Except as provided in division (C)(1) of section 145.45 431
of the Revised Code, if a member dies before age and service 432
retirement and is not survived by a designated beneficiary, ~~any~~ 433
~~beneficiaries~~ the following shall qualify, with all attendant 434
rights and privileges, in the following order of precedence, ~~with~~ 435
~~all attendant rights and privileges~~ the member's: 436

(1) Surviving spouse; 437

(2) Children, share and share alike; 438

(3) A dependent parent ~~of a member,~~ if that parent takes 439
survivor benefits under division (B) of section 145.45 of the 440
Revised Code; 441

(4) Parents, share and share alike; 442

(5) Estate. 443

If the beneficiary is deceased or is not located within 444
ninety days, the beneficiary ceases to qualify for any benefit and 445

the beneficiary next in order of precedence shall qualify as a 446
beneficiary. 447

Any payment made to a beneficiary as determined by the ~~public~~ 448
~~employees retirement~~ board shall be a full discharge and release 449
to the board from any future claims. 450

(D) Any amount due a retirant or disability benefit recipient 451
receiving a monthly benefit and unpaid to the retirant or 452
recipient at death shall be paid to the beneficiary designated in 453
writing on a form approved by the board, signed by the retirant or 454
recipient and filed with the board. If no such designation has 455
been filed, or if the designated beneficiary is not located within 456
ninety days, any amounts payable under this chapter due to the 457
death of the retirant or recipient shall be paid in the following 458
order of precedence to the retirant's or recipient's: 459

(1) Surviving spouse; 460

(2) Children, share and share alike; 461

(3) Parents, share and share alike; 462

(4) Estate. 463

The payment shall be a full discharge and release to the 464
board from any future claim for the payment. 465

Any amount due a beneficiary receiving a monthly benefit and 466
unpaid to the beneficiary at the beneficiary's death shall be paid 467
to the beneficiary's estate. 468

(E) If the validity of marriage cannot be established to the 469
satisfaction of the ~~retirement~~ board for the purpose of disbursing 470
any amount due under this section or section 145.45 of the Revised 471
Code, the board may accept a decision rendered by a court having 472
jurisdiction in the state in which the member was domiciled at the 473
time of death that the relationship constituted a valid marriage 474
at the time of death, or the "spouse" would have the same status 475

as a widow or widower for purposes of sharing the distribution of 476
the member's intestate personal property. 477

(F) As used in this division, "recipient" means an individual 478
who is receiving or may be eligible to receive an allowance or 479
benefit under this chapter based on the individual's service to a 480
public employer. 481

If the death of a member, a recipient, or any individual who 482
would be eligible to receive an allowance or benefit under this 483
chapter by virtue of the death of a member or recipient is caused 484
by one of the following beneficiaries, no amount due under this 485
chapter to the beneficiary shall be paid to the beneficiary in the 486
absence of a court order to the contrary filed with the board: 487

(1) A beneficiary who is convicted of, pleads guilty to, or 488
is found not guilty by reason of insanity of a violation of or 489
complicity in the violation of either of the following: 490

(a) Section 2903.01, 2903.02, or 2903.03 of the Revised Code; 491

(b) An existing or former law of any other state, the United 492
States, or a foreign nation that is substantially equivalent to 493
section 2903.01, 2903.02, or 2903.03 of the Revised Code. 494

(2) A beneficiary who is indicted for a violation of or 495
complicity in the violation of the sections or laws described in 496
division (F)(1)(a) or (b) of this section and is adjudicated 497
incompetent to stand trial; 498

(3) A beneficiary who is a juvenile found to be a delinquent 499
child by reason of committing an act that, if committed by an 500
adult, would be a violation of or complicity in the violation of 501
the sections or laws described in division (F)(1)(a) or (b) of 502
this section. 503

Sec. 145.45. Except as provided in division (C)(1) of this 504
section, in lieu of accepting the payment of the accumulated 505

account of a member who dies before service retirement, a 506
beneficiary, as determined in this section or section 145.43 of 507
the Revised Code, may elect to forfeit the accumulated 508
contributions and to substitute certain other benefits under 509
division (A) or (B) of this section. 510

(A)(1) If a deceased member was eligible for a service 511
retirement benefit as provided in section 145.33, 145.331, or 512
145.34 of the Revised Code, a surviving spouse or other sole 513
dependent beneficiary may elect to receive a monthly benefit 514
computed as the joint-survivor benefit designated as "plan D" in 515
section 145.46 of the Revised Code, which the member would have 516
received had the member retired on the last day of the month of 517
death and had the member at that time selected such joint-survivor 518
plan. Payment shall begin with the month subsequent to the 519
member's death, except that a surviving spouse who is less than 520
sixty-five years old may defer receipt of such benefit. Upon 521
receipt, the benefit shall be calculated based upon the spouse's 522
age at the time of first payment, and shall accrue regular 523
interest during the time of deferral. 524

(2) Beginning on a date selected by the public employees 525
retirement board, which shall be not later than July 1, 2004, a 526
surviving spouse or other sole dependent beneficiary may elect, in 527
lieu of a monthly payment under division (A)(1) of this section, a 528
plan of payment consisting of both of the following: 529

(a) A lump sum in an amount the surviving spouse or other 530
sole dependent beneficiary designates that constitutes a portion 531
of the allowance that would be payable under division (A)(1) of 532
this section; 533

(b) The remainder of that allowance in monthly payments. 534

The total amount paid as a lump sum and a monthly benefit 535
shall be the actuarial equivalent of the amount that would have 536

been paid had the lump sum not been selected.

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The lump sum amount designated by the surviving spouse or other sole dependent beneficiary under division (A)(2)(a) of this section shall be not less than six times and not more than thirty-six times the monthly amount that would be payable to the surviving spouse or other sole dependent beneficiary under division (A)(1) of this section and shall not result in a monthly payment that is less than fifty per cent of that monthly amount.

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(B) If a deceased member had, except as provided in division (B)(7) of this section, at least one and one-half years of contributing service credit, with, except as provided in division (B)(7) of this section, at least one-quarter year of contributing service credit within the two and one-half years prior to the date of death, or was receiving at the time of death a disability benefit as provided in section 145.36, 145.361, or 145.37 of the Revised Code, qualified survivors who elect to receive monthly benefits shall receive the greater of the benefits provided in division (B)(1)(a) or (b) and (4) of this section as allocated in accordance with division (B)(5) of this section.

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(1)(a) Number

Or

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of Qualified

Monthly

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survivors

Annual Benefit as a Per

Benefit

558

affecting

Cent of Decedent's Final

shall not be

559

the benefit

Average Salary

less than

560

1

25%

\$250

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2

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400

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3

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500

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500

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5 or more

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500

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(b) Years of

Annual Benefit as a Per Cent

566

Service

of Member's Final Average

567

Salary

568

20	29%	569
21	33	570
22	37	571
23	41	572
24	45	573
25	48	574
26	51	575
27	54	576
28	57	577
29 or more	60	578

(2) Benefits shall begin as qualified survivors meet 579
eligibility requirements as follows: 580

(a) A qualified spouse is the surviving spouse of the 581
deceased member, who is age sixty-two, or regardless of age ~~if~~ 582
meets one of the following qualifications: 583

(i) Except as provided in division (B)(7) of this section, 584
the deceased member had ten or more years of Ohio service credit, 585
~~or regardless of age if,~~ 586

(ii) The spouse is caring for a qualified child, ~~or~~ 587
~~regardless of age if,~~ 588

(iii) The spouse is adjudged physically or mentally 589
incompetent. ~~A~~ 590

A spouse of a member who died prior to August 27, 1970, whose 591
eligibility was determined at the member's death, and who is 592
physically or mentally incompetent on or after August 20, 1976, 593
shall be paid the monthly benefit which that person would 594
otherwise receive when qualified by age. 595

(b) A qualified child is any child of the deceased member who 596
has never been married and to whom one of the following applies: 597

(i) Is under age eighteen, or under age twenty-two if the 598

child is attending an institution of learning or training pursuant 599
to a program designed to complete in each school year the 600
equivalent of at least two-thirds of the full-time curriculum 601
requirements of such institution and as further determined by 602
board policy; 603

(ii) Regardless of age, is adjudged physically or mentally 604
incompetent at the time of the member's death. 605

(c) A qualified parent is a dependent parent aged sixty-five 606
or older or regardless of age if physically or mentally 607
incompetent, a dependent parent whose eligibility was determined 608
by the member's death prior to August 20, 1976, and who is 609
physically or mentally incompetent on or after August 20, 1976, 610
shall be paid the monthly benefit for which that person would 611
otherwise qualify. 612

(3) "Physically or mentally incompetent" as used in this 613
section may be determined by a court of jurisdiction, or by a 614
physician appointed by the retirement board. Incapability of 615
making a living because of a physically or mentally disabling 616
condition shall meet the qualifications of this division. 617

(4) Benefits to a qualified survivor shall terminate upon 618
ceasing to meet eligibility requirements as provided in this 619
division, a first marriage, abandonment, adoption, or during 620
active military service. Benefits to a deceased member's surviving 621
spouse that were terminated under a former version of this section 622
that required termination due to remarriage and were not resumed 623
prior to September 16, 1998, shall resume on the first day of the 624
month immediately following receipt by the board of an application 625
on a form provided by the board. 626

Upon the death of any subsequent spouse who was a member of 627
the public employees retirement system, state teachers retirement 628
system, or school employees retirement system, the surviving 629

spouse of such member may elect to continue receiving benefits 630
under this division, or to receive survivor's benefits, based upon 631
the subsequent spouse's membership in one or more of the systems, 632
for which such surviving spouse is eligible under this section or 633
section 3307.66 or 3309.45 of the Revised Code. If the surviving 634
spouse elects to continue receiving benefits under this division, 635
such election shall not preclude the payment of benefits under 636
this division to any other qualified survivor. 637

Benefits shall begin or resume on the first day of the month 638
following the attainment of eligibility and shall terminate on the 639
first day of the month following loss of eligibility. 640

(5)(a) If a benefit is payable under division (B)(1)(a) of 641
this section, benefits to a qualified spouse shall be paid in the 642
amount determined for the first qualifying survivor in division 643
(B)(1)(a) of this section. All other qualifying survivors shall 644
share equally in the benefit or remaining portion thereof. 645

(b) All qualifying survivors shall share equally in a benefit 646
payable under division (B)(1)(b) of this section, except that if 647
there is a surviving spouse, the surviving spouse shall receive 648
not less than the amount determined for the first qualifying 649
survivor in division (B)(1)(a) of this section. 650

