

**As Reported by the House Financial Institutions, Real Estate and
Securities Committee**

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Senators Coughlin, Fedor, Armbruster, Hagan, Harris, Niehaus, Schuring,

Spada, Kearney, Mumper, Fingerhut, Stivers

Representatives Hagan, Smith, G., Stewart, J., Allen, Healy, Coley, Patton, T.

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A B I L L

To amend sections 742.63, 5505.12, and 5505.18 and to 1
enact sections 5505.50 to 5505.59 of the Revised 2
Code to provide for the establishment of the State 3
Highway Patrol Retirement System deferred 4
retirement option plan. 5

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

Section 1. That sections 742.63, 5505.12, and 5505.18 be 6
amended and sections 5505.50, 5505.51, 5505.52, 5505.53, 5505.54, 7
5505.55, 5505.56, 5505.57, 5505.58, and 5505.59 of the Revised 8
Code be enacted to read as follows: 9

Sec. 742.63. The board of trustees of the Ohio police and 10
fire pension fund shall adopt rules for the management of the Ohio 11
public safety officers death benefit fund and for disbursements of 12
benefits as set forth in this section. 13

(A) As used in this section: 14

(1) "Member" means all of the following: 15

(a) A member of the Ohio police and fire pension fund, 16

including a member of the fund who has elected to participate in 17
the deferred retirement option plan established under section 18
742.43 of the Revised Code or a member of or contributor to a 19
police or firemen's relief and pension fund established under 20
former Chapter 521. or 741. of the Revised Code; 21

(b) A member of the state highway patrol retirement system, 22
including a member who is participating in the deferred retirement 23
option plan established under section 5505.50 of the Revised Code; 24

(c) A member of the public employees retirement system who at 25
the time of the member's death was one of the following: 26

(i) A county sheriff or deputy sheriff; 27

(ii) A full-time regular police officer in a municipal 28
corporation or township; 29

(iii) A full-time regular firefighter employed by the state, 30
an instrumentality of the state, a municipal corporation, a 31
township, a joint fire district, or another political subdivision; 32

(iv) A full-time park district ranger or patrol trooper; 33

(v) A full-time law enforcement officer of the department of 34
natural resources; 35

(vi) A full-time department of public safety enforcement 36
agent; 37

(vii) A full-time law enforcement officer of parks, waterway 38
lands, or reservoir lands under the control of a municipal 39
corporation; 40

(viii) A full-time law enforcement officer of a conservancy 41
district; 42

(ix) A correction officer at an institution under the control 43
of a county, a group of counties, a municipal corporation, or the 44
department of rehabilitation and correction; 45

(x) A state university law enforcement officer. 46

(d) A member of a retirement system operated by a municipal 47
corporation who at the time of death was a full-time law 48
enforcement officer of parks, waterway lands, or reservoir lands 49
under the control of the municipal corporation. 50

(2) Notwithstanding section 742.01 of the Revised Code, "fire 51
or police department" includes a fire department of the state or 52
an instrumentality of the state or of a municipal corporation, 53
township, joint fire district, or other political subdivision, the 54
state highway patrol, a county sheriff's office, the security 55
force of an institution under the control of the department of 56
rehabilitation and correction, the security force of a jail or 57
workhouse under the control of a county, group of counties, or 58
municipal corporation, the security force of a metropolitan, 59
county, or township park district, the security force of lands 60
under the control of the department of natural resources, 61
department of public safety enforcement agents, the security force 62
of parks, waterway lands, or reservoir lands under the control of 63
a municipal corporation, the security force of a conservancy 64
district, the police department of a township or municipal 65
corporation, and the police force of a state university. 66

(3) "Firefighter or police officer" includes a state highway 67
patrol trooper, a county sheriff or deputy sheriff, a correction 68
officer at an institution under the control of a county, a group 69
of counties, a municipal corporation, or the department of 70
rehabilitation and correction, a police officer employed by a 71
township or municipal corporation, a firefighter employed by the 72
state, an instrumentality of the state, a municipal corporation, a 73
township, a joint fire district, or another political subdivision, 74
a full-time park district ranger or patrol trooper, a full-time 75
law enforcement officer of the department of natural resources, a 76
full-time department of public safety enforcement agent, a 77

full-time law enforcement officer of parks, waterway lands, or 78
reservoir lands under the control of a municipal corporation, a 79
full-time law enforcement officer of a conservancy district, and a 80
state university law enforcement officer. 81

(4) "Correction officer" includes, in addition to any 82
correction officer, any correction corporal, sergeant, lieutenant, 83
or captain, and the equivalents of all such persons. 84

