

# AN ACT

To amend sections 145.301, 3307.751, 3309.021, 3313.16, and 5505.25 of the Revised Code to permit a member of the Public Employees Retirement System, State Teachers Retirement System, School Employees Retirement System, or State Highway Patrol Retirement System to purchase military service credit for duty in the Ohio National Guard or reserves and to authorize school boards to grant high school diplomas to women who left high school to support their families or the war effort during World War II, the Korean Conflict, or the Vietnam Conflict.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 1. That sections 145.301, 3307.751, 3309.021, 3313.16, and 5505.25 of the Revised Code be amended to read as follows:

Sec. 145.301. (A) As used in this section:

(1) "Prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the armed forces of the United States, reserves, or Ohio national guard who was captured, separated, and incarcerated by an enemy of the United States.

(2) "Reserves" means personnel of the reserve components of any of the armed forces of the United States enumerated in division (A)(1)(a) of section 145.30 of the Revised Code.

(B)(1) A member may purchase service credit that shall be considered as the equivalent of Ohio service for each year or portion of a year of service incurred by reason of having been on active duty as a member of the armed forces of the United States, as defined in section 145.30 of the Revised Code. ~~The~~

(2) On presentation of documentation of the service and subject to public employees retirement board rules, a member may purchase service credit for each year or portion of a year of service incurred by reason of

having been on active duty as a member of the reserves or the Ohio national guard for which the member is not eligible to purchase credit under division (B)(1) of this section. Any credit purchased under this section shall be considered as the equivalent of Ohio service credit. For purposes of division (B)(2) of this section, active duty in the reserves or the Ohio national guard includes assembly for drill and instruction; training at encampments, maneuvers, outdoor target practice, or other exercises; and any training or duty in this state ordered by the governor.

(3) Credit shall not be granted for any period of duty during which the member was contributing to the retirement system.

The credit may be purchased at any time prior to receipt of a retirement allowance. The number of years purchased shall not exceed five. The member may choose to purchase only part of such credit in any one payment, subject to public employees retirement board rules.

~~(B) For the purposes of this division, "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the armed forces of the United States who was captured, separated, and incarcerated by an enemy of the United States.~~

(C) A member may purchase service credit that shall be considered as the equivalent of Ohio service for each year of service such member was a prisoner of war. The number of years purchased under this division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division ~~(A)~~(B) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

~~(C)~~(D) The total number of years purchased under this section shall not exceed the member's total accumulated number of years of Ohio service.

~~(D)~~(E)(1) For each year or portion of a year of service purchased under division ~~(A)~~(B)(1) or ~~(B)~~(C) of this section, the member shall pay to the public employees retirement system for credit to the member's accumulated account an amount specified by the retirement board that shall be not less than fifty per cent of the additional liability resulting from the purchase of that year or portion of a year of service as determined by an actuary employed by the board.

~~(E)~~(2) For each year or portion of a year of service credit purchased under division (B)(2) of this section, the member shall pay to the public employees retirement system for credit to the member's accumulated account an amount equal to one hundred per cent of the additional liability resulting from the purchase of that year or portion of a year of service as determined by an actuary employed by the board.

The retirement system shall calculate the number of years or portion of a year of credit the member is eligible to purchase under division (B)(2) of this section by dividing the number of days actually served by three hundred sixty-five.

(F) A member is ineligible to purchase service credit under this section for any year of military service that was:

(1) Used in the calculation of any retirement benefit currently being paid to the member or payable in the future under any other retirement program, except social security, or for retired pay for nonregular service under Chapter 1223 of Section 1662 of Title XVI of the "National Defense Authorization Act for Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739;

(2) Used to obtain service credit pursuant to section 145.30 or 145.302 of the Revised Code.

At the time the credit is purchased, the member shall certify on a form furnished by the retirement board that the member does and will conform to this requirement.