(6) The beneficiary of a member who is also a member of the 651
state teachers retirement system or of the school employees 652
retirement system, must forfeit the member's accumulated 653
contributions in those systems and in the public employees 654
retirement system, if the beneficiary takes a survivor benefit. 655
Such benefit shall be exclusively governed by section 145.37 of 656
the Revised Code. 657

(7) ~~The restriction that the deceased member have at least 658
one and one-half years of contributing service credit, with at 659
least one-quarter year of contributing service within the two and 660~~

~~one-half years prior to the date of death, does following~~ 661
~~restrictions do not apply if the deceased member was contributing~~ 662
~~toward benefits under division (B) or (C) of section 145.33 of the~~ 663
~~Revised Code at the time of death;~~ 664

(a) That the deceased member have had at least one and 665
one-half years of contributing service credit, with at least 666
one-quarter year of contributing service within the two and 667
one-half years prior to the date of death; 668

(b) If the deceased member was killed in the line of duty, 669
that the deceased member have had ten or more years of Ohio 670
service credit as described in division (B)(2)(a)(i) of this 671
section. 672

For the purposes of division (B)(7)(b) of this section, 673
"killed in the line of duty," means either that death occurred in 674
the line of duty or that death occurred as a result of injury 675
sustained in the line of duty. 676

(C)(1) Regardless of whether the member is survived by a 677
spouse or designated beneficiary, if the public employees 678
retirement system receives notice that a deceased member described 679
in division (A) or (B) of this section has one or more qualified 680
children, all persons who are qualified survivors under division 681
(B) of this section shall receive monthly benefits as provided in 682
division (B) of this section. 683

If, after determining the monthly benefits to be paid under 684
division (B) of this section, the system receives notice that 685
there is a qualified survivor who was not considered when the 686
determination was made, the system shall, notwithstanding section 687
145.561 of the Revised Code, recalculate the monthly benefits with 688
that qualified survivor included, even if the benefits to 689
qualified survivors already receiving benefits are reduced as a 690
result. The benefits shall be calculated as if the qualified 691

survivor who is the subject of the notice became eligible on the 692
date the notice was received and shall be paid to qualified 693
survivors effective on the first day of the first month following 694
the system's receipt of the notice. 695

If the retirement system did not receive notice that a 696
deceased member has one or more qualified children prior to making 697
payment under section 145.43 of the Revised Code to a beneficiary 698
as determined by the retirement system, the payment is a full 699
discharge and release of the system from any future claims under 700
this section or section 145.43 of the Revised Code. 701

(2) If benefits under division (C)(1) of this section to all 702
persons, or to all persons other than a surviving spouse or other 703
sole beneficiary, terminate, there are no children under the age 704
of twenty-two years, and the surviving spouse or beneficiary 705
qualifies for benefits under division (A) of this section, the 706
surviving spouse or beneficiary may elect to receive benefits 707
under division (A) of this section. The benefits shall be 708
effective on the first day of the month immediately following the 709
termination. 710

(D) The final average salary used in the calculation of a 711
benefit payable pursuant to division (A) or (B) of this section to 712
a survivor or beneficiary of a disability benefit recipient shall 713
be adjusted for each year between the disability benefit's 714
effective date and the recipient's date of death by the lesser of 715
three per cent or the actual average percentage increase in the 716
consumer price index prepared by the United States bureau of labor 717
statistics (U.S. city average for urban wage earners and clerical 718
workers: "all items 1982-84=100"). 719

(E) If the survivor benefits due and paid under this section 720
are in a total amount less than the member's accumulated account 721
that was transferred from the public employees' savings fund to 722

the survivors' benefit fund, then the difference between the total 723
amount of the benefits paid shall be paid to the beneficiary under 724
section 145.43 of the Revised Code. 725

Sec. 145.471. (A)(1) On and after ~~the effective date of this~~ 726
~~section~~ December 13, 2000, the public employees retirement board 727
shall credit interest to the individual accounts of contributors, 728
except that interest shall not be credited to the individual 729
account of a PERS or other system retirant, as defined in section 730
145.38 of the Revised Code, for contributions received during the 731
period described in division (B)(4)(a) or (b) of section 145.38 of 732
the Revised Code. For amounts deposited by a contributor under 733
section 145.62 or the version of division (C) of section 145.23 of 734
the Revised Code as it existed immediately prior to the effective 735
date of this amendment, interest or earnings shall be credited in 736
accordance with that section and former division. 737

(2) Except as provided in section 145.472 of the Revised 738
Code, the board shall not credit interest to individual accounts 739
for the period beginning December 31, 1958, and ending on ~~the~~ 740
~~effective date of this section~~ December 13, 2000. 741

(B) For contributions received in a calendar year, interest 742
shall be earned beginning on the first day of the calendar year 743
next following and ending on the last day of that year, except 744
that interest shall be earned, in the case of an application for 745
retirement or payment under section 145.40 or 145.43 of the 746
Revised Code, ending on the last day of the month prior to 747
retirement or payment under those sections. The board shall credit 748
interest at the end of the calendar year in which it is earned. 749

Sec. 145.472. This section applies to individuals who are 751
contributors on ~~the effective date of this section~~ December 13, 752

2000. 753

(A) Not later than thirty days after ~~the effective date of~~ 754
~~this section~~ December 13, 2000, the public employees retirement 755
board shall credit interest to the individual account of each 756
contributor in accordance with this section, except that interest 757
shall not be credited to the individual account of a PERS or other 758
system retirant, as defined in section 145.38 of the Revised Code, 759
for contributions received during the period described in division 760
(B)(4)(a) or (b) of section 145.38 of the Revised Code. For 761
amounts deposited by a contributor under section 145.62 or the 762
version of division (C) of section 145.23 of the Revised Code as 763
it existed immediately prior to the effective date of this 764
amendment, interest or earnings shall be credited in accordance 765
with that section or former division. 766

For contributors with service credit earned prior to December 767
31, 1981, the board may reflect the compounding of interest by 768
using factors provided by the board's actuary. 769

(B) The interest credited under this section shall be 770
calculated on all amounts on deposit in an individual's account in 771
the employees' savings fund as follows: 772

(1) If this section takes effect on or before December 31, 773
2000, interest shall be calculated on amounts on deposit on 774
December 31, 1998. 775

(2) If this section takes effect after December 31, 2000, 776
interest shall be calculated on amounts on deposit on December 31, 777
1999. 778

Sec. 145.483. Upon a finding that an employer failed to 779
deduct contributions pursuant to section 145.47 of the Revised 780
Code during a period of employment for which such contributions 781
were required, a statement of delinquent contributions shall be 782

prepared showing the amount the contributor and employer would 783
have contributed had regular payroll deductions been taken. Simple 784
interest from the end of each calendar year at a rate set by the 785
public employees retirement board shall be included. If delinquent 786
contribution statements are not paid not later than ~~ninety~~ thirty 787
days after the end of the ~~quarterly period~~ month in which they 788
become an obligation of the employer, any balance remaining shall 789
be collected with penalties and interest pursuant to section 790
145.51 of the Revised Code. 791

Any amount paid under this section by an employer shall be 792
credited in accordance with section 145.23 of the Revised Code. 793

Sec. 145.51. (A) Each employer described in division (D) of 794
section 145.01 of the Revised Code shall pay into the employers' 795
accumulation fund, in ~~such monthly or less frequent~~ installments 796
~~as the public employees retirement board requires~~, an amount 797
certified by the public employees retirement board which equals 798
the employer obligation as described in section 145.12 or 145.69 799
of the Revised Code. In addition, the board shall add to the 800
employer billing next succeeding the amount, with interest, to be 801
paid by the employer to provide the member with contributing 802
service credit for the service prior to the date of initial 803
contribution to the system for which the member has made 804
additional payments, except payments made pursuant to sections 805
145.28 and 145.29 of the Revised Code. ~~Ninety days after the end~~ 806
~~of a quarterly period, any amounts that remain unpaid are subject~~ 807
~~to a penalty for late payment in the amount of five per cent. In~~ 808
~~addition, interest on past due amounts and penalties may be~~ 809
~~charged at a rate set by the retirement board.~~ 810

(B) Except as provided in section 145.52 of the Revised Code, 811
all employer obligations described in division (A) of this section 812
must be received by the public employees retirement system not 813

later than the thirtieth day after the last day of the calendar 814
month for which related member contributions are withheld. 815

(C) Unless the board adopts a rule under division (F) of this 816
section establishing a different interest rate or penalty, 817
interest and penalties for failing to pay the employer obligation 818
when due under division (B) of this section shall be as follows: 819

(1) Interest, compounded annually and charged monthly, for 820
each day after the due date that the employer obligation remains 821
unpaid in an amount equal to six per cent per annum of the past 822
due amount of the employer obligation and any penalties imposed 823
under this section; 824

(2) The penalty for failing to pay the employer obligation 825
when due under division (B) is as follows: 826

(a) At least eleven but not more than thirty days past due, 827
an amount equal to one per cent of the past due obligation; 828

(b) At least thirty-one but not more than sixty days past 829
due, an additional amount equal to one and one-half per cent of 830
the past due obligation; 831

(c) Sixty-one or more days past due, an additional amount 832
equal to two and one-half per cent of the past due obligation. 833

(D) The aggregate of all ~~such~~ payments by ~~such~~ employers 834
under this section shall be sufficient, when combined with the 835
amount in the employers' accumulation fund, to provide amounts 836
payable under this chapter out of the fund, and if not, the 837
additional amount so required shall be collected by means of an 838
increased rate per cent which shall be certified to such employers 839
by the board. 840

(E) Upon certification by the board to the director of budget 841
and management, or to the county auditor, of an amount due from an 842
employer within any county who is subject to this chapter, by 843

reason of such employer's delinquency in making payments into the 844
employers' accumulation fund for past billings, such amount shall 845
be withheld from such employer from any funds subject to the 846
control of the director or the county auditor to such employer and 847
shall be paid to the public employees retirement system. 848

(F) The board may adopt rules to do any of the following: 849

(1) Establish interest at a rate that does not exceed the 850
annual rate described in division (C)(1) of this section; 851

(2) Establish penalties in amounts that do not exceed the 852
amounts described in division (C)(2) of this section; 853

(3) Permit the board to lengthen the periods of time or enter 854
into repayment agreements for employers to comply with divisions 855
(B) and (C) of this section. 856

Sec. 145.52. (A) As used in this section and section 145.53 857
of the Revised Code, "transitional liability" means an amount 858
equal to the employer obligation due under division (A) of section 859
145.51 of the Revised Code for the months of October, November, 860
and December of 2007. 861