(5) "A park district ranger or patrol trooper" means a peace 85
officer commissioned to make arrests, execute warrants, and 86
preserve the peace upon lands under the control of a board of park 87
commissioners of a metropolitan, county, or township park 88
district. 89

(6) "Metropolitan, county, or township park district" means a 90
park district created under the authority of Chapter 511. or 1545. 91
of the Revised Code. 92

(7) "Conservancy district" means a conservancy district 93
created under the authority of Chapter 6101. of the Revised Code. 94

(8) "Law enforcement officer" means an officer commissioned 95
to make arrests, execute warrants, and preserve the peace upon 96
lands under the control of the governmental entity granting the 97
commission. 98

(9) "Department of natural resources law enforcement officer" 99
includes a forest officer designated pursuant to section 1503.29 100
of the Revised Code, a preserve officer designated pursuant to 101
section 1517.10 of the Revised Code, a wildlife officer designated 102
pursuant to section 1531.13 of the Revised Code, a park officer 103
designated pursuant to section 1541.10 of the Revised Code, and a 104
state watercraft officer designated pursuant to section 1547.521 105
of the Revised Code. 106

(10) "Retirement eligibility date" means the last day of the 107

month in which a deceased member would have first become eligible, 108
had the member lived, for the retirement pension provided under 109
section 145.33, Chapter 521. or 741., division (C)(1) of section 110
742.37, or division (A)(1) of section 5505.17 of the Revised Code 111
or provided by a retirement system operated by a municipal 112
corporation. 113

(11) "Death benefit amount" means an amount equal to the full 114
monthly salary received by a deceased member prior to death, minus 115
an amount equal to the benefit received under section 145.45, 116
742.37, 742.3714, or 5505.17 of the Revised Code or the benefit 117
received from a retirement system operated by a municipal 118
corporation, plus any increases in salary that would have been 119
granted the deceased member. 120

(12) "Killed in the line of duty" means either of the 121
following: 122

(a) Death in the line of duty; 123

(b) Death from injury sustained in the line of duty, 124
including heart attack or other fatal injury or illness caused 125
while in the line of duty. 126

(B) A spouse of a deceased member shall receive a death 127
benefit each month equal to the full death benefit amount, 128
provided that the deceased member was a firefighter or police 129
officer killed in the line of duty and there are no surviving 130
children eligible for a benefit under this section. The spouse 131
shall receive this benefit during the spouse's natural life until 132
the deceased member's retirement eligibility date, on which date 133
the benefit provided under this division shall terminate. 134

(C)(1) If a member killed in the line of duty as a 135
firefighter or police officer is survived only by a child or 136
children, the child or children shall receive a benefit each month 137
equal to the full death benefit amount. If there is more than one 138

surviving child, the benefit shall be divided equally among these 139
children. 140

(2) If the death benefit paid under this division is divided 141
among two or more surviving children and any of the children 142
become ineligible to continue receiving a portion of the benefit 143
as provided in division (H) of this section, the full death 144
benefit amount shall be paid to the remaining eligible child or 145
divided among the eligible children so that the benefit paid to 146
the remaining eligible child or children equals the full death 147
benefit amount. 148

(3) Notwithstanding divisions (C)(1) and (2) of this section, 149
all death benefits paid under this division shall terminate on the 150
deceased member's retirement eligibility date. 151

(D) If a member killed in the line of duty as a firefighter 152
or police officer is survived by both a spouse and a child or 153
children, the monthly benefit provided shall be as follows: 154

(1)(a) If there is a surviving spouse and one surviving 155
child, the spouse shall receive an amount each month equal to 156
one-half of the full death benefit amount and the child shall 157
receive an amount equal to one-half of the full death benefit 158
amount. 159

(b) If the surviving spouse dies or the child becomes 160
ineligible as provided in division (H) of this section, the 161
surviving spouse or child remaining eligible shall receive the 162
full death benefit amount. 163

(2)(a) If there is a surviving spouse and more than one 164
child, the spouse shall receive an amount each month equal to 165
one-third of the full death benefit amount and the children shall 166
receive an amount, equally divided among them, equal to two-thirds 167
of the full death benefit amount. 168

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

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

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

(ii) If there is one remaining eligible child, the spouse shall receive an amount each month equal to one-half of the full death benefit amount, and the child shall receive an amount each month equal to one-half of the full death benefit amount.