(F)(G) A member who, on March 17, 2000, is purchasing service credit under this section by making installment payments to the system or by a payroll deduction plan authorized under section 145.294 of the Revised Code may elect, on a form provided by the board, to have a portion of the cost of the service credit recalculated under division (D)(E) of this section as amended by House Bill 186 of the 123rd general assembly. The recalculation shall apply only to the amount still owed by the member as of the date the election is filed with the board.

For each member who makes an election, the board shall do all of the following:

(1) Determine the amount of the total cost of the service credit still owed by the member as of the date the election is filed with the board and the number of years or portion of a year of service credit attributable to that amount;

(2) Recalculate under division (D)(E) of this section the cost of the service credit described in division (F)(G)(1) of this section;

(3) Notify the member of the recalculated amount.

If the recalculated amount is less than the amount still owed by the member as of the date the election is filed, the recalculated amount shall be the amount owed by the member.

(G)(H) Credit purchased under this section may be combined pursuant to section 145.37 with credit for military service purchased under sections 3307.751 and 3309.021, except that not more than an aggregate total of five

years of credit purchased under division ~~(A)(B)~~ of this section, division (A) of section 3307.751, and division (A) of section 3309.021, and not more than an aggregate total of five years of credit purchased under division ~~(B)(C)~~ of this section, division (B) of section 3307.751, and division (B) of section 3309.021 shall be used in determining retirement eligibility or calculating benefits under section 145.37 of the Revised Code.

Sec. 3307.751. (A)(1) A member participating in the plan described in sections 3307.50 to 3307.79 of the Revised Code may purchase service credit that shall be considered as the equivalent of Ohio service for each year or portion of a year of service incurred by reason of having been on active duty as a member of the armed forces of the United States, as defined in section 3307.75 of the Revised Code. ~~The~~

(2) As used in division (A)(2) of this section, "reserves" means a reserve component of any of the armed forces of the United States enumerated in division (A)(1) of section 3307.75 of the Revised Code.

On presentation of documentation of the service and subject to state teachers retirement board rules, a member participating in the plan described in sections 3307.50 to 3307.79 of the Revised Code may purchase service credit that shall be considered as the equivalent of Ohio service for each year or portion of a year of service incurred by reason of having been on active duty as a member of the Ohio national guard or reserves for which the member is not eligible to purchase credit under division (A)(1) of this section. For purposes of division (A)(2) of this section, active duty in the reserves or the Ohio national guard includes assembly for drill and instruction; training at encampments, maneuvers, outdoor target practice, or other exercises; and any training or duty in this state ordered by the governor.

(3) Credit shall not be granted for any period of duty during which the member was contributing to the retirement system.

The credit may be purchased at any time prior to the effective date of a benefit. The number of years purchased under this division shall not exceed five.

(B) For the purposes of this division, "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the armed forces of the United States who was captured, separated, and incarcerated by an enemy of the United States.

A member participating in the plan described in sections 3307.50 to 3307.79 of the Revised Code may purchase service credit that shall be considered as the equivalent of Ohio service for each year of service such member was a prisoner of war. The number of years purchased under this

division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division (A) of this section.

(C) The total number of years purchased under this section shall not exceed the member's total accumulated number of years of Ohio service.

(D)(1) Except as otherwise provided in division (D)(2) or (3) of this section, for each year or portion of a year of service purchased under division (A) or (B) of this section, the member shall pay to the state teachers retirement system for credit to the member's accumulated account an amount determined by the member rate of contribution in effect at the time the military service began multiplied by the member's annual compensation for full-time employment during the first year of service in Ohio following termination of military service. If, however, a limit on maximum salary or maximum contribution was in effect at the time the military service began, the limit shall be applied to the salary received during the first year of service in Ohio to calculate the amount of payment. To this amount shall be added an amount equal to compound interest at a rate established by the state teachers retirement board from the date active military service terminated to date of payment.