(B) The transitional liability is payable in three 862
installments on or before December 31, 2008, December 31, 2009, 863
and December 31, 2010. 864

(1) The first installment is due not later than December 31, 865
2008, and equals the portion of the transitional liability for the 866
month of October 2007. 867

(2) The second installment is due not later than December 31, 868
2009, and equals the portion of the transitional liability for the 869
month of November 2007. 870

(3) The third installment is due not later than December 31, 871
2010, and equals the portion of the transitional liability for the 872
month of December 2007. 873

(C) Interest and penalties for failing to pay amounts when 874
due under division (B) of this section shall be calculated in 875
accordance with division (C) of section 145.51 of the Revised 876
Code. 877

Sec. 145.53. (A) From the employer obligation for the month 878
of February 2008, under section 145.51 of the Revised Code, an 879
amount equal to the portion of the employer obligation 880
attributable to section 145.86 of the Revised Code for the months 881
of October, November, and December of 2007, shall be credited to 882
the PERS defined contribution plan to satisfy the portion of the 883
transitional liability attributable to section 145.86 of the 884
Revised Code. 885

(B) When the amount described in division (A) of this section 886
is credited to the PERS defined contribution plan, an equal amount 887
shall be added to the transitional liability described in section 888
145.52 of the Revised Code to satisfy a portion of the February 889
2008 employer obligation that is attributable to the PERS defined 890
benefit plan. This amount shall be paid in accordance with section 891
145.52 of the Revised Code, and shall be prorated to correspond 892
with the portion of the transitional liability due under division 893
(B) of that section. 894

Sec. 145.583. The PERS defined benefit plan or a PERS defined 895
contribution plan may include a program under which a member 896
participating in the plan, the member's employer, or a retirant is 897
permitted to make deposits for the purpose of providing funds to 898
the member or retirant for the payment of health, medical, 899
hospital, surgical, dental, vision care, or drug expenses, 900
including insurance premiums, deductible amounts, or copayments. 901
Deposits made under this section are in addition to contributions 902
required by this chapter and any other deposits made under it. 903

A program established under this section may be a voluntary employees' beneficiary association, as described in section 501(c)(9) of the Internal Revenue Code, 26 U.S.C. 501(c)(9), as amended; an account described in section 401(h) of the Internal Revenue Code, 26 U.S.C. 401(h), as amended; a medical savings account; or a similar type of program under which an individual may accumulate funds for the purpose of paying such expenses. To implement the program, the public employees retirement board may enter into agreements with insurance companies or other entities authorized to conduct business in this state.

If the PERS defined benefit plan or a PERS defined contribution plan includes a program described in this section, the board shall adopt rules to establish and administer the program.

Sec. 145.62. Subject to rules adopted by the public employees retirement system under section 145.09 of the Revised Code, a contributor participating in the PERS defined benefit plan or contributing under section 145.38 of the Revised Code may deposit additional amounts in the employees' savings fund established under section 145.23 of the Revised Code. The additional deposits may be made either directly to the retirement system or by payroll deduction under section 145.294 of the Revised Code. The contributor shall receive in return either an annuity, as provided in section 145.64 of the Revised Code, having a reserve equal to the amount deposited or a refund under section 145.63 of the Revised Code of the amount deposited, together with earnings on the amount deposited as the public employees retirement board determines appropriate. If the annuity under the plan of payment selected by the contributor under section 145.64 of the Revised Code would be less than twenty-five dollars per month, the contributor shall receive the refund.

Sec. 145.63. (A) Deposits under section 145.62 of the Revised Code, together with earnings, shall be refunded under whichever of the following circumstances applies: 935
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(1) On withdrawal of accumulated contributions as provided in sections 145.40 and 145.43 of the Revised Code; 938
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(2) On the death of a contributor prior to retirement; 940

(3) In the case of a contributor participating in the PERS defined benefit plan, on application of the contributor prior to attaining eligibility for age and service retirement; 941
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(4) In the case of a contributor under section 145.38 of the Revised Code, on application of the contributor prior to attaining eligibility for a benefit under section 145.384 of the Revised Code; 944
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(5) In the case of a contributor who has attained eligibility for an age and service retirement benefit or a benefit under section 145.384 of the Revised Code and is not married, on application; 948
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(6) In the case of a contributor who has attained eligibility for an age and service retirement benefit or a benefit under section 145.384 of the Revised Code and is married, on application if the application is accompanied by a statement of the spouse's consent to the refund or the public employees retirement board waives the requirement that the spouse consent. 952
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(B) The consent of a spouse to a refund is valid only if it is in writing, signed, and witnessed by a notary public. 958
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The board may waive the requirement of consent if the spouse is incapacitated or cannot be located or for any other reason specified by the board. Consent or waiver is effective only with regard to the spouse who is the subject of the consent or waiver. 960
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<u>Sec. 145.64. (A) As used in this section:</u>	964
<u>(1) "Plan A" means a plan of payment that is the same as</u>	965
<u>"plan A" as described in section 145.46 of the Revised Code.</u>	966
<u>(2) "Plan B" means a plan of payment that is the same as</u>	967
<u>"plan B" as described in section 145.46 of the Revised Code.</u>	968
<u>(3) "Plan F" means a plan of payment that is the same as</u>	969
<u>"plan F" as described in section 145.46 of the Revised Code.</u>	970
<u>(B) A contributor who has not received a refund of amounts</u>	971
<u>deposited under section 145.62 or the version of division (C) of</u>	972
<u>section 145.23 of the Revised Code as it existed immediately prior</u>	973
<u>to the effective date of this section may file an application with</u>	974
<u>the public employees retirement system for a benefit under this</u>	975
<u>section. The benefit shall consist of an annuity under a plan of</u>	976
<u>payment described in division (A) of this section.</u>	977
<u>(1) Except as provided in division (B)(2) of this section, a</u>	978
<u>contributor who is married at the time of application for a</u>	979
<u>benefit under this section shall receive the benefit as a monthly</u>	980
<u>annuity under "plan A."</u>	981
<u>(2) A contributor may receive a benefit under this section</u>	982
<u>under a plan of payment other than "plan A" if one of the</u>	983
<u>following is the case:</u>	984
<u>(a) The contributor is unmarried;</u>	985
<u>(b) The benefit application is accompanied by a statement of</u>	986
<u>the spouse's consent to another plan of payment or the public</u>	987
<u>employees retirement board waives the requirement that the spouse</u>	988
<u>consent;</u>	989
<u>(c) A plan of payment providing for payment in a specified</u>	990
<u>portion of the benefit continuing after the member's death to a</u>	991
<u>former spouse is required by a court order issued under section</u>	992

3105.171 or 3105.65 of the Revised Code or the laws of another 993
state regarding division of marital property prior to the 994
effective date of the contributor's benefit application. 995

(3) If a member is subject to division (B)(2)(c) of this 996
section and the board has received a copy of the order described 997
in that division, the board shall accept the member's election of 998
a plan of payment under this section only if the member complies 999
with both of the following: 1000

(a) The member elects a plan of payment that is in accordance 1001
with the order described in division (B)(2)(c) of this section. 1002

(b) If the member is married, the member elects "plan F" and 1003
designates the member's current spouse as a beneficiary under that 1004
plan unless that spouse consents in writing to not being 1005
designated a beneficiary or the board waives the requirement that 1006
the current spouse consent. 1007

(4) The contributor shall designate the beneficiary or 1008
beneficiaries under a plan of payment in writing at the time the 1009
plan is selected. 1010

(5) A plan of payment, other than "plan B," shall be 1011
effective only if it is certified by an actuary engaged by the 1012
board to be the actuarial equivalent of the contributor's "plan B" 1013
annuity and is approved by the board. 1014

(6) A contributor who is eligible to select a plan of payment 1015
under this section but fails to do so shall receive a monthly 1016
annuity under the plan of payment specified in rules adopted by 1017
the board. 1018

(C) An annuity shall be paid monthly and consist of an amount 1019
determined by the public employees retirement system or the 1020
actuarial equivalent of that amount paid under a plan of payment 1021
described in this section. 1022

<u>Payments shall begin on whichever of the following applies:</u>	1023
<u>(1) The effective date of the contributor's age and service retirement allowance;</u>	1024
	1025
<u>(2) The effective date of a benefit under section 145.384 of the Revised Code;</u>	1026
	1027
<u>(3) The date on which a member receiving disability retirement under section 145.36 of the Revised Code would have been eligible for an age and service retirement allowance.</u>	1028
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	1030
<u>(D) The consent of a spouse to a plan of payment other than "plan A" is valid only if it is in writing, signed, and witnessed by a notary public. The board may waive the requirement of consent if the spouse is incapacitated or cannot be located or for any other reason specified by the board. Consent or waiver is effective only with regard to the spouse who is the subject of the consent or waiver.</u>	1031
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<u>(E)(1) The death of a spouse or any designated beneficiary shall cancel the portion of an annuity providing continuing lifetime payments to the deceased spouse or deceased designated beneficiary. The contributor shall receive the actuarial equivalent of the contributor's remaining annuity, as determined by the board, based on the number of remaining beneficiaries, with no change in the amount payable to any remaining beneficiary. The change shall be effective the month following receipt by the board of notice of the death.</u>	1038
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<u>(2) On divorce, annulment, or marriage dissolution, a contributor receiving an annuity under a plan of payment that provides for continuation of all or part of the annuity after death for the lifetime of the contributor's surviving spouse may, with the written consent of the spouse or pursuant to an order of the court with jurisdiction over the termination of the marriage, elect to cancel the portion of the plan providing continuing</u>	1047
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lifetime payments to that spouse. The contributor shall receive 1054
the actuarial equivalent of the contributor's annuity as 1055
determined by the board based on the number of remaining 1056
beneficiaries, with no change in the amount payable to any 1057
remaining beneficiary. The election shall be made on a form 1058
provided by the board and shall be effective the month following 1059
its receipt by the board. 1060

(F)(1) Following a marriage or remarriage, both of the 1061
following apply: 1062

(a) A contributor who is receiving payments under "plan B" 1063
may elect a new plan of payment based on the actuarial equivalent 1064
of the contributor's "plan B" annuity as determined by the board. 1065

(b) A contributor receiving an annuity under this section 1066
pursuant to a plan of payment providing for payment to a former 1067
spouse pursuant to a court order as described in division 1068
(B)(2)(c) of this section may elect a new plan of payment under 1069
"plan F" based on the actuarial equivalent of the contributor's 1070
benefit as determined by the board if the new plan of payment does 1071
not reduce the payment to the former spouse. 1072