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

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

(E) If a member, on or after January 1, 1980, is killed in

the line of duty as a firefighter or police officer and is 200
survived by only a parent or parents dependent upon the member for 201
support, the parent or parents shall receive an amount each month 202
equal to the full death benefit amount. If there is more than one 203
surviving parent dependent upon the deceased member for support, 204
the death benefit amount shall be divided equally among the 205
surviving parents. On the death of one of the surviving parents, 206
the full death benefit amount shall be paid to the other parent. 207

(F)(1) The following shall receive a monthly death benefit 208
under this division: 209

(a) A surviving spouse whose benefits are terminated in 210
accordance with division (B) or (D)(3) of this section on the 211
deceased member's retirement eligibility date, or who would 212
qualify for a benefit under division (B) or (D) of this section 213
except that the deceased member reached the member's retirement 214
eligibility date prior to the member's death; 215

(b) A qualified surviving spouse of a deceased member of or 216
contributor to a police or firemen's relief and pension fund 217
established under former Chapter 521. or 741. of the Revised Code 218
who was a firefighter or police officer killed in the line of 219
duty. 220

(2) The monthly death benefit shall be one-half of an amount 221
equal to the monthly salary received by the deceased member prior 222
to the member's death, plus any salary increases the deceased 223
member would have received prior to the member's retirement 224
eligibility date. The benefit shall terminate on the surviving 225
spouse's death. A death benefit payable under this division shall 226
be reduced by an amount equal to any allowance or benefit payable 227
to the surviving spouse under section 742.3714 of the Revised 228
Code. 229

(3) A benefit granted to a surviving spouse under division 230

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

(G)(1) If there is not a surviving spouse eligible to receive a death benefit under division (F) of this section or the surviving spouse receiving a death benefit under that division dies, a surviving child or children whose benefits under division (C) or (D) of this section are or have been terminated pursuant to division (C)(3) or (D)(3) of this section or who would qualify for a benefit under division (C) or (D) of this section except that the deceased member reached the member's retirement eligibility date prior to the member's death shall receive a monthly death benefit under this division. The monthly death benefit shall be one-half of an amount equal to the monthly salary received by the deceased member prior to the member's death, plus any salary increases the member would have received prior to the member's retirement eligibility date. If there is more than one surviving child, the benefit shall be divided equally among the surviving children.

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

(3) A death benefit, or portion of a death benefit, payable

to a surviving child under this division shall be reduced by an amount equal to any allowance or benefit payable to that child under section 742.3714 of the Revised Code, but the reduction in that child's benefit shall not affect the amount payable to any other surviving child entitled to a portion of the death benefit.

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

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

(2) The child is unmarried, under age twenty-two, and a student in and attending an institution of learning or training pursuant to a program designed to complete in each school year the equivalent of at least two-thirds of the full-time curriculum requirements of the institution, as determined by the trustees of the fund.

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

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

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

corporation; or to a retirement allowance under section 742.3714 294
of the Revised Code. 295

(2) The member's accumulated contributions under this chapter 296
or Chapter 145. or 5505. of the Revised Code are refunded unless 297
the member had been a member of the public employees retirement 298
system and had fewer than eighteen months of total service credit 299
at the time of death. 300

(3) In the case of a full-time park district ranger or patrol 301
trooper, a full-time law enforcement officer of the department of 302
natural resources, a full-time law enforcement officer of parks, 303
waterway lands, or reservoir lands under the control of a 304
municipal corporation, a full-time law enforcement officer of a 305
conservancy district, a correction officer at an institution under 306
the control of a county, group of counties, or municipal 307
corporation, or a member of a retirement system operated by a 308
municipal corporation who at the time of the member's death was a 309
full-time law enforcement officer of parks, waterway lands, or 310
reservoir lands under the control of the municipal corporation, 311
the member died prior to April 9, 1981, in the case of a benefit 312
under division (B), (C), or (D) of this section, or prior to 313
January 1, 1980, in the case of a benefit under division (E) of 314
this section. 315

(4) In the case of a full-time department of public safety 316
enforcement agent who prior to June 30, 1999, was a liquor control 317
investigator of the department of public safety, the member died 318
prior to December 23, 1986; 319

(5) In the case of a full-time department of public safety 320
enforcement agent other than an enforcement agent who, prior to 321
June 30, 1999, was a liquor control investigator, the member died 322
prior to June 30, 1999. 323

(K) A surviving spouse whose benefit was terminated prior to 324

June 30, 1999, due to remarriage shall receive a benefit under 325
division (B), (D), or (F) of this section beginning on the first 326
day of the month following receipt by the board of an application 327
on a form provided by the board. The benefit amount shall be 328
determined as of that date. 329

(1) If the benefit will begin prior to the deceased member's 330
retirement eligibility date, it shall be paid under division (B) 331
or (D) of this section and shall terminate as provided in those 332
divisions. A benefit paid to a surviving spouse under division (D) 333
of this section shall be determined in accordance with that 334
division, even if benefits paid to surviving children are reduced 335
as a result. 336