(2) For each year of service purchased under division (A)(1) or (B) of this section for military service that commenced on or after July 1, 1989, and, without regard to when the military service commenced, for each year of service purchased under division (A) or (B) of this section by a member who first established membership in the retirement system on or after July 1, 1989, the member shall pay to the retirement system for credit to the member's individual account an amount specified by the state teachers retirement board that shall be not less than fifty per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board.

(3) For each year or portion of a year of service in the reserves or Ohio national guard purchased under division (A)(2) of this section, the member shall pay to the retirement system for credit to the member's individual account an amount equal to one hundred per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board. The retirement system shall calculate the number of years or portions of a year of credit the member is eligible to purchase under division (A)(2) of this section by dividing the number of days actually served by three hundred sixty-five.

(4) A member may choose to purchase only part of the credit the member is eligible to purchase under this section in any one payment,

subject to board rules.

(E) A member of the state teachers retirement system is ineligible to purchase service credit under this section for any year of military service that was:

(1) Used in the calculation of any retirement benefit currently being paid to such member or payable in the future under any other retirement program, except for retired pay for non-regular service under Chapter 1223 of Section 1662 of Title XVI of the "National Defense Authorization Act for Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social security;

(2) Used to obtain service credit pursuant to section 3307.75 or 3307.752 of the Revised Code.

At the time the credit is purchased, the member shall certify on a form furnished by the board that the member does and will conform to this requirement.

(F) Credit purchased under this section may be combined pursuant to section 3307.57 of the Revised Code with credit for military service purchased under sections 145.301 and 3309.021 of the Revised Code, except that not more than a total of five years of credit purchased under division (A) of this section, division ~~(A)~~(B) of section 145.301, and division (A) of section 3309.021 and not more than a total of five years of credit purchased under division (B) of this section, division ~~(B)~~(C) of section 145.301, and division (B) of section 3309.021 of the Revised Code shall be used in determining retirement eligibility or calculating benefits under section 3307.57 of the Revised Code.

Sec. 3309.021. (A)~~(1)~~ A member may purchase service credit that shall be considered as the equivalent of Ohio service for each year or portion of a year of service incurred by reason of having been on active duty as a member of the armed forces of the United States, as defined in section 3309.02 of the Revised Code. AH

(2) As used in division (A)(2) of this section, "reserves" means a reserve component of any of the armed forces of the United States enumerated in division (A)(1) of section 3309.02 of the Revised Code.

On presentation of documentation of the service and subject to school employees retirement board rules, a member may purchase service credit that shall be considered as the equivalent of Ohio service for each year or portion of a year of service incurred by reason of having been on active duty as a member of the Ohio national guard or reserves for which the member is not eligible to purchase credit under division (A)(1) of this section. For purposes of division (A)(2) of this section, active duty in the reserves or the

Ohio national guard includes assembly for drill and instruction; training at encampments, maneuvers, outdoor target practice, or other exercises; and any training or duty in this state ordered by the governor.

(3) Credit shall not be granted for any period of duty during which the member was contributing to the retirement system.

All or part of the credit may be purchased at any time prior to receipt of a retirement allowance. The number of years purchased under this division shall not exceed five.

(B) For the purposes of this division, "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the armed forces of the United States who was captured, separated, and incarcerated by an enemy of the United States.

A member may purchase service credit that shall be considered as the equivalent of Ohio service for each year of service such member was a prisoner of war. The number of years purchased under this division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division (A) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) The total number of years purchased under this section shall not exceed the member's total accumulated number of years of Ohio service.

(D)(1) For each year or portion of a year of service purchased under division (A)(1) or (B) of this section, the member shall pay to the school employees retirement system for credit to the member's accumulated account an amount determined by the member rate of contribution in effect at the time the military service began multiplied by the annual compensation for full-time employment during the first year of service covered by the school employees retirement system, public employees retirement system, or state teachers retirement system following termination of military service. If, however, a limit on maximum salary or maximum contribution was in effect at the time the military service began, the limit shall be applied to the salary received during the first year of service in Ohio to calculate the amount of payment. To this amount shall be added an amount equal to compound interest at a rate established by the school employees retirement board from the date of the member's first service covered by the school employees retirement system, public employees retirement system, or state teachers retirement system following termination of the military service to date of payment.