(2) An election under division (F)(1) of this section must be 1073
made not later than one year after the date of the marriage or 1074
remarriage. 1075

The plan elected shall become effective on the date of 1076
receipt by the board of an application on a form approved by the 1077
board, but any change in the amount of the annuity payment shall 1078
commence on the first day of the month following the effective 1079
date of the plan. 1080

(G) If at the time of death a contributor receiving a monthly 1081
annuity under "plan B" has received less than the retirant's 1082
deposits under section 145.62 or the version of division (C) of 1083
section 145.23 of the Revised Code as it existed immediately prior 1084

to the effective date of this section, plus earnings on those 1085
deposits, the difference between the amount received and the 1086
amount of the contributor's deposits plus earnings shall be paid 1087
to the contributor's beneficiary under section 145.65 of the 1088
Revised Code. If any designated beneficiary receiving a monthly 1089
annuity under this section dies and at the time of the 1090
beneficiary's death the amounts paid to the contributor and the 1091
beneficiary are less than the amount of the contributor's deposits 1092
plus earnings on those deposits, the difference between the amount 1093
received by the contributor and the beneficiary and the amount of 1094
the contributor's deposits plus earnings shall be paid to the 1095
beneficiary's estate. 1096

(H) Receipt of the first month's annuity payment constitutes 1097
final acceptance of the plan of payment and may be changed only as 1098
provided in this section. 1099

Sec. 145.65. (A) As used in this section, "child," "parent," 1100
and "surviving spouse" have the same meanings as in section 145.43 1101
of the Revised Code. 1102

(B) Should a contributor die before commencement of a benefit 1103
under section 145.64 of the Revised Code, any deposits made under 1104
section 145.62 or the version of division (C) of section 145.23 of 1105
the Revised Code as it existed immediately prior to the effective 1106
date of this section plus earnings shall be paid to the person or 1107
persons the contributor has designated in writing duly executed on 1108
a form provided by the public employees retirement system, signed 1109
by the contributor, and filed with the system prior to the 1110
contributor's death. A contributor may designate two or more 1111
persons as beneficiaries. Subject to rules adopted by the public 1112
employees retirement board, a contributor who designates two or 1113
more persons as beneficiaries under this division shall specify 1114
the percentage of the deposits that each beneficiary is to be 1115

paid. If the contributor has not specified the percentage, the 1116
deposits shall be divided equally among the beneficiaries. 1117

The last designation of any beneficiary revokes all previous 1118
designations. The contributor's marriage, divorce, marriage 1119
dissolution, legal separation, or refund under section 145.63 of 1120
the Revised Code, or the birth of the contributor's child, or 1121
adoption of a child, shall constitute an automatic revocation of 1122
the contributor's previous designation. 1123

If the deposits of a deceased contributor are not claimed by 1124
a beneficiary or by the estate of the deceased contributor within 1125
five years, the deposits shall be transferred to the income fund 1126
and thereafter paid to the beneficiary or to the contributor's 1127
estate on application to the system. The board shall formulate and 1128
adopt the necessary rules governing all designations of 1129
beneficiaries. 1130

(C) If a contributor dies before commencement of a benefit 1131
under section 145.64 of the Revised Code and is not survived by a 1132
designated beneficiary, the following shall qualify with all 1133
attendant rights and privileges, in the following order of 1134
precedence, the contributor's: 1135

(1) Surviving spouse; 1136

(2) Children, share and share alike; 1137

(3) Parents, share and share alike; 1138

(4) Estate. 1139

If the beneficiary is deceased or is not located within 1140
ninety days, the beneficiary ceases to qualify for any benefit and 1141
the beneficiary next in order of precedence shall qualify as a 1142
beneficiary. 1143

Any payment made to a beneficiary as determined by the board 1144
shall be a full discharge and release to the board from any future 1145

claims. 1146

(D) If the validity of marriage cannot be established to the 1147
satisfaction of the board for the purpose of disbursing any amount 1148
due under section 145.63 or 145.64 of the Revised Code, the board 1149
may accept a decision rendered by a court having jurisdiction in 1150
the state in which the contributor was domiciled at the time of 1151
death that the relationship constituted a valid marriage at the 1152
time of death, or the "spouse" would have the same status as a 1153
widow or widower for purposes of sharing the distribution of the 1154
contributor's intestate personal property. 1155

(E) If the death of a contributor or any individual who would 1156
be eligible to receive a refund under section 145.63 of the 1157
Revised Code or an annuity payment under section 145.64 of the 1158
Revised Code by virtue of the death of a contributor is caused by 1159
a beneficiary, as described in division (F) of section 145.43 of 1160
the Revised Code, no amount due under section 145.63 or 145.64 of 1161
the Revised Code to that beneficiary shall be paid to that 1162
beneficiary in the absence of a court order to the contrary filed 1163
with the board. 1164

Sec. 145.82. (A) Except as provided in divisions (B) and (C) 1165
of this section, sections 145.201 to 145.70 of the Revised Code do 1166
not apply to a PERS defined contribution plan, except that a PERS 1167
defined contribution plan may incorporate provisions of those 1168
sections as specified in the plan document. 1169

(B) The following sections of Chapter 145. of the Revised 1170
Code apply to a PERS defined contribution plan: 145.22, 145.221, 1171
145.23, 145.25, 145.26, 145.27, 145.296, 145.38, 145.382, 145.383, 1172
145.384, 145.391, 145.47, 145.48, 145.483, 145.51, 145.52, 145.53, 1173
145.54, 145.55, 145.56, 145.563, 145.57, 145.571, 145.69, and 1174
145.70 of the Revised Code. 1175

(C) A PERS defined contribution plan that includes definitely 1176
determinable benefits may incorporate by reference all or part of 1177
sections 145.201 to 145.79 of the Revised Code to allow a member 1178
participating in the plan to purchase service credit or to be 1179
eligible for any of the following: 1180

(1) Retirement, disability, survivor, or death benefits; 1181

(2) Health or long-term care insurance or any other type of 1182
health care benefit; 1183

(3) Additional increases under section 145.323 of the Revised 1184
Code; 1185

(4) A refund of contributions made by or on behalf of a 1186
member. 1187

With respect to the benefits described in division (C)(1) of 1188
this section, the public employees retirement board may establish 1189
eligibility requirements and benefit formulas or amounts that 1190
differ from those of members participating in the PERS defined 1191
benefit plan. With respect to the purchase of service credit by a 1192
member participating in a PERS defined contribution plan, the 1193
board may reduce the cost of the service credit to reflect the 1194
different benefit formula established for the member. 1195

Sec. 145.92. If a member participating in a PERS defined 1196
contribution plan is married at the time benefits under the plan 1197
are to commence, unless the spouse consents to another plan of 1198
payment or the spouse's consent is waived, the member's retirement 1199
allowance under the plan shall be paid in a lesser amount payable 1200
for life and one-half of the allowance continuing after death to 1201
the surviving spouse for the life of the spouse. 1202

Consent is valid only if it is evidenced by a written 1203
document signed by the ~~member~~ spouse and the signature is 1204
witnessed by a notary public. A plan may waive the requirement of 1205

consent if the spouse is incapacitated or cannot be located or for 1206
any other reason specified by the plan or in rules adopted by the 1207
public employees retirement board. 1208

A plan shall waive the requirement of consent if a plan of 1209
payment that provides for payment in a specified portion of the 1210
retirement allowance continuing after the member's death to a 1211
former spouse is required by a court order issued under section 1212
3105.171 or 3105.65 of the Revised Code or laws of another state 1213
regarding division of marital property prior to the effective date 1214
of the member's retirement. If a court order requires this plan of 1215
payment, the member shall be required to annuitize the member's 1216
accumulated amounts in accordance with the order. If the member is 1217
married, the plan of payment selected by the member also shall 1218
provide for payment to the member's current spouse, unless the 1219
current spouse consents in writing to not being designated a 1220
beneficiary under the plan of payment or the current spouse's 1221
consent is waived by reason other than the court order. 1222

Consent or waiver is effective only with regard to the spouse 1223
who is the subject of the consent or waiver. 1224

Sec. 742.046. (A) The office of an employee member, 1225
firefighter retirant member, or police retirant member of the 1226
board of trustees of the police and fire pension fund who is 1227
convicted of or pleads guilty to a felony, a theft offense as 1228
defined in section 2913.01 of the Revised Code, or a violation of 1229
section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 1230
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code 1231
shall be deemed vacant. A person who has pleaded guilty to or been 1232
convicted of an offense of that nature is ineligible for election 1233
to the office of employee member, firefighter retirant member, or 1234
police retirant member of the board of trustees of the police and 1235
fire pension fund. 1236

(B) A member of the board of trustees of the police and fire pension fund who willfully and flagrantly exercises authority or power not authorized by law, refuses or willfully neglects to enforce the law or to perform any official duty imposed by law, or is guilty of gross neglect of duty, gross immorality, drunkenness, misfeasance, malfeasance, or nonfeasance is guilty of misconduct in office. On complaint and hearing in the manner provided for in this section, the board member shall have judgment of forfeiture of the office with all its emoluments entered against the board member, creating in the office a vacancy to be filled as provided by law.