(2) If the benefit will begin on or after the deceased 337
member's retirement eligibility date, it shall be paid under 338
division (F) of this section and shall terminate as provided in 339
that division. A benefit paid to a surviving spouse under division 340
(F) of this section shall be determined in accordance with that 341
division, even if benefits paid to surviving children are 342
terminated as a result. 343

Sec. 5505.12. (A) The state highway patrol retirement board 344
shall have prepared annually by or under the supervision of an 345
actuary an actuarial valuation of the pension assets, liabilities, 346
and funding requirements of the state highway patrol retirement 347
system as established pursuant to this chapter. The actuary shall 348
complete the valuation in accordance with actuarial standards of 349
practice promulgated by the actuarial standards board of the 350
American academy of actuaries and prepare a report of the 351
valuation. The report shall include all of the following: 352

(1) A summary of the benefit provisions evaluated; 353

(2) A summary of the census data and financial information 354

used in the valuation;	355
(3) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation, including a statement of the assumed rate of payroll growth and assumed rate of growth or decline in the number of members contributing to the retirement system;	356 357 358 359 360
(4) A summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities;	361 362 363
(5) A schedule showing the effect of any changes in the benefit provisions, actuarial assumptions, or cost methods since the last annual actuarial valuation;	364 365 366
(6) A statement of whether contributions to the retirement system are expected to be sufficient to satisfy the funding objectives established by the board.	367 368 369
The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of July following the year for which the valuation was made.	370 371 372 373 374
(B) At such times as the state highway patrol retirement board determines, and at least once in each five-year period after January 1, 1966, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the mortality, service, and other experience of the members, retirants, and beneficiaries to update the actuarial assumptions used in the actuarial valuation required by division (A) of this section. The actuary shall prepare a report of the actuarial investigation. The report shall be prepared and any recommended changes in actuarial assumptions shall be made in accordance with the actuarial standards of practice promulgated by the actuarial	375 376 377 378 379 380 381 382 383 384 385

standards board of the American academy of actuaries. The report 386
shall include all of the following: 387

(1) A summary of relevant decrement and economic assumption 388
experience observed over the period of the investigation; 389

(2) Recommended changes in actuarial assumptions to be used 390
in subsequent actuarial valuations required by division (A) of 391
this section; 392

(3) A measurement of the financial effect of the recommended 393
changes in actuarial assumptions; 394

(4) If the investigation required by this division includes 395
the investigation required by division (F) of this section, a 396
report of the result of that investigation. 397

The board shall submit the report to the Ohio retirement 398
study council and the standing committees of the house of 399
representatives and the senate with primary responsibility for 400
retirement legislation not later than the first day of November 401
following the last fiscal year of the period the report covers. 402

(C) The board may at any time request the actuary to make any 403
studies or actuarial valuations to determine the adequacy of the 404
rates of contributions provided by section 5505.15 of the Revised 405
Code. 406

(D) The board shall have prepared by or under the supervision 407
of an actuary an actuarial analysis of any introduced legislation 408
expected to have a measurable financial impact on the retirement 409
system. The actuarial analysis shall be completed in accordance 410
with the actuarial standards of practice promulgated by the 411
actuarial standards board of the American academy of actuaries. 412
The actuary shall prepare a report of the actuarial analysis, 413
which shall include all of the following: 414

(1) A summary of the statutory changes that are being 415

evaluated;	416
(2) A description of or reference to the actuarial	417
assumptions and actuarial cost method used in the report;	418
(3) A description of the participant group or groups included	419
in the report;	420
(4) A statement of the financial impact of the legislation,	421
including the resulting increase, if any, in the employer normal	422
cost percentage; the increase, if any, in actuarial accrued	423
liabilities; and the per cent of payroll that would be required to	424
amortize the increase in actuarial accrued liabilities as a level	425
per cent of covered payroll for all active members over a period	426
not to exceed thirty years;	427
(5) A statement of whether the scheduled contributions to the	428
system after the proposed change is enacted are expected to be	429
sufficient to satisfy the funding objectives established by the	430
board.	431
Not later than sixty days from the date of introduction of	432
the legislation, the board shall submit a copy of the actuarial	433
analysis to the legislative service commission, the standing	434
committees of the house of representatives and the senate with	435
primary responsibility for retirement legislation, and the Ohio	436
retirement study council.	437
(E) The board shall have prepared annually a report giving a	438
full accounting of the revenues and costs relating to the	439
provision of benefits under section 5505.28 of the Revised Code.	440
The report shall be made as of December 31, 1997, and the	441
thirty-first day of December of each year thereafter. The report	442
shall include the following:	443
(1) A description of the statutory authority for the benefits	444
provided;	445