(2) For each year or portion of a year of service in the reserves or Ohio national guard purchased under division (A)(2) of this section, the member

shall pay to the retirement system for credit to the member's individual account an amount equal to one hundred per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board. The retirement system shall calculate the number of years or portions of a year of credit the member is eligible to purchase under division (A)(2) of this section by dividing the number of days actually served by three hundred sixty-five.

(E) A member of the school employees retirement system is ineligible to purchase service credit under this section for any year of military service that was:

(1) Used in the calculation of any retirement benefit currently being paid to the member or payable in the future under any other retirement program, except for retired pay for nonregular service under Chapter 1223 of Section 1662 of Title XVI of the "National Defense Authorization Act for Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social security;

(2) Used to obtain service credit pursuant to section 3309.02 or 3309.022 of the Revised Code.

At the time such credit is purchased, the member shall certify on a form furnished by the retirement board that the member does and will conform to this requirement.

(F) Credit purchased under this section may be combined pursuant to section 3309.35 of the Revised Code with credit for military service purchased under sections 145.301 and 3307.751 of the Revised Code, except that not more than an aggregate total of five years of credit purchased under division (A) of this section, division ~~(A)~~(B) of section 145.301, and division (A) of section 3307.751 of the Revised Code, and not more than an aggregate total of five years of credit purchased under division (B) of this section, division ~~(B)~~(C) of section 145.301, and division (B) of section 3307.751 of the Revised Code shall be used in determining retirement eligibility or calculating benefits under section 3309.35 of the Revised Code.

Sec. 3313.616. (A)~~(4)~~ Notwithstanding the requirements of sections 3313.61, 3313.611, and 3313.612 of the Revised Code, the board of education of any city, exempted village, or local school district or the governing authority of any chartered nonpublic school may grant a high school diploma to any veteran of World War II, the Korean conflict, or the Vietnam conflict who is a resident of this state or who was previously enrolled in any high school in this state if all of the following apply:

~~(a)~~(1) The veteran either:



~~(i)~~(a) Left a public or nonpublic school located in any state prior to graduation in order to serve in the armed forces of the United States;

~~(ii)~~(b) Left a public or nonpublic school located in any state prior to graduation due to family circumstances and subsequently entered the armed forces of the United States.

~~(b)~~(2) The veteran received an honorable discharge from the armed forces of the United States.

~~(e)~~(3) The veteran has not been granted a diploma as provided in section 3313.61 or 3313.612 of the Revised Code, a diploma of adult education as provided in section 3313.611 of the Revised Code, or a diploma under this section.

~~(2)~~(B) Notwithstanding the requirements of sections 3313.61, 3313.611, and 3313.612 of the Revised Code, the board of education of any city, exempted village, or local school district or the governing authority of any chartered nonpublic school may grant a high school diploma to any woman who left high school during World War II, the Korean conflict, or the Vietnam conflict and who is a resident of this state or was previously enrolled in any high school in this state, if both of the following apply:

(1) The woman either:

(a) Left a public or nonpublic school located in any state prior to graduation in order to join the workforce to support her family or to join the war effort;

(b) Left a public or nonpublic school located in any state prior to graduation due to family circumstances and subsequently joined the workforce or war effort.

(2) The woman has not been granted a diploma as provided in section 3313.61 or 3313.612 of the Revised Code, a diploma of adult education as provided in section 3313.611 of the Revised Code, or a diploma under this section.

