

As Introduced

**127th General Assembly
Regular Session
2007-2008**

H. B. No. 240

Representative Goodwin

**Cosponsors: Representatives Wachtmann, McGregor, J., Stebelton, Setzer,
Webster, Wagoner, Combs**

—

A BILL

To amend sections 145.38, 742.26, 3307.35, and 1
3309.341 and to enact sections 145.386, 724.261, 2
3307.354, and 3309.346 of the Revised Code 3
regarding employment of retired members of the 4
Public Employees Retirement System, School 5
Employees Retirement System, State Teachers 6
Retirement System, and Ohio Police and Fire 7
Pension Fund. 8

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

Section 1. That sections 145.38, 742.26, 3307.35, and 9
3309.341 be amended and sections 145.386, 724.261, 3307.354, and 10
3309.346 of the Revised Code be enacted to read as follows: 11

Sec. 145.38. (A) As used in this section and sections 145.381 12
~~and~~, 145.384, and 145.386 of the Revised Code: 13

(1) "PERS retirant" means a former member of the public 14
employees retirement system who is receiving one of the following: 15

(a) Age and service retirement benefits under section 145.32, 16
145.33, 145.331, 145.34, or 145.46 of the Revised Code; 17

(b) Age and service retirement benefits paid by the public employees retirement system under section 145.37 of the Revised Code; 18
19
20

(c) Any benefit paid under a PERS defined contribution plan. 21

(2) "Other system retirant" means both of the following: 22

(a) A member or former member of the Ohio police and fire pension fund, state teachers retirement system, school employees retirement system, state highway patrol retirement system, or Cincinnati retirement system who is receiving age and service or commuted age and service retirement benefits or a disability benefit from a system of which the person is a member or former member; 23
24
25
26
27
28
29

(b) A member or former member of the public employees retirement system who is receiving age and service retirement benefits or a disability benefit under section 145.37 of the Revised Code paid by the school employees retirement system or the state teachers retirement system. 30
31
32
33
34

(B)(1) Subject to this section and ~~section~~ sections 145.381 and 145.386 of the Revised Code, a PERS retirant or other system retirant may be employed by a public employer. If so employed, the PERS retirant or other system retirant shall contribute to the public employees retirement system in accordance with section 145.47 of the Revised Code, and the employer shall make contributions in accordance with section 145.48 of the Revised Code. 35
36
37
38
39
40
41
42

(2) A public employer that employs a PERS retirant or other system retirant, or enters into a contract for services as an independent contractor with a PERS retirant, shall notify the retirement board of the employment or contract not later than the end of the month in which the employment or contract commences. Any overpayment of benefits to a PERS retirant by the retirement 43
44
45
46
47
48

system resulting from delay or failure of the employer to give the 49
notice shall be repaid to the retirement system by the employer. 50

(3) On receipt of notice from a public employer that a person 51
who is an other system retirant has been employed, the retirement 52
system shall notify the retirement system of which the other 53
system retirant was a member of such employment. 54

(4)(a) A PERS retirant who has received a retirement 55
allowance for less than two months when employment subject to this 56
section commences shall forfeit the retirement allowance for any 57
month the PERS retirant is employed prior to the expiration of the 58
two-month period. Service and contributions for that period shall 59
not be included in calculation of any benefits payable to the PERS 60
retirant, and those contributions shall be refunded on the 61
retirant's death or termination of the employment. 62

(b) An other system retirant who has received a retirement 63
allowance or disability benefit for less than two months when 64
employment subject to this section commences shall forfeit the 65
retirement allowance or disability benefit for any month the other 66
system retirant is employed prior to the expiration of the 67
two-month period. Service and contributions for that period shall 68
not be included in the calculation of any benefits payable to the 69
other system retirant, and those contributions shall be refunded 70
on the retirant's death or termination of the employment. 71

(c) Contributions made on compensation earned after the 72
expiration of the two-month period shall be used in the 73
calculation of the benefit or payment due under section 145.384 of 74
the Revised Code. 75

(5) On receipt of notice from the Ohio police and fire 76
pension fund, school employees retirement system, or state 77
teachers retirement system of the re-employment of a PERS 78
retirant, the public employees retirement system shall not pay, or 79

if paid, shall recover, the amount to be forfeited by the PERS 80
retirant in accordance with section 742.26, 3307.35, or 3309.341 81
of the Revised Code. 82