(2) A summary of the benefits;	446
(3) A summary of the eligibility requirements for the benefits;	447 448
(4) A statement of the number of participants eligible for the benefits;	449 450
(5) A description of the accounting, asset valuation, and funding method used to provide the benefits;	451 452
(6) A statement of the net assets available for the provision of the benefits as of the last day of the fiscal year;	453 454
(7) A statement of any changes in the net assets available for the provision of benefits, including participant and employer contributions, net investment income, administrative expenses, and benefits provided to participants, as of the last day of the fiscal year;	455 456 457 458 459
(8) For the last six consecutive fiscal years, a schedule of the net assets available for the benefits, the annual cost of benefits, administrative expenses incurred, and annual employer contributions allocated for the provision of benefits;	460 461 462 463
(9) A description of any significant changes that affect the comparability of the report required under this division;	464 465
(10) A statement of the amount paid under division (B) of section 5505.28 of the Revised Code.	466 467
The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the thirtieth day of June following the year for which the report was made.	468 469 470 471 472
<u>(F) At least once in each five-year period, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the deferred retirement option plan</u>	473 474 475

established under section 5505.50 of the Revised Code. The 476
investigation shall include an examination of the financial 477
impact, if any, on the retirement system of offering the plan to 478
members. 479

The actuary shall prepare a report of the actuarial 480
investigation. The report shall include a determination of whether 481
the plan, as established or modified, has a negative financial 482
impact on the retirement system and, if so, recommendations on how 483
to modify the plan to eliminate the negative financial impact. If 484
the actuarial report indicates that the plan has a negative 485
financial impact on the retirement system, the board shall modify 486
the plan. If the board modifies the plan, the rights and 487
obligations of members who have already elected to participate 488
shall not be altered. 489

The state's contributions to the employer accumulation fund 490
shall not be increased to offset any negative financial impact of 491
the deferred retirement option plan. 492

The board may include the actuarial investigation required 493
under this division as part of the actuarial investigation 494
required under division (B) of this section. If the report of the 495
actuarial investigation required by this division is not included 496
in the report required by division (B) of this section, the board 497
shall submit the report required by this division to the Ohio 498
retirement study council and the standing committees of the house 499
of representatives and the senate with primary responsibility for 500
retirement legislation not later than the first day of November 501
following the last fiscal year of the period the report covers. 502

Sec. 5505.18. As used in this section, "member" does not 503
include state highway patrol cadets attending training schools 504
pursuant to section 5503.05 of the Revised Code. 505

(A) Upon the application of a member of the state highway patrol retirement system, a person acting on behalf of a member, or the superintendent of the state highway patrol on behalf of a member, a member who becomes totally and permanently incapacitated for duty in the employ of the state highway patrol may be retired by the board.

The medical or psychological examination of a member who has applied for disability retirement shall be conducted by a competent health-care professional or professionals appointed by the board. The health-care professional or professionals shall file a written report with the board containing the following information:

(1) Whether the member is totally incapacitated for duty in the employ of the patrol;

(2) Whether the incapacity is expected to be permanent;

(3) The cause of the member's incapacity.

The board shall determine whether the member qualifies for disability retirement and its decision shall be final. The board shall consider the written medical or psychological report, opinions, statements, and other competent evidence in making its determination. If the incapacity is a result of heart disease or any cardiovascular disease of a chronic nature, which disease or any evidence of which was not revealed by the physical examination passed by the member on entry into the patrol, the member is presumed to have incurred the disease in the line of duty as a member of the patrol, unless the contrary is shown by competent evidence.

(B)(1) Except as provided under division (A) of section 5505.58 of the Revised Code, a member whose retirement on account of disability incurred in the line of duty shall receive the applicable pension provided for in section 5505.17 of the Revised

Code, except that if the member has less than twenty-five years of 537
contributing service, the member's service credit shall be deemed 538
to be twenty-five years for the purpose of this provision. In no 539
case shall the member's disability pension be less than sixty-one 540
and one-quarter per cent or exceed the lesser of seventy-nine and 541
one-quarter per cent of the member's final average salary or the 542
limit established by section 415 of the "Internal Revenue Code of 543
1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. 544