(C) Proceedings for removal of a board member on any of the grounds enumerated in division (B) of this section shall be commenced by filing with the court of ~~appeals~~ common pleas of the ~~district~~ county in which the board member resides a written complaint specifically setting forth the charge. The complaint shall be accepted if signed by the governor or signed as follows:

(1) If the complaint is against a police officer employee member of the board, the complaint must be signed by a number of police officer members of the fund that equals at least the following and must include signatures of at least twenty police officer members residing in at least five different counties:

(a) If the police officer employee member was most recently elected in accordance with section 742.04 of the Revised Code, ten per cent of the number of police officers who voted in that election;

(b) If the police officer employee member most recently became a member of the board of trustees pursuant to section 742.05 of the Revised Code or took office in accordance with section 742.041 of the Revised Code, ten per cent of the number of police officers who voted in the most recent election held in

accordance with section 742.04 of the Revised Code for that police officer employee member position on the board of trustees. 1268
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(2) If the complaint is against a firefighter employee member of the board of trustees, the complaint must be signed by a number of firefighter members of the fund that equals at least the following and must include signatures of at least twenty firefighter members residing in at least five different counties: 1270
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(a) If the firefighter employee member was most recently elected in accordance with section 742.04 of the Revised Code, ten per cent of the number of firefighters who voted in that election; 1275
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1277

(b) If the firefighter employee member most recently became a member of the board of trustees pursuant to section 742.05 of the Revised Code or took office in accordance with section 742.041 of the Revised Code, ten per cent of the number of firefighters who voted in the most recent election held in accordance with section 742.04 of the Revised Code for that firefighter employee member position on the board. 1278
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(3) If the complaint is against the police retirant member of the board of trustees, the complaint must be signed by a number of police retirants that equals at least the following and must include signatures of at least twenty police retirants residing in at least five different counties: 1285
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(a) If the police retirant member was most recently elected in accordance with section 742.04 of the Revised Code, ten per cent of the number of police retirants who voted in that election; 1290
1291
1292

(b) If the police retirant member most recently became a member of the board of trustees under section 742.05 of the Revised Code or took office in accordance with section 742.041 of the Revised Code, ten per cent of the number of police retirants who voted in the most recent election held in accordance with section 742.04 of the Revised Code for the police retirant member 1293
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position on the board. 1299

(4) If the complaint is against the firefighter retirant 1300
member of the board of trustees, the complaint must be signed by a 1301
number of firefighter retirants that equals at least the following 1302
and must include signatures of at least twenty firefighter 1303
retirants residing in at least five different counties: 1304

(a) If the firefighter retirant member was most recently 1305
elected in accordance with section 742.04 of the Revised Code, ten 1306
per cent of the number of firefighter retirants who voted in that 1307
election; 1308

(b) If the firefighter retirant member most recently became a 1309
member of the board of trustees under section 742.05 of the 1310
Revised Code or took office in accordance with section 742.041 of 1311
the Revised Code, ten per cent of the number of firefighter 1312
retirants who voted in the most recent election held in accordance 1313
with section 742.04 of the Revised Code for the firefighter 1314
retirant member position on the board. 1315

(D) The clerk of the court of ~~appeals~~ common pleas in which a 1316
complaint against a member of the board of trustees is filed under 1317
division (A) of this section shall do both of the following with 1318
respect to the complaint: 1319

(1) Submit the signatures obtained pursuant to division (C) 1320
of this section to the board for purposes of verifying the 1321
validity of the signatures. The board shall verify the validity of 1322
the signatures and report its findings to the court. 1323

(2) Cause a copy of the complaint to be served on the board 1324
member at least ten days before the hearing on the complaint. The 1325
court shall hold a public hearing not later than thirty days after 1326
the filing of the complaint. The court may subpoena witnesses and 1327
compel their attendance in the same manner as in civil cases. 1328
Process shall be served by the sheriff of the county in which the 1329

witness resides. Witness fees and other fees in connection with 1330
the proceedings shall be the same as in civil cases. The court may 1331
suspend the board member pending the hearing. 1332

If the court finds that one or more of the charges in the 1333
complaint are true, it shall make a finding for removal of the 1334
board member. The court's finding shall include a full, detailed 1335
statement of the reasons for the removal. The finding shall be 1336
filed with the clerk of the court and be made a matter of public 1337
record. 1338

The board member has the right ~~of review or to~~ appeal to the 1339
~~supreme court on leave first obtained. The supreme court shall~~ 1340
~~hear the case in not more than thirty court days after granting~~ 1341
~~leave. In other respects, the hearing shall follow the regular~~ 1342
~~procedure in appealable cases that originate in the court of~~ 1343
appeals. 1344

(E) No individual who has been removed from the board 1345
pursuant to this section shall be eligible to fill an elective or 1346
appointed position as a member of the board. 1347

Sec. 742.05. (A) Any vacancy occurring in the term of a 1348
member of the board of trustees of the Ohio police and fire 1349
pension fund who is the fiscal officer of a municipal corporation 1350
shall be filled by appointment by the governor for the unexpired 1351
term of such member. 1352

~~If (B) Except as provided in division (C) of this section, if~~ 1353
a vacancy occurs in the term of an employee or retirant member of 1354
the board, all the remaining members of the board shall elect a 1355
successor employee or retirant member. On certification of the 1356
election results in accordance with rules adopted under section 1357
742.045 of the Revised Code, the successor member shall hold 1358
office until the first day of the new term that follows the next 1359

board election that occurs not less than ninety days after the 1360
successor member's election, or until the end of the term for 1361
which the successor member was elected, whichever is sooner. 1362

Elections under this section to fill a vacancy on the board 1363
shall be conducted in accordance with rules adopted under section 1364
742.045 of the Revised Code. 1365

If a member of the board who is the fiscal officer of a 1366
municipal corporation ceases to be a fiscal officer of a municipal 1367
corporation, a vacancy shall exist. 1368

If an employee member of the board ceases to be a member of 1369
the fund, a vacancy shall exist. 1370

If as a result of changed circumstances a retirant member no 1371
longer qualifies for membership on the board as a retirant member, 1372
a vacancy shall exist. 1373

Any elected or appointed member of the board who fails to 1374
attend three consecutive meetings of the board, without valid 1375
excuse, shall be considered as having resigned from the board and 1376
the board shall declare the member's office vacated and as of the 1377
date of the adoption of a proper resolution a vacancy shall exist. 1378

(C) A successor member need not be elected under division (B) 1379
of this section to fill a vacancy if on the day the vacancy occurs 1380
less than ninety days remain in the vacated term. 1381

Sec. 742.381. Not later than March 1, 2000, and each first 1382
day of March ~~for the succeeding five years~~ thereafter, the board 1383
of trustees of the Ohio police and fire pension fund shall make 1384
and submit a report for the preceding fiscal year of the 1385
disability retirement experience of each employer. The report 1386
shall specify the total number of disability applications 1387
submitted, the status of each application as of the last day of 1388
the fiscal year, total applications granted or denied, and the 1389

percentage of disability benefit recipients to the total number of 1390
the employer's employees who are members of the fund. The report 1391
shall be submitted to the governor, the Ohio retirement study 1392
council, and the chairpersons of the standing committees and 1393
subcommittees of the senate and house of representatives with 1394
primary responsibility for retirement legislation. 1395

Sec. 742.451. The board of trustees of the Ohio police and 1396
fire pension fund may establish a program under which a member or 1397
a member's employer is permitted to make additional deposits for 1398
the purpose of providing funds for the payment of health, medical, 1399
hospital, surgical, dental, or vision care expenses, including 1400
insurance premiums, deductible amounts, or copayments. The program 1401
may be a voluntary employees' beneficiary association, as 1402
described in section 501(c)(9) of the Internal Revenue Code, 26 1403
U.S.C. 501(c)(9), as amended; an account described in section 1404
401(h) of the Internal Revenue Code, 26 U.S.C. 401(h), as amended; 1405
a medical savings account; or a similar type of program under 1406
which an individual may accumulate funds for the purpose of paying 1407
such expenses. To implement the program, the board may enter into 1408
agreements with insurance companies or other entities authorized 1409
to conduct business in this state. 1410

If the board establishes a program under this section, it 1411
shall adopt rules to administer the program. 1412

Sec. 742.56. (A) The board of trustees of the Ohio police and 1413
fire pension fund may by rule establish a payroll deduction plan 1414
for payment of the following: 1415

(1) The cost of service credit members of the fund are 1416
eligible to purchase under this chapter; 1417

(2) Charges for participation in programs established under 1418
section 742.53 of the Revised Code; 1419

(3) Deposits under section 742.451 of the Revised Code and 1420
any charges for participation in the program established under 1421
that section. 1422

(B) In addition to any other matter considered relevant by 1423
the trustees, the rules shall specify all of the following: 1424

(1) The types of service credit that may be paid for through 1425
payroll deduction, including the section of the Revised Code that 1426
authorizes the purchase of each type of service credit for which 1427
payment may be made by payroll deduction; 1428

(2) The procedure to be followed by a member to inform the 1429
member's employer and the Ohio police and fire pension fund that 1430
the member wishes to purchase service credit under this chapter or 1431
pay for participation in programs established under section 742.53 1432
of the Revised Code and chooses to pay for it through payroll 1433
deduction; 1434

(3) The procedure to be followed by the fund to determine for 1435
each request the amount to be deducted, the number of deductions 1436
to be made, and the interval at which deductions will be made. The 1437
rules may provide for a minimum amount for each deduction or a 1438
maximum number of deductions for the purchase of any type of 1439
credit, but shall provide that no deduction may exceed the 1440
member's net compensation after all deductions and withholdings 1441
required by law. 1442

(4) The procedure to be followed by employers in transmitting 1443
amounts deducted from the salaries of their employees to the fund; 1444

(5) The procedure to be followed by the fund in crediting 1445
service credit to members who choose to purchase it through 1446
payroll deduction. 1447

(C) If the trustees of the fund establish a payroll deduction 1448
plan under this section, the trustees shall certify to the 1449

member's employer for each member for which deductions are to be 1450
made, the amount of each deduction and the payrolls from which 1451
deductions are to be made. The employer shall make the deductions 1452
as certified and transmit the amounts deducted on or before the 1453
last day of the month following the last day of the reporting 1454
period during which the deductions are made. The deduction shall 1455
be accompanied by a report, in such form as the board requires, 1456
that includes the name of each member for whom deductions were 1457
made and the deductions attributed to that member. If the employer 1458
fails to transmit the deductions or the report on or before the 1459
last day of the month following the last day of the reporting 1460
period during which the deductions are made, a penalty determined 1461
under section 742.352 of the Revised Code shall be assessed 1462
against the employer. On certification by the board to the county 1463
auditor of an amount due from an employer within the county who is 1464
subject to this division, by reason of the employer's delinquency 1465
in transmitting amounts due under this division for past months, 1466
those amounts shall be withheld from the employer from any funds 1467
in the hands of the county treasurer for distribution to the 1468
employer. On receipt of the certification, the county auditor 1469
shall draw a warrant against the funds in favor of the Ohio police 1470
and fire pension fund for the amount. 1471

(D) Rules adopted under this section shall not affect any 1472
right to purchase service credit conferred by any other section of 1473
the Revised Code, including the right of a member under any such 1474
section to purchase only part of the service credit the member is 1475
eligible to purchase. 1476

Sec. 3307.06. (A) Annually on the first Monday of May, one 1477
contributing member, as defined in division (D) of section 3307.05 1478
of the Revised Code, shall be elected by ballot to the state 1479
teachers retirement board, except that, beginning with the annual 1480

election for contributing members in May, 1978, and in the annual 1481
election of each fourth year thereafter, two contributing members 1482
shall be elected to the board. Elected contributing members shall 1483
begin their respective terms of office on the first day of 1484
September following their election and shall serve for a term of 1485
four years. 1486

(B) The retired teacher members of the board, as defined in 1487
division (E) of section 3307.05 of the Revised Code, shall be 1488
elected for a term of four years. The retired teacher members 1489
shall be elected to the board at the annual election for 1490
contributing members of the board, as provided in division (A) of 1491
this section, in the year in which the term of the current retired 1492
teacher members would expire. The retired teacher members shall 1493
begin their respective terms of office on the first day of 1494
September following their election. 1495

No contributing member of the board who retires while a 1496
member of the board shall be eligible to become a retired teacher 1497
member of the board for three years after the date of the member's 1498
retirement. 1499

(C) ~~If~~ Except as provided in division (E) of this section, if 1500
a vacancy occurs during the term of office of any elected member 1501
of the board, the remaining members of the board shall elect a 1502
successor member. On certification of the election results in 1503
accordance with rules adopted under section 3307.075 of the 1504
Revised Code the successor member shall hold office until the 1505
first day of the new term that follows the next board election 1506
that occurs not less than ninety days after the successor member's 1507
election, or until the end of the term for which the successor 1508
member was elected, whichever is sooner. The successor member 1509
shall qualify for board membership under the same division of 1510
section 3307.05 of the Revised Code as the member's predecessor in 1511
office. Elections under this division shall be conducted in 1512

accordance with rules adopted under section 3307.075 of the Revised Code.