~~(C)~~ If a ~~veteran~~ person who would otherwise qualify for a diploma under this section is deceased, the board of education of any school district or the governing authority of any chartered nonpublic school may award such diploma to the ~~veteran~~ person posthumously and may present that diploma to a living relative of the ~~veteran~~ person.

~~(B)~~(D) The governor's office of veterans' affairs, in accordance with section 111.15 of the Revised Code, and with the advice and consent of the veterans advisory committee established under division (K) of section 5902.02 of the Revised Code, shall develop and adopt rules to implement this section. Such rules shall include, but not be limited to, rules establishing procedures for application and verification of eligible ~~veterans~~ persons for a

diploma under this section.

Sec. 5505.25. (A)(1) A member of the state highway patrol retirement system who is not receiving a pension from the system may purchase service credit for each year or portion of a year of service incurred by reason of having been on active duty as a member of the uniformed services of the United States if the member is honorably discharged. ~~Credits~~

(2) On presentation of documentation of the service and subject to state highway patrol retirement board rules, a member who is not receiving a pension from the system may purchase service credit for each year or portion of a year of service incurred by reason of having been on active duty as a member of the Ohio national guard or a reserve component of any of the armed forces for which the member is not eligible to purchase credit under division (A)(1) of this section.

For purposes of division (A)(2) of this section, active duty in the reserves or the Ohio national guard includes assembly for drill and instruction; training at encampments, maneuvers, outdoor target practice, or other exercises; and any training or duty in this state ordered by the governor.

(3) Credit shall not be granted for any period of duty during which the member was contributing to the retirement system.

Credits that are not authorized under division (D) of section 5505.16 of the Revised Code may be purchased at any time. The number of years purchased under this division shall not exceed five.

(B) For the purposes of this division, "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the uniformed services of the United States who was captured, separated, and incarcerated by an enemy of the United States.

A member may purchase service credit for each year of service such member was a prisoner of war. The number of years purchased under this division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division (A) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) The total number of years purchased under this section shall not exceed the member's total accumulated number of years in the service of the state highway patrol.

Credit purchased by a member under this section shall be used to determine the member's eligibility for retirement under sections 5505.16 and 5505.17 of the Revised Code.

(D)(1) For each year or portion of a year of service purchased under

division (A)(1) or (B) of this section, the member shall pay to the system for credit to the member's accumulated account an amount determined by the member rate of contribution in effect at the time the military service began multiplied by the annual compensation for full-time employment during the first year of service in Ohio following termination of military service. To this amount shall be added an amount equal to compound interest at a rate established by the state highway patrol retirement board from the date active military service terminated to date of payment.

A (2) For each year or portion of a year of service in the reserves or Ohio national guard purchased under division (A)(2) of this section, the member shall pay to the retirement system for credit to the member's individual account an amount equal to one hundred per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board. The retirement system shall calculate the number of years or portions of a year of credit the member is eligible to purchase under division (A)(2) of this section by dividing the number of days actually served by three hundred sixty-five.

(E) A member is ineligible to purchase service credit under this section for any year of military service that was:

(1) Used in the calculation of any retirement benefit currently being paid to the member or payable in the future under any other retirement program, except for retired pay for nonregular service under Chapter 1223 of Section 1662 of Title XVI of the "National Defense Authorization Act for Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social security;

(2) Used to obtain service credit pursuant to section 5505.16 of the Revised Code.

At the time the credit is purchased, the member shall certify on a form furnished by the board that the member does and will conform to this requirement. Any benefit paid under this section to which the member is not entitled shall be recovered by any recovery procedures available under this chapter.

As used in this section, "uniformed services" of the United States has the same meaning as in division (D) of section 5505.16 of the Revised Code.

SECTION 2. That existing sections 145.301, 3307.751, 3309.021, 3313.616, and 5505.25 of the Revised Code are hereby repealed.

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*Speaker \_\_\_\_\_ of the House of Representatives.*

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*President \_\_\_\_\_ of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_ day of \_\_\_\_\_, A. D. 20\_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_