(2) A Except as provided under division (B) of section 545
5505.58 of the Revised Code, a member whose retirement on account 546
of disability incurred not in the line of duty shall receive the 547
applicable pension provided for in section 5505.17 of the Revised 548
Code, except that if the member has less than twenty years of 549
contributing service, the member's service credit shall be deemed 550
to be twenty years for the purpose of this provision. In no case 551
shall the member's disability pension exceed the lesser of 552
seventy-nine and one-quarter per cent of the member's final 553
average salary or the limit established by section 415 of the 554
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, 555
as amended. 556

(C) The state highway patrol retirement board shall adopt 557
rules requiring a disability pension recipient, as a condition of 558
continuing to receive a disability pension, to agree in writing to 559
obtain any medical or psychological treatment recommended by the 560
board's health-care professional and submit medical or 561
psychological reports regarding the treatment. If the board 562
determines that a disability pension recipient is not obtaining 563
the medical or psychological treatment or the board does not 564
receive a required medical or psychological report, the disability 565
pension shall be suspended until the treatment is obtained, the 566
report is received by the board, or the board's health-care 567
professional certifies that the treatment is no longer helpful or 568

advisable. Should the recipient's failure to obtain treatment or 569
submit a medical or psychological report continue for one year, 570
the recipient's right to the disability benefit shall be 571
terminated as of the effective date of the original suspension. 572

(D) A member placed on a disability pension who has not 573
attained the age of ~~fifty-five~~ sixty years shall be subject to an 574
annual medical or psychological re-examination by health-care 575
professionals appointed by the board, except that the board may 576
waive the re-examination if the board's health-care professionals 577
certify that the member's disability is ongoing. If any member 578
placed on a disability pension refuses to submit to a medical or 579
psychological re-examination, the member's disability pension 580
shall be suspended until the member withdraws the refusal. If the 581
refusal continues for one year, all the member's rights under and 582
to the disability pension shall be terminated as of the effective 583
date of the original suspension. 584

(E) Each recipient of a disability pension who has not 585
attained the age of ~~fifty-five~~ sixty years shall file with the 586
board an annual statement of earnings, current medical or 587
psychological information on the recipient's condition, and any 588
other information required in rules adopted by the board. The 589
board may waive the requirement that a disability benefit 590
recipient file an annual statement of earnings or current medical 591
or psychological information if the board's health-care 592
professional certifies that the recipient's disability is ongoing. 593

The board shall annually examine the information submitted by 594
the recipient. If a recipient refuses to file the statement or 595
information, the disability pension shall be suspended until the 596
statement and information are filed. If the refusal continues for 597
one year, the right to the pension shall be terminated as of the 598
effective date of the original suspension. 599

(F)(1) Except as provided in division (F)(2) of this section, 600
a retirant who has been on disability pension, and who has been 601
physically or psychologically examined and found no longer 602
incapable of performing the retirant's duties, shall be restored 603
to the rank the retirant held at the time the retirant was 604
pensioned and all previous rights shall be restored, including the 605
retirant's civil service status, and the disability pension shall 606
terminate. Upon return to employment in the patrol, the retirant 607
shall again become a contributing member of the retirement system, 608
the total service at the time of the retirant's retirement shall 609
be restored to the retirant's credit, and the retirant shall be 610
given service credit for the period the retirant was in receipt of 611
a disability pension. The provisions of division (F)(1) of this 612
section shall be retroactive to September 5, 1941. 613

(2) The state highway patrol is not required to take action 614
under division (F)(1) of this section if the retirant was 615
dismissed or resigned in lieu of dismissal for dishonesty, 616
misfeasance, malfeasance, or conviction of a felony. 617

(G) The board may adopt rules to carry out this section, 618
including rules that specify the types of health-care 619
professionals the board may appoint for the purpose of this 620
section. 621

Sec. 5505.50. The state highway patrol retirement board shall 622
establish and administer a deferred retirement option plan. In 623
establishing and administering the plan, the board shall comply 624
with sections 5505.51 to 5505.59 of the Revised Code and may do 625
all things necessary to meet the requirements of section 401(a) of 626
the "Internal Revenue Code of 1986," (26 U.S.C. 401(a)) as 627
amended, applicable to governmental plans. 628

The board shall adopt rules to implement this section and 629
sections 5505.51 to 5505.59 of the Revised Code. The rules shall 630

specify the date of initial implementation of the plan established
under this section. The rules may also specify a period during
which an election made under section 5505.51 of the Revised Code
may be rescinded.

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Sec. 5505.51. A state highway patrol retirement system member
who meets the following requirements may, at any time prior to
applying for a pension under section 5505.16 of the Revised Code,
elect to participate in the deferred retirement option plan
established under section 5505.50 of the Revised Code:

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(1) The member is younger than fifty-eight years of age.