(D) If as a result of changed circumstances an elected member of the board would no longer qualify for board membership under that division of section 3307.05 of the Revised Code on the basis of which the member was elected, or if such a member fails to attend the meetings of the board for four months or longer, without being excused, the member's position on the board shall be considered vacant, and a successor member shall be elected, under this division ~~(C) of this section,~~ for the remainder of the unexpired term.

(E) A successor member need not be elected under division (C) of this section to fill a vacancy if on the day the vacancy occurs less than ninety days remain in the vacated term.

Sec. 3307.061. (A) The office of a contributing member or retired teacher member of the state teachers retirement board who is convicted of or pleads guilty to a felony, a theft offense as defined in section 2913.01 of the Revised Code, or a violation of section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code shall be deemed vacant. A person who has pleaded guilty to or been convicted of an offense of that nature is ineligible for election to the office of contributing or retired teacher member of the state teachers retirement board.

(B) A member of the state teachers retirement board who willfully and flagrantly exercises authority or power not authorized by law, refuses or willfully neglects to enforce the law or to perform any official duty imposed by law, or is guilty of gross neglect of duty, gross immorality, drunkenness, misfeasance, malfeasance, or nonfeasance is guilty of misconduct in office. On complaint and hearing in the manner provided for in

this section, the board member shall have judgment of forfeiture
of the office with all its emoluments entered against the board
member, creating in the office a vacancy to be filled as provided
by law.

(C) Proceedings for removal of a board member on any of the
grounds enumerated in division (B) of this section shall be
commenced by filing with the court of ~~appeals~~ common pleas of the
~~district~~ county in which the board member resides a written
complaint specifically setting forth the charge. The complaint
shall be accepted if signed by the governor or signed as follows:

(1) If the complaint is against a contributing member of the
board, the complaint must be signed by a number of contributing
members of the retirement system that equals at least the
following and must include signatures of at least twenty
contributing members residing in at least five different counties:

(a) If the contributing member was most recently elected in
accordance with division (A) of section 3307.06 of the Revised
Code, ten per cent of the number of contributing members of the
system who voted in that election;

(b) If the contributing member was most recently elected
under division (D) of section 3307.06 of the Revised Code or took
office in accordance with section 3307.071 of the Revised Code,
ten per cent of the number of contributing members of the system
who voted in the most recent election held in accordance with
division (A) of section 3307.06 of the Revised Code for that
contributing member position on the board.

(2) If the complaint is against a retired teacher member of
the board, the complaint must be signed by a number of former
members of the system who are superannuates, as defined in section
3307.01 of the Revised Code, that equals at least the following
and must include signatures of at least twenty retired teacher

members residing in at least five different counties: 1575

(a) If the retired teacher member was most recently elected 1576
in accordance with division (C) of section 3307.06 of the Revised 1577
Code, ten per cent of the number of former members of the system 1578
who voted in that election; 1579

(b) If the retired teacher member was most recently elected 1580
under division (D) of section 3307.06 of the Revised Code or took 1581
office in accordance with section 3307.071 of the Revised Code, 1582
ten per cent of the number of former members of the system who 1583
voted in the most recent election held in accordance with division 1584
(B) of section 3307.06 of the Revised Code for that retired 1585
teacher member position on the board. 1586

(D) The clerk of the court of ~~appeals~~ common pleas in which a 1587
complaint against a member of the state teachers retirement board 1588
is filed under division (C) of this section shall do both of the 1589
following with respect to the complaint: 1590

(1) Submit the signatures obtained pursuant to division (C) 1591
of this section to the board for purposes of verifying the 1592
validity of the signatures. The board shall verify the validity of 1593
the signatures and report its findings to the court. 1594

(2) Cause a copy of the complaint to be served on the board 1595
member at least ten days before the hearing on the complaint. The 1596
court shall hold a public hearing not later than thirty days after 1597
the filing of the complaint. The court may subpoena witnesses and 1598
compel their attendance in the same manner as in civil cases. 1599
Process shall be served by the sheriff of the county in which the 1600
witness resides. Witness fees and other fees in connection with 1601
the proceedings shall be the same as in civil cases. The court may 1602
suspend the board member pending the hearing. 1603

If the court finds that one or more of the charges in the 1604
complaint are true, it shall make a finding for removal of the 1605

board member. The court's finding shall include a full, detailed
statement of the reasons for the removal. The finding shall be
filed with the clerk of the court and be made a matter of public
record.

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~~The board member has the right of review or to appeal to the
supreme court on leave first obtained. The supreme court shall
hear the case in not more than thirty court days after granting
leave. In other respects, the hearing shall follow the regular
procedure in appealable cases that originate in the court of
appeals.~~

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(E) No individual who has been removed from the board
pursuant to this section shall be eligible to fill an elective or
appointed position as a member of the board.

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Sec. 3307.393. As used in this section, "STRS defined benefit
plan" means the plan established under sections 3307.50 to 3307.79
of the Revised Code and "STRS defined contribution plan" means a
plan established under section 3307.81 of the Revised Code.

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The STRS defined benefit plan or a STRS defined contribution
plan may include a program under which a member participating in
the plan or a member's employer is permitted to make additional
deposits for the purpose of providing funds for the payment of
health, medical, hospital, surgical, dental, or vision care
expenses, including insurance premiums, deductible amounts, or
copayments. The program may be a voluntary employees' beneficiary
association, as described in section 501(c)(9) of the Internal
Revenue Code, 26 U.S.C. 501(c)(9), as amended; an account
described in section 401(h) of the Internal Revenue Code, 26
U.S.C. 401(h), as amended; a medical savings account; or a similar
type of program under which an individual may accumulate funds for
the purpose of paying such expenses. To implement the program, the
state teachers retirement board may enter into agreements with

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insurance companies or other entities authorized to conduct 1637
business in this state. 1638

If the STRS defined benefit plan or a STRS defined 1639
contribution plan includes a program described in this section, 1640
the board shall adopt rules to establish and administer the 1641
program. 1642

Sec. 3307.513. Not later than September 1, 2000, and each 1643
first day of September ~~for the succeeding five years thereafter,~~ 1644
the state teachers retirement board shall make and submit a report 1645
for the preceding fiscal year of the disability retirement 1646
experience of each employer. The report shall specify the total 1647
number of disability applications submitted under section 3307.62 1648
of the Revised Code, the status of each application as of the last 1649
day of the fiscal year, total applications granted or denied, and 1650
the percentage of disability benefit recipients, as defined in 1651
section 3307.50 of the Revised Code, to the total number of the 1652
employer's employees who are members of the state teachers 1653
retirement system. The report shall be submitted to the governor, 1654
the Ohio retirement study council, and the chairpersons of the 1655
standing committees and subcommittees of the senate and house of 1656
representatives with primary responsibility for retirement 1657
legislation. 1658

Sec. 3307.70. (A) The state teachers retirement board may 1659
establish by rule payroll deduction plans for payment of the 1660
following: 1661

(1) The cost of restoring service credit under section 1662
3307.71 or 3307.711 of the Revised Code or purchasing any service 1663
credit members of the state teachers retirement system are 1664
eligible to purchase under this chapter; 1665

(2) Charges for participation in programs established under 1666

section 3307.391 of the Revised Code; 1667

(3) Deposits under section 3307.393 of the Revised Code and 1668
any charges for participating in the program established under 1669
that section. 1670

(B) In addition to any other matter considered relevant by 1671
the board, the rules adopted under this section shall specify all 1672
of the following: 1673

(1) The types of service credit that may be paid for through 1674
payroll deduction, including the section of the Revised Code that 1675
authorizes the purchase of each type of service credit for which 1676
payment may be made by payroll deduction; 1677

(2) The procedure for informing the member's employer and the 1678
system that the member wishes to use payroll deduction to purchase 1679
service credit or pay for participation in programs established 1680
under section 3307.391 of the Revised Code; 1681

(3) The procedure to be followed by the system and employers 1682
to determine for each request the amount to be deducted, the 1683
number of deductions to be made, and the interval at which 1684
deductions will be made. The rules may provide for a minimum 1685
amount for each deduction. They may also provide for a maximum 1686
number of deductions for the purchase of any type of service 1687
credit. 1688

(4) The procedure to be followed by employers in transmitting 1689
amounts deducted from the compensation of their employees to the 1690
system; 1691

(5) The procedure to be followed by the system in crediting 1692
service credit to members who choose to purchase it through 1693
payroll deduction; 1694

(6) The time period within which employers are required to 1695
transmit amounts deducted from payrolls to the system. 1696

(C)(1) If the board establishes a payroll deduction plan 1697
under this section, it shall certify to the member's employer, for 1698
each member for whom deductions are to be made, the amount of each 1699
deduction and the payrolls from which deductions are to be made. 1700
The employer shall make the deductions as certified and transmit 1701
the amounts deducted in accordance with the rules established by 1702
the board under this section. 1703

(2) If an employer does not transmit amounts deducted from 1704
the compensation of an employee to the system within the time 1705
period specified in rules adopted under division (B)(6) of this 1706
section, the employer shall pay interest on the deducted amount 1707
compounded annually at a rate to be determined by the board from 1708
the date the amount is deducted to the date it is transmitted to 1709
the system. 1710