(6) A PERS retirant who enters into a contract to provide 83
services as an independent contractor to the employer by which the 84
retirant was employed at the time of retirement or, less than two 85
months after the retirement allowance commences, begins providing 86
services as an independent contractor pursuant to a contract with 87
another public employer, shall forfeit the pension portion of the 88
retirement benefit for the period beginning the first day of the 89
month following the month in which the services begin and ending 90
on the first day of the month following the month in which the 91
services end. The annuity portion of the retirement allowance 92
shall be suspended on the day services under the contract begin 93
and shall accumulate to the credit of the retirant to be paid in a 94
single payment after services provided under the contract 95
terminate. A PERS retirant subject to division (B)(6) of this 96
section shall not contribute to the retirement system and shall 97
not become a member of the system. 98

(7) As used in this division, "employment" includes service 99
for which a PERS retirant or other system retirant, the retirant's 100
employer, or both, have waived any earnable salary for the 101
service. 102

(C)(1) Except as provided in division (C)(3) of this section, 103
this division applies to both of the following: 104

(a) A PERS retirant who, prior to September 14, 2000, was 105
subject to division (C)(1)(b) of this section as that division 106
existed immediately prior to September 14, 2000, and has not 107
elected pursuant to Am. Sub. S.B. 144 of the 123rd general 108
assembly to cease to be subject to that division; 109

(b) A PERS retirant to whom both of the following apply: 110

(i) The retirant held elective office in this state, or in any municipal corporation, county, or other political subdivision of this state at the time of retirement under this chapter.

(ii) The retirant was elected or appointed to the same office for the remainder of the term or the term immediately following the term during which the retirement occurred.

(2) A PERS retirant who is subject to this division is a member of the public employees retirement system with all the rights, privileges, and obligations of membership, except that the membership does not include survivor benefits provided pursuant to section 145.45 of the Revised Code or, beginning on the ninetieth day after September 14, 2000, any amount calculated under section 145.401 of the Revised Code. The pension portion of the PERS retirant's retirement allowance shall be forfeited until the first day of the first month following termination of the employment. The annuity portion of the retirement allowance shall accumulate to the credit of the PERS retirant to be paid in a single payment after termination of the employment. The retirement allowance shall resume on the first day of the first month following termination of the employment. On termination of the employment, the PERS retirant shall elect to receive either a refund of the retirant's contributions to the retirement system during the period of employment subject to this section or a supplemental retirement allowance based on the retirant's contributions and service credit for that period of employment.

(3) This division does not apply to any of the following:

(a) A PERS retirant elected to office who, at the time of the election for the retirant's current term, was not retired but, not less than ninety days prior to the primary election for the term or the date on which a primary for the term would have been held, filed a written declaration of intent to retire before the end of the term with the director of the board of elections of the county

in which petitions for nomination or election to the office are 143
filed; 144

(b) A PERS retirant elected to office who, at the time of the 145
election for the retirant's current term, was a retirant and had 146
been retired for not less than ninety days; 147

(c) A PERS retirant appointed to office who, at the time of 148
appointment to the retirant's current term, notified the person or 149
entity making the appointment that the retirant was already 150
retired or intended to retire before the end of the term. 151

(D)(1) Except as provided in division (C) of this section, a 152
PERS retirant or other system retirant subject to this section is 153
not a member of the public employees retirement system, and, 154
except as specified in this section does not have any of the 155
rights, privileges, or obligations of membership. Except as 156
specified in division (D)(2) of this section, the retirant is not 157
eligible to receive health, medical, hospital, or surgical 158
benefits under section 145.58 of the Revised Code for employment 159
subject to this section. 160

(2) A PERS retirant subject to this section shall receive 161
primary health, medical, hospital, or surgical insurance coverage 162
from the retirant's employer, if the employer provides coverage to 163
other employees performing comparable work. Neither the employer 164
nor the PERS retirant may waive the employer's coverage, except 165
that the PERS retirant may waive the employer's coverage if the 166
retirant has coverage comparable to that provided by the employer 167
from a source other than the employer or the public employees 168
retirement system. If a claim is made, the employer's coverage 169
shall be the primary coverage and shall pay first. The benefits 170
provided under section 145.58 of the Revised Code shall pay only 171
those medical expenses not paid through the employer's coverage or 172
coverage the PERS retirant receives through a source other than 173
the retirement system. 174