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(2) The member is eligible to apply for a pension under
section 5505.16 of the Revised Code, unless the pension is a
reduced pension as described in division (B) of that section.

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The member shall make the election by filing with the
retirement system an election form provided by the system. The
election is effective on the day the member files the election
form.

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At the time of making the election to participate in the
deferred retirement option plan, the member also shall make an
election under section 5505.162 of the Revised Code. Except as
provided in that section, the election under section 5505.162 of
the Revised Code is irrevocable from the date it is received by
the retirement system.

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A member electing to participate in the deferred retirement
option plan must agree to terminate active service in the state
highway patrol and begin receiving the member's pension not later
than the earlier of the member's sixtieth birthday or the date
that is eight years after the effective date of the election to
participate in the plan. If the member refuses or neglects to
terminate active service in accordance with the agreement, the

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state highway patrol retirement board shall deem the member's
service terminated.

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A member electing to participate in the deferred retirement
option plan is a retirant for the purposes of rules adopted by the
state highway patrol retirement board.

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Sec. 5505.52. (A) A member who makes an election under
section 5505.51 of the Revised Code shall continue in the active
service of the state highway patrol but shall not earn service
credit under this chapter for employment after the election's
effective date. While the member is in the active service of the
state highway patrol, the member shall contribute, and the state
shall contribute and report, to the state highway patrol
retirement system in accordance with section 5505.15 of the
Revised Code.

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On and after the effective date of the member's election to
participate in the deferred retirement option plan, the member is
ineligible to purchase service credit under this chapter.

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Neither the member nor the member's spouse and dependents are
eligible for any benefit under section 5505.28 of the Revised Code
while the member is participating in the deferred retirement
option plan.

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(B) A member participating in the deferred retirement option
plan is eligible to vote in elections for the retirant members of
the state highway patrol retirement system board, but not eligible
to vote in elections for the employee members of the board.

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Sec. 5505.53. For each member who elects to participate in
the deferred retirement option plan, the state highway patrol
retirement system shall determine the member's pension amount
under section 5505.17 of the Revised Code. In determining the
pension amount, the retirement system shall use the member's total

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service credit and final average salary as of the last day of the 691
employer's payroll period immediately prior to the effective date 692
of the member's election to participate in the plan. The pension 693
amount shall be calculated using the election made by the member 694
under section 5505.162 of the Revised Code. 695

Sec. 5505.54. (A) During the period beginning on the 696
effective date of an election to participate in the deferred 697
retirement option plan and ending on the date participation 698
ceases, a member's monthly pension amount determined under section 699
5505.53 of the Revised Code shall accrue to the member's benefit. 700
To this amount shall be added any benefit increases the member 701
would be eligible for under section 5505.174 of the Revised Code 702
had the member, on the effective date of the member's election, 703
retired under section 5505.16 of the Revised Code. 704

(B)(1) The amounts contributed under section 5505.15 of the 705
Revised Code by a member participating in the deferred retirement 706
option plan shall accrue to the member's benefit. 707

(2) The state highway patrol retirement system shall credit 708
to the employer's accumulation fund the amounts contributed by the 709
state under section 5505.15 of the Revised Code on behalf of a 710
member participating in the deferred retirement option plan. 711

(C) During the period beginning on the election's effective 712
date and ending on the date the member ceases participation in the 713
plan, the amounts described in divisions (A) and (B)(1) of this 714
section shall earn interest at an annual rate established by the 715
state highway patrol retirement board and compounded annually 716
using a method established by rule adopted under section 5505.50 717
of the Revised Code. 718

Sec. 5505.55. A member's participation in the deferred 719

retirement option plan ceases on the occurrence of the earliest of 720
the following: 721

(A) Termination of the member's active service in the state 722
highway patrol; 723

(B) The last day of the eight-year period that begins on the 724
effective date of the member's election to participate in the 725
plan; 726

(C) The member's sixtieth birthday; 727

(D) Acceptance by the member of a disability benefit awarded 728
by the state highway patrol retirement board under section 5505.18 729
of the Revised Code; 730

(E) The member's death. 731

Sec. 5505.56. (A) A member participating in the deferred 732
retirement option plan who terminates active service in the state 733
highway patrol shall notify the state highway patrol retirement 734
system of the date of termination on a form prescribed by the 735
retirement system. The member is not eligible to make another 736
election under section 5505.51 of the Revised Code. 737

(B)(1) With regard to a member who was younger than age 738
fifty-two on the effective date of the election to participate in 739
the plan, if the date of termination of the member's active 740
service occurs on or after the first day of the fourth year after 741
the effective date of the election, the entire amount that has 742
accrued to the member's benefit under the deferred retirement 743
option plan shall be distributed to the member pursuant to the 744
member's selection under section 5505.57 of the Revised Code. 745

If the date of termination occurs earlier than four years 746
after the effective date of the election to participate, the 747
member shall forfeit the interest credited under division (C) of 748

section 5505.54 of the Revised Code.