(D) Rules adopted under this section shall not affect any 1711
right to purchase service credit conferred by any other section of 1712
the Revised Code, including the right of a member under any such 1713
section to purchase only part of the service credit the member is 1714
eligible to purchase. 1715

(E) No payroll deduction made pursuant to this section may 1716
exceed the amount of a member's net compensation after all other 1717
deductions and withholdings required by law. 1718

(F) No payments made to the system under this section shall 1719
affect any contribution required by section 3307.26 or 3307.28 of 1720
the Revised Code. 1721

Sec. 3309.06. (A) Elections for employee and retirant members 1722
of the school employees retirement board shall be held on the 1723
first Monday of March. Terms of office of the employee and 1724
retirant members of the board shall be for four years each, 1725
commencing on the first day of July following the election and 1726

ending on the thirtieth day of June. The initial terms of the 1727
first retirant member and the new employee member shall commence 1728
on July 1, 1984, and end on June 30, 1988. 1729

(B) The initial election of the second retirant member shall 1730
be held at the first election that occurs later than ninety days 1731
after September 15, 2004. Subsequent elections shall be held each 1732
fourth year thereafter. 1733

(C) ~~If~~ Except as provided in division (E) of this section, if 1734
a vacancy occurs during the term of an elected member of the 1735
board, the remaining members of the board shall elect a successor 1736
member. On certification of the election results in accordance 1737
with rules adopted under section 3309.075 of the Revised Code, the 1738
successor member shall hold office until the first day of the new 1739
term that follows the next board election that occurs not less 1740
than ninety days after the successor member's election, or until 1741
the end of the term for which the successor member was elected, 1742
whichever is sooner. The successor member shall qualify for board 1743
membership under the same division of section 3309.05 of the 1744
Revised Code as the member's predecessor in office. Elections 1745
under this division shall be conducted in accordance with rules 1746
adopted under section 3309.075 of the Revised Code. 1747

(D) Employee members or retirant members of the board who 1748
fail to attend the meetings of the board for four months or 1749
longer, without being excused, shall be considered as having 1750
resigned and successors shall be elected for their unexpired terms 1751
pursuant to division (C) of this section. If as a result of 1752
changed circumstances the retirant member would no longer qualify 1753
for membership on the board as a retirant member, the office shall 1754
be considered vacant, and a successor retirant member shall be 1755
elected pursuant to division (C) of this section. 1756

(E) A successor member need not be elected under division (C) 1757
of this section for a vacancy that occurs on or after the first 1758

day of March of the year in which the vacated term ends.

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Sec. 3309.061. (A) The office of an employee member or
retirant member of the school employees retirement board who is
convicted of or pleads guilty to a felony, a theft offense as
defined in section 2913.01 of the Revised Code, or a violation of
section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13,
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code
shall be deemed vacant. A person who has pleaded guilty to or been
convicted of an offense of that nature is ineligible for election
to the office of employee or retirant member of the school
employees retirement board.

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(B) A member of the school employees retirement board who
willfully and flagrantly exercises authority or power not
authorized by law, refuses or willfully neglects to enforce the
law or to perform any official duty imposed by law, or is guilty
of gross neglect of duty, gross immorality, drunkenness,
misfeasance, malfeasance, or nonfeasance is guilty of misconduct
in office. On complaint and hearing in the manner provided for in
this section, the board member shall have judgment of forfeiture
of the office with all its emoluments entered against the board
member, creating in the office a vacancy to be filled as provided
by law.

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(C) Proceedings for removal of a board member on any of the
grounds enumerated in division (B) of this section shall be
commenced by filing with the court of ~~appeals~~ common pleas of the
~~district~~ county in which the board member resides a written
complaint specifically setting forth the charge. The complaint
shall be accepted if signed by the governor or signed as follows:

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(1) If the complaint is against an employee member of the
board, the complaint must be signed by a number of members of the
retirement system that equals at least the following and must

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include signatures of at least twenty employee members residing in 1790
at least five different counties: 1791

(a) If the employee member was most recently elected in 1792
accordance with division (B) of section 3309.07 of the Revised 1793
Code, ten per cent of the number of members of the system who 1794
voted in that election; 1795

(b) If the employee member most recently became a member of 1796
the board pursuant to section 3309.06 of the Revised Code to fill 1797
a vacancy in the board or took office in accordance with section 1798
3309.061 of the Revised Code, ten per cent of the number of 1799
members of the system who voted in the most recent election held 1800
in accordance with division (B) of section 3309.07 of the Revised 1801
Code for that employee member position on the board. 1802

(2) If the complaint is against a retirant member of the 1803
board, the complaint must be signed by a number of system 1804
retirants that equals at least the following and must include 1805
signatures of at least twenty retirant members residing in at 1806
least five different counties: 1807

(a) If the retirant member was most recently elected in 1808
accordance with division (C) of section 3309.07 of the Revised 1809
Code, ten per cent of the number of former members of the system 1810
who voted in that election; 1811

(b) If the retirant member most recently became a member of 1812
the board pursuant to section 3309.06 of the Revised Code to fill 1813
a vacancy in the board or took office in accordance with section 1814
3309.061 of the Revised Code, ten per cent of the number of former 1815
members of the system who voted in the most recent election held 1816
in accordance with division (C) of section 3309.07 of the Revised 1817
Code for that retirant member position on the board. 1818

(D) The clerk of the court of ~~appeals~~ common pleas in which a 1819
complaint against a board member is filed under division (C) of 1820

this section shall do both of the following with respect to the 1821
complaint: 1822

(1) Submit the signatures obtained pursuant to division (C) 1823
of this section to the board for purposes of verifying the 1824
validity of the signatures. The board shall verify the validity of 1825
the signatures and report its findings to the court. 1826

(2) Cause a copy of the complaint to be served on the board 1827
member at least ten days before the hearing on the complaint. The 1828
court shall hold a public hearing not later than thirty days after 1829
the filing of the complaint. The court may subpoena witnesses and 1830
compel their attendance in the same manner as in civil cases. 1831
Process shall be served by the sheriff of the county in which the 1832
witness resides. Witness fees and other fees in connection with 1833
the proceedings shall be the same as in civil cases. The court may 1834
suspend the board member pending the hearing. 1835

If the court finds that one or more of the charges in the 1836
complaint are true, it shall make a finding for removal of the 1837
board member. The court's finding shall include a full, detailed 1838
statement of the reasons for the removal. The finding shall be 1839
filed with the clerk of the court and be made a matter of public 1840
record. 1841

~~The board member has the right of review or to appeal to the 1842
supreme court on leave first obtained. The supreme court shall 1843
hear the case in not more than thirty court days after granting 1844
leave. In other respects, the hearing shall follow the regular 1845
procedure in appealable cases that originate in the court of 1846
appeals. 1847~~

(E) No individual who has been removed from the board 1848
pursuant to this section shall be eligible to fill an elective or 1849
appointed position as a member of the board. 1850

Sec. 3309.27. (A) The school employees retirement board may 1851
establish by rule payroll deduction plans for payment of the 1852
following: 1853

(1) The cost of restoring service credit under section 1854
3309.26 or 3309.261 of the Revised Code or purchasing any service 1855
credit members of the school employees retirement system are 1856
eligible to purchase under this chapter; 1857

(2) Charges for participation in programs established under 1858
section 3309.691 of the Revised Code; 1859

(3) Deposits under section 3309.692 of the Revised Code and 1860
any charges for participating in the program established under 1861
that section. 1862

(B) In addition to any other matter considered relevant by 1863
the board, the rules adopted under this section shall specify all 1864
of the following: 1865

(1) The types of service credit that may be paid for through 1866
payroll deduction, including the section of the Revised Code that 1867
authorizes the purchase of each type of service credit for which 1868
payment may be made by payroll deduction; 1869

(2) The procedure for informing the member's employer and the 1870
system that the member wishes to use payroll deduction to purchase 1871
service credit or pay for participation in programs established 1872
under section 3309.691 of the Revised Code; 1873

(3) The procedure to be followed by the system and employers 1874
to determine for each request the amount to be deducted, the 1875
number of deductions to be made, and the interval at which 1876
deductions will be made. The rules may provide for a minimum 1877
amount for each deduction or a maximum number of deductions for 1878
the purchase of any type of service credit. 1879

(4) The procedure to be followed by employers in transmitting 1880

amounts deducted from the compensation of their employees to the 1881
system; 1882

(5) The procedure to be followed by the system in crediting 1883
service credit to members who choose to purchase it through 1884
payroll deduction. 1885

(C) If the board establishes a payroll deduction plan under 1886
this section, it shall certify to the member's employer, for each 1887
member for whom deductions are to be made, the amount of each 1888
deduction and the payrolls from which deductions are to be made. 1889
The employer shall make the deductions as certified and transmit 1890
the amounts deducted in accordance with the rules established by 1891
the board under this section. 1892

(D) Rules adopted under this section shall not affect any 1893
right to purchase service credit conferred by any other section of 1894
the Revised Code, including the right of a member under any such 1895
section to purchase only part of the service credit the member is 1896
eligible to purchase. 1897

(E) No payroll deduction made pursuant to this section may 1898
exceed the amount of a member's net compensation after all other 1899
deductions and withholdings required by law. 1900

Sec. 3309.391. Not later than September 1, 2000, and each 1901
first day of September ~~for the succeeding five years~~ thereafter, 1902
the school employees retirement board shall make and submit a 1903
report for the preceding fiscal year of the disability retirement 1904
experience of each employer. The report shall specify the total 1905
number of disability applications submitted, the status of each 1906
application as of the last day of the fiscal year, total 1907
applications granted or denied, and the percentage of disability 1908
benefit recipients to the total number of the employer's employees 1909
who are members of the school employees retirement system. The 1910

report shall be submitted to the governor, the Ohio retirement 1911
study council, and the chairpersons of the standing committees and 1912
subcommittees of the senate and house of representatives with 1913
primary responsibility for retirement legislation. 1914

Sec. 3309.692. As used in this section, "SERS defined benefit 1915
plan" means the plan established under sections 3309.18 to 3309.70 1916
of the Revised Code and "SERS defined contribution plan" means the 1917
plan established under section 3309.81 of the Revised Code. 1918