(E) If the disability benefit of an other system retirant 175
employed under this section is terminated, the retirant shall 176
become a member of the public employees retirement system, 177
effective on the first day of the month next following the 178
termination with all the rights, privileges, and obligations of 179
membership. If such person, after the termination of the 180
disability benefit, earns two years of service credit under this 181
system or under the Ohio police and fire pension fund, state 182
teachers retirement system, school employees retirement system, or 183
state highway patrol retirement system, the person's prior 184
contributions as an other system retirant under this section shall 185
be included in the person's total service credit as a public 186
employees retirement system member, and the person shall forfeit 187
all rights and benefits of this section. Not more than one year of 188
credit may be given for any period of twelve months. 189

(F) This section does not affect the receipt of benefits by 190
or eligibility for benefits of any person who on August 20, 1976, 191
was receiving a disability benefit or service retirement pension 192
or allowance from a state or municipal retirement system in Ohio 193
and was a member of any other state or municipal retirement system 194
of this state. 195

(G) The public employees retirement board may adopt rules to 196
carry out this section. 197

Sec. 145.386. (A) As used in this section: 198

(1)(a) "Administrative employee" means all of the following: 199

(i) The head of any department appointed by the governor or 200
by and with the governor's consent or by the chief appointing 201
authority of any entity of local government; 202

(ii) A deputy or assistant of any state agency or local 203
government agency authorized to act for and on behalf of the 204

agency, or holding a fiduciary or administrative relation to that 205
agency; 206

(iii) A deputy or assistant of any officer or principal 207
executive officer of an entity of state or local government who is 208
authorized to act for and in the place of the officer or performs 209
administrative functions or has managerial responsibilities and 210
duties; 211

(iv) Any person employed or appointed by a board or 212
commission of the state or an entity of local government in a 213
position with managerial responsibilities and duties, including an 214
executive director or assistant executive director. 215

(b) "Administrative employee" does not include a person 216
elected or appointed to an elective office in this state or in any 217
local government or other political subdivision of this state. 218

(2) "Local government" means a township, special district, 219
municipal corporation, county, county board of mental retardation 220
and development, or board of alcohol, drug addiction, and mental 221
health services. 222

(3) "Managerial responsibilities and duties" includes 223
formulating policy on behalf of the employing entity, directing 224
the implementation of policy, assisting the preparation for 225
conduct of collective negotiations, administering collectively 226
negotiated agreements, or having a major role in personnel 227
administration. 228

(4) "Nonmonetary compensation" does not include primary 229
health, medical, hospital, or surgical insurance coverage from the 230
PERS retirant's employer, if the employer provides such coverage 231
to other employees performing comparable work. 232

(B) A PERS retirant who, at the time of retirement, was 233
employed by a public employer as an administrative employee may be 234
employed by the same employer in the position held at the time of 235

<u>retirement only if the following requirements are met:</u>	236
<u>(1) The public employer submits, on a form provided by the</u>	237
<u>public employees retirement board, a written request that the</u>	238
<u>retirement board authorize the employment.</u>	239
<u>(2) The retirement board authorizes the employment as</u>	240
<u>described in division (C) of this section.</u>	241
<u>(3) The annual compensation of a PERS retirant employed under</u>	242
<u>this section does not exceed sixty per cent of the retirant's</u>	243
<u>final average salary and does not include any form of nonmonetary</u>	244
<u>compensation.</u>	245
<u>(C) Not later than thirty days after receiving a request from</u>	246
<u>a public employer pursuant to division (B) of this section, the</u>	247
<u>retirement board shall authorize the employment by notifying the</u>	248
<u>employer, in writing, of the amount that equals sixty per cent of</u>	249
<u>the retirant's final average salary.</u>	250
<u>(D)(1) The term of employment of a PERS retirant under this</u>	251
<u>section shall not exceed one calendar year, beginning on the date</u>	252
<u>the employment commenced. The retirant's employment shall</u>	253
<u>automatically terminate on the date that is one year after the</u>	254
<u>date the employment commenced, unless the public employer renews</u>	255
<u>the employment as described in division (D)(2) of this section.</u>	256
<u>(2) The head or, if applicable, the governing body of the</u>	257
<u>public employer annually shall do all of the following with regard</u>	258
<u>to each PERS retirant employed under this section:</u>	259
<u>(a) Notify the retirant of the date that the retirant's</u>	260
<u>employment terminates;</u>	261
<u>(b) Conduct an annual review of the retirant's employment,</u>	262
<u>including a performance review, to determine whether to continue</u>	263
<u>the retirant's employment an additional year;</u>	264
<u>(c) Notify the retirant of the results of the review</u>	265

conducted under division (D)(2)(b) of this section, including a 266
statement of whether the head or governing body intends to 267
continue the retirant's employment. 268

(E)(1) A public employer that employs a PERS retirant under 269
this section shall not do either of the following: 270