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(2) With regard to a member who, on the effective date of the election to participate in the plan, was age fifty-two or older, if the date of termination of the member's active service occurs on or after the first day of the third year after the effective date of the election, the entire amount that has accrued to the member's benefit under the deferred retirement option plan shall be distributed to the member pursuant to the member's selection under section 5505.57 of the Revised Code.

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If the termination of active service occurs earlier than three years after the effective date of the election to participate, the member shall forfeit the interest credited under division (C) of section 5505.54 of the Revised Code.

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(C) Once a member ceases participation in the deferred retirement option plan as described in division (A), (B), or (C) of section 5505.55 of the Revised Code, the member's monthly pension amount determined under section 5505.53 of the Revised Code shall be paid to the member, commencing the day following the member's last day of active service in the state highway patrol.

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Sec. 5505.57. (A) On ceasing participation in the deferred retirement option plan as described in division (A), (B), or (C) of section 5505.55 of the Revised Code, a member shall select as the method of distribution of the amount accrued to the member under the plan one of the distribution options provided under section 401(a) of the "Internal Revenue Code of 1986," (26 U.S.C. 401(a)) as amended, applicable to governmental plans.

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(B) The retirement system shall distribute the amount accrued to a member's benefit under the deferred retirement option plan as follows:

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(1) For a member who was younger than fifty-two years of age

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on the date of the election to participate in the plan, 779
distribution shall not commence until the first day of the fourth 780
year after the effective date of the member's election to 781
participate in the plan. 782

(2) For a member who was fifty-two years of age or older on 783
the date of the election to participate in the plan, distribution 784
shall not commence until the first day of the third year after the 785
effective date of the member's election to participate in the 786
plan. 787

Sec. 5505.58. (A) A member participating in the deferred 788
retirement option plan who qualifies for disability retirement 789
under division (B)(1) of section 5505.18 of the Revised Code shall 790
elect to receive one of the following: 791

(1) The applicable pension provided for in section 5505.53 of 792
the Revised Code, plus any amounts that have accrued under section 793
5505.54 of the Revised Code to the member's benefit under the 794
deferred retirement option plan. 795

(2) The disability pension provided for by division (B)(1) of 796
section 5505.18 of the Revised Code. Acceptance of a disability 797
pension requires forfeiture of all amounts accrued under section 798
5505.54 of the Revised Code to the member's benefit under the 799
deferred retirement option plan, and those amounts shall be 800
treated as if the member had continued in the active service of 801
the state highway patrol and not participated in the plan. The 802
member shall be granted service credit for the period the member 803
was participating in the plan. 804

(B) A member participating in the deferred retirement option 805
plan who qualifies for disability retirement under division (B)(2) 806
of section 5505.18 of the Revised Code shall receive the 807
applicable pension provided for in section 5505.53 of the Revised 808

Code, plus any amounts that have accrued under section 5505.54 of 809
the Revised Code to the member's benefit under the deferred 810
retirement option plan. 811

Sec. 5505.59. If a member dies while participating in the 812
deferred retirement option plan, all of the following apply: 813

(A) The amounts accrued to the member's benefit shall be paid 814
to the member's surviving spouse or, if there is no surviving 815
spouse, the beneficiary designated by the member on a form 816
provided by the state highway patrol retirement system. If there 817
is no surviving spouse or designated beneficiary, the amounts 818
accrued to the member's benefit shall be paid to the member's 819
estate. 820

Any payment made under this division shall be made in the 821
form of a single lump sum payment. 822

(B) The surviving spouse and, if eligible, each surviving 823
child, shall receive a pension as described in division 824
(A)(3)(b)(iii) or (4) of section 5505.17 of the Revised Code, 825
utilizing the pension amount calculated under section 5505.53 of 826
the Revised Code. 827

(C) If the member has no surviving spouse or surviving 828
children, but has a parent or parents dependent on the member for 829
support, the parent or parents shall receive a pension determined 830
under division (A)(7) of section 5505.17 of the Revised Code. 831

(D) The lump sum payment described in section 5505.30 of the 832
Revised Code shall be paid to the member's surviving spouse or, if 833
there is no surviving spouse, to the member's estate. 834

Section 2. That existing sections 742.63, 5505.12, and 835
5505.18 of the Revised Code are hereby repealed. 836