The SERS defined benefit plan or a SERS defined contribution 1919
plan may include a program under which a member participating in 1920
the plan or a member's employer is permitted to make additional 1921
deposits for the purpose of providing funds for the payment of 1922
health, medical, hospital, surgical, dental, or vision care 1923
expenses, including insurance premiums, deductible amounts, or 1924
copayments. The program may be a voluntary employees' beneficiary 1925
association, as described in section 501(c)(9) of the Internal 1926
Revenue Code, 26 U.S.C. 501(c)(9), as amended; an account 1927
described in section 401(h) of the Internal Revenue Code, 26 1928
U.S.C. 401(h), as amended; a medical savings account; or a similar 1929
type of program under which an individual may accumulate funds for 1930
the purpose of paying such expenses. To implement the program, the 1931
school employees retirement board may enter into agreements with 1932
insurance companies or other entities authorized to conduct 1933
business in this state. 1934

If the SERS defined benefit plan or a SERS defined 1935
contribution plan includes a program described in this section, 1936
the board shall adopt rules to administer the program. 1937

Sec. 5505.043. (A) The state highway patrol retirement board 1938
is not required to hold an election for a position on the board as 1939
a retirant member, or employee member, or vacancy for a retirant 1940

~~member or employee member~~ if only one candidate has been nominated 1941
for the position ~~or vacancy~~ in accordance with rules governing the 1942
election adopted under section 5505.047 of the Revised Code. The 1943
candidate shall take office as if elected. ~~In the case of a~~ 1944
~~retirant member or employee member,~~ and the term of office shall 1945
be four years beginning in August of the year the candidate was 1946
nominated. ~~In the case of a vacancy, the candidate shall fill the~~ 1947
~~unexpired term.~~ 1948

(B) The board is not required to hold an election for a 1949
vacated position on the board as a retirant member or employee 1950
member if either of the following is the case: 1951

(1) Only one candidate has been nominated for the vacancy in 1952
accordance with rules governing the election adopted under section 1953
5505.047 of the Revised Code, in which case the candidate shall 1954
fill the unexpired term. 1955

(2) Less than ninety days remain in the member's term on the 1956
day that member's position becomes vacant. 1957

Sec. 5505.048. (A) The office of an employee member or 1958
retirant member of the state highway patrol retirement board who 1959
is convicted of or pleads guilty to a felony, a theft offense as 1960
defined in section 2913.01 of the Revised Code, or a violation of 1961
section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 1962
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code 1963
shall be deemed vacant. A person who has pleaded guilty to or been 1964
convicted of an offense of that nature is ineligible for election 1965
to the office of employee member or retirant member of the state 1966
highway patrol retirement board. 1967

(B) A member of the state highway patrol retirement board who 1968
willfully and flagrantly exercises authority or power not 1969
authorized by law, refuses or willfully neglects to enforce the 1970

law or to perform any official duty imposed by law, or is guilty
of gross neglect of duty, gross immorality, drunkenness,
misfeasance, malfeasance, or nonfeasance is guilty of misconduct
in office. On complaint and hearing in the manner provided for in
this section, the board member shall have judgment of forfeiture
of the office with all its emoluments entered against the board
member, creating in the office a vacancy to be filled as provided
by law.

(C) Proceedings for removal of a state retirement system
board member on any of the grounds enumerated in division (B) of
this section shall be commenced by filing with the court of
~~appeals~~ common pleas of the ~~district~~ county in which the board
member resides a written complaint specifically setting forth the
charge. The complaint shall be accepted if signed by the governor
or signed as follows:

(1) If the complaint is against an employee member of the
board, the complaint must be signed by a number of members of the
retirement system that equals at least the following and must
include signatures of at least twenty employee members residing in
at least five different counties:

(a) If the employee member was most recently elected in
accordance with division (C)(2) of section 5505.04 of the Revised
Code, ten per cent of the number of contributing members of the
system who voted in that election;

(b) If the employee member was most recently elected to the
board pursuant to division (C)(3) of section 5505.04 of the
Revised Code or took office in accordance with division (C)(4) of
that section, ten per cent of the number of contributing members
of the system who voted in the most recent election held in
accordance with division (C)(2) of section 5505.04 of the Revised
Code for that employee member position on the board.

(2) If the complaint is against the retirant member of the board, the complaint must be signed by a number of service and disability retirants that equals at least the following and must include signatures of at least twenty service and disability members residing in at least five different counties:

(a) If the retirant member was most recently elected in accordance with division (C)(1) of section 5505.04 of the Revised Code, ten per cent of the number of service and disability retirants who voted in that election;

(b) If the retirant member was most recently elected to the board pursuant to division (C)(3) of section 5505.04 of the Revised Code or took office in accordance with division (C)(4) of that section, ten per cent of the number of service and disability retirants who voted in the most recent election held in accordance with division (C)(1) of section 5505.04 of the Revised Code for that retirant member position on the board.

(D) The clerk of the court of ~~appeals~~ common pleas in which a complaint against a board member is filed under division (C) of this section shall do both of the following with respect to the complaint:

(1) Submit the signatures obtained pursuant to division (C) of this section to the board for purposes of verifying the validity of the signatures. The board shall verify the validity of the signatures and report its findings to the court.

(2) Cause a copy of the complaint to be served on the board member at least ten days before the hearing on the complaint. The court shall hold a public hearing not later than thirty days after the filing of the complaint. The court may subpoena witnesses and compel their attendance in the same manner as in civil cases. Process shall be served by the sheriff of the county in which the witness resides. Witness fees and other fees in connection with

the proceedings shall be the same as in civil cases. The court may
suspend the board member pending the hearing.

If the court finds that one or more of the charges in the
complaint are true, it shall make a finding for removal of the
board member. The court's finding shall include a full, detailed
statement of the reasons for the removal. The finding shall be
filed with the clerk of the court and be made a matter of public
record.

The board member has the right ~~of review or to~~ appeal to the
~~supreme court on leave first obtained. The supreme court shall~~
~~hear the case in not more than thirty court days after granting~~
~~leave. In other respects, the hearing shall follow the regular~~
~~procedure in appealable cases that originate in the court of~~
appeals.

(E) No individual who has been removed from the board
pursuant to this section shall be eligible to fill an elective or
appointed position as a member of the board.

Sec. 5505.181. Not later than March 1, 2000, and each first
day of March ~~for the succeeding five years thereafter~~, the state
highway patrol retirement board shall make and submit a report for
the preceding fiscal year of the disability retirement experience
of the state highway patrol. The report shall specify the total
number of disability applications submitted, the status of each
application as of the last day of the fiscal year, total
applications granted or denied, and the percentage of disability
benefit recipients to the total number of the patrol's employees
who are members of the state highway patrol retirement system. The
report shall be submitted to the governor, the Ohio retirement
study council, and the chairpersons of the standing committees and
subcommittees of the senate and house of representatives with
primary responsibility for retirement legislation.

Sec. 5505.203. (A) The state highway patrol retirement board 2064
may establish by rule a payroll deduction plan for payment of the 2065
following: 2066

(1) The cost of restoring service credit under section 2067
5505.20 of the Revised Code or purchasing any service credit 2068
members of the state highway patrol retirement system are eligible 2069
to purchase under this chapter; 2070

(2) Charges for participation in programs established under 2071
section 5505.33 of the Revised Code; 2072

(3) Deposits under section 5505.281 of the Revised Code and 2073
any charges for participation in the program established under 2074
that section. 2075

(B) In addition to any other matter considered relevant by 2076
the board, the rules shall specify all of the following: 2077

(1) The types of service credit that may be paid for through 2078
payroll deduction, including the section of the Revised Code that 2079
authorizes the purchase of each type of service credit for which 2080
payment may be made by payroll deduction; 2081

(2) The procedure to be followed by a member to inform ~~his~~ 2082
the member's employer and the system that ~~he~~ the member wishes to 2083
purchase service credit under this chapter or pay for 2084
participation in programs established under section 5505.33 of the 2085
Revised Code through payroll deduction; 2086

(3) The procedure to be followed by the system and employers 2087
to determine for each request the amount to be deducted, the 2088
number of deductions to be made, and the interval at which 2089
deductions will be made. The rules may provide for a minimum 2090
amount for each deduction or a maximum number of deductions for 2091
the purchase of any type of credit. 2092

(4) The procedure to be followed by employers in transmitting 2093

amounts deducted from the salaries of their employees to the 2094
system; 2095

(5) The procedure to be followed by the system in crediting 2096
service credit to members who choose to purchase it through 2097
payroll deduction. 2098

(C) If the board establishes a payroll deduction plan under 2099
this section, it shall certify to the member's employer for each 2100
member for whom deductions are to be made, the amount of each 2101
deduction and the payrolls from which deductions are to be made. 2102
The employer shall make the deductions as certified and transmit 2103
the amounts deducted in accordance with the rules established by 2104
the board under this section. 2105

(D) Rules adopted under this section shall not affect any 2106
right to purchase service credit conferred by any other section of 2107
the Revised Code, including the right of a member under any such 2108
section to purchase only part of the service credit ~~he~~ the member 2109
is eligible to purchase. 2110

(E) No payroll deduction made pursuant to this section may 2111
exceed the amount of a member's net compensation after all other 2112
deductions and withholdings required by law. 2113

Sec. 5505.281. The state highway patrol retirement board may 2114
establish a program under which a member or a member's employer is 2115
permitted to make additional deposits for the purpose of providing 2116
funds for the payment of health, medical, hospital, surgical, 2117
dental, or vision care expenses, including insurance premiums, 2118
deductible amounts, or copayments. The program may be a voluntary 2119
employees' beneficiary association, as described in section 2120
501(c)(9) of the Internal Revenue Code, 26 U.S.C. 501(c)(9), as 2121
amended; an account described in section 401(h) of the Internal 2122
Revenue Code, 26 U.S.C. 401(h), as amended; a medical savings 2123

account; or a similar type of program under which an individual 2124
may accumulate funds for the purpose of paying such expenses. To 2125
implement the program, the board may enter into agreements with 2126
insurance companies or other entities authorized to conduct 2127
business in this state. 2128

If the board establishes a program under this section, it 2129
shall adopt rules to administer the program. 2130

Section 2. That existing sections 145.057, 145.06, 145.201, 2131
145.23, 145.294, 145.351, 145.43, 145.45, 145.471, 145.472, 2132
145.483, 145.51, 145.82, 145.92, 742.046, 742.05, 742.381, 742.56, 2133
3307.06, 3307.061, 3307.513, 3307.70, 3309.06, 3309.061, 3309.27, 2134
3309.391, 5505.043, 5505.048, 5505.181, and 5505.203 of the 2135
Revised Code are hereby repealed. 2136

Section 3. Notwithstanding sections 742.03 and 742.04 of the 2137
Revised Code, the police retirant member of the Board of Trustees 2138
of the Ohio Police and Fire Pension Fund whose term of office 2139
commenced on June 2, 2003, shall serve a term of five years. 2140