(a) In a single calendar year, pay to the retirant an amount 271
that exceeds sixty per cent of the retirant's final average salary 272
as determined under division (C) of this section; 273

(b) Pay, award, or otherwise give to the retirant any form of 274
nonmonetary compensation. 275

(2) A PERS retirant employed under this section shall not do 276
either of the following: 277

(a) In a single calendar year, accept or otherwise receive 278
any monetary compensation that exceeds sixty per cent of the 279
retirant's final average salary, as determined under division (C) 280
of this section; 281

(b) Accept or otherwise receive from the public employer any 282
form of nonmonetary compensation. 283

(F) The retirement board may adopt rules to carry out this 284
section. 285

Sec. 742.26. (A) As used in this section and section 742.261 286
of the Revised Code: 287

(1) "Actuarial present value" means the calculation under 288
which the probability of occurrence, based on a specified 289
mortality table, and the discount for future monetary growth at a 290
specified interest rate are considered by an actuary to determine 291
the value of an annuity. 292

(2) "Other system retirant" means a former member of the 293
public employees retirement system, state teachers retirement 294

system, school employees retirement system, state highway patrol 295
retirement system, or Cincinnati retirement system who is 296
receiving a disability benefit or an age and service or commuted 297
age and service retirement benefit or allowance from a system of 298
which the person is a former member. 299

(3) "OPFPF retirant" means any person who is receiving a 300
retirement allowance, other than a disability benefit, from the 301
Ohio police and fire pension fund. 302

(B) The mortality table and interest rate used in determining 303
actuarial present value shall be determined by the board of 304
trustees of the fund based on the recommendations of an actuary 305
employed by the board. 306

(C)(1) ~~An~~ Subject to section 742.261 of the Revised Code, an 307
OPFPF retirant or other system retirant may be employed as a 308
member of a police or fire department. If so employed, the 309
retirant shall make contributions to the fund in accordance with 310
section 742.31 of the Revised Code, and the employer shall make 311
contributions in accordance with sections 742.33 and 742.34 of the 312
Revised Code. 313

(2) An employer that employs an OPFPF retirant or other 314
system retirant shall notify the board of trustees of the fund of 315
the employment not later than the end of the month in which the 316
employment commences. On receipt of notice from an employer that a 317
person who is an other system retirant has been employed, the fund 318
shall notify the retirement system of which the other system 319
retirant was a member of such employment. 320

(D) An OPFPF retirant or other system retirant who has 321
received a retirement allowance or benefit for less than two 322
months when employment subject to this section commences shall 323
forfeit the retirement allowance or benefit for the period that 324
begins on the date the employment commences and ends on the 325

earlier of the date the employment terminates or the date that is 326
two months after the date on which the retirement allowance or 327
benefit commenced. Service and contributions for that period shall 328
not be included in the calculation of any benefits payable under 329
this section, and those contributions shall be refunded on the 330
retirant's death or termination of the employment. 331

(E) On receipt of notice from the public employees retirement 332
system, school employees retirement system, or state teachers 333
retirement system of the re-employment of an OPFPF retirant, the 334
Ohio police and fire pension fund shall not pay, or if paid shall 335
recover, the amount to be forfeited by the OPFPF retirant in 336
accordance with section 145.38, 3307.35, or 3309.341 of the 337
Revised Code. 338

(F)(1) On termination of employment under this section, an 339
OPFPF retirant or other system retirant may file an application 340
with the board of trustees of the fund to receive either a 341
benefit, as provided in division (F)(2) of this section, or 342
payment of the retirant's contributions made under this section, 343
as provided in division (H) of this section. 344

(2) A benefit under this section shall consist of an annuity 345
the actuarial present value of which is equal to two times the sum 346
of all amounts deducted from the salary of the OPFPF retirant or 347
other system retirant and credited to the retirant's individual 348
account in the fund, other than contributions excluded pursuant to 349
division (D) of this section, together with interest credited 350
thereon at the rate determined by the board. 351

(a) Unless, as described in division (I) of this section, the 352
application is accompanied by a statement of the spouse's consent 353
to another form of payment or the board of trustees waives the 354
requirement of spousal consent, a retirant who is married at the 355
time of application under this division shall receive a monthly 356
annuity under which the actuarial equivalent of the retirant's 357

single life annuity is paid in a lesser amount for life and 358
one-half of the lesser amount continues after the retirant's death 359
to the surviving spouse. 360

(b) A retirant who is not subject to division (F)(2)(a) of 361
this section shall elect to receive either a monthly annuity or a 362
~~lump sum~~ lump sum payment. If the retirant fails to elect a plan 363
of payment, the annuity shall be paid as a monthly annuity under 364
the plan of payment specified in rules adopted by the board of 365
trustees of the fund. 366

A retirant who elects to receive a monthly annuity shall 367
select one of the following as the plan of payment: 368

(i) The retirant's single life annuity; 369

(ii) The actuarial equivalent of the retirant's single life 370
annuity in an equal or lesser amount for life and continuing after 371
death to a surviving beneficiary designated at the time the plan 372
of payment is selected. 373

(c) Notwithstanding divisions (F)(2)(a) and (b) of this 374
section, if a monthly annuity would be less than twenty-five 375
dollars per month, the retirant shall receive a lump sum payment. 376

(3) Interest shall be credited to accounts only at the time 377
of calculation of a benefit payable under division (F)(2) of this 378
section. 379

(4) A benefit payable under this division shall commence on 380
the first day of the month immediately after the latest of the 381
following: 382

(a) The last day for which compensation for employment 383
subject to this section was paid; 384

(b) Attainment by the OPFPF retirant or other system retirant 385
of age sixty; 386

(c) If the OPFPF retirant or other system retirant was 387

previously employed under this section and is receiving or 388
previously received a benefit under this division, completion of a 389
period of twelve months since the last benefit paid under this 390
section commenced. 391

(5) No amount received under this division shall be included 392
in determining an additional benefit under section 742.3711, 393
742.3716, or 742.3717 of the Revised Code or any other 394
post-retirement benefit increase. 395

(G)(1) If an OPFPF retirant or other system retirant dies 396
while employed in employment subject to this section, a ~~lump sum~~ 397
lump sum payment calculated in accordance with division (F)(2) of 398
this section shall be paid to the retirant's surviving spouse, or 399
if there is no surviving spouse, to the retirant's estate. 400

(2) If at the time of death an OPFPF retirant or other system 401
retirant receiving a monthly annuity under division (F)(2) of this 402
section has received less than would have been received as a 403
~~lump sum~~ lump sum payment under division (F)(2) of this section, 404
the difference between the amount received and the amount that 405
would have been received as a ~~lump sum~~ lump sum payment shall be 406
paid to the retirant's surviving spouse, or if there is no 407
surviving spouse, to the retirant's estate. 408

(3) If a beneficiary receiving a monthly annuity under 409
division (F)(2) of this section dies and, at the time of the 410
beneficiary's death, the total of the amounts paid to the retirant 411
and beneficiary are less than the amount the retirant would have 412
received as a lump sum payment, the difference between the total 413
of the amounts received by the retirant and beneficiary and the 414
amount that the retirant would have received as a lump sum payment 415
shall be paid to the beneficiary's estate. 416

(H)(1) An OPFPF retirant or other system retirant who applies 417
under division (F)(1) of this section for payment of the 418

retirant's contributions and is unmarried or is married and, 419
unless the board of trustees has waived the requirement of spousal 420
consent, includes with the application a statement of the spouse's 421
consent to the payment shall be paid the contributions made under 422
division (C) of this section, plus interest, if the following 423
conditions are met: 424

(a) The retirant has not attained sixty years of age and has 425
terminated employment subject to this section for any cause other 426
than death or the receipt of a benefit under division (F) of this 427
section. 428

(b) Three months have elapsed since the termination of 429
employment subject to this section. 430

(c) The retirant has not returned to service subject to this 431
chapter or Chapter 145., 3307., or 3309. of the Revised Code, 432
other than service exempted from contribution to the public 433
employees retirement system pursuant to section 145.03 of the 434
Revised Code, during the three-month period. 435

(2) Payment of a retirant's contributions cancels the 436
retirant's right to a benefit under division (F) of this section. 437

(I) A statement of a spouse's consent under division (F) of 438
this section to the form of a benefit or under division (H) of 439
this section to a payment of contributions is valid only if signed 440
by the spouse and witnessed by a notary public. The board of 441
trustees may waive the requirement of spousal consent if the 442
spouse is incapacitated or cannot be located, or for any other 443
reason specified by the board. Consent or waiver is effective only 444
with regard to the spouse who is the subject of the consent or 445
waiver. 446

(J) An other system retirant subject to this section is not a 447
member of the Ohio police and fire pension fund, does not have any 448
of the rights, privileges, or obligations of membership, except as 449

specified in this section, and is not eligible to receive health, 450
medical, hospital, or surgical benefits under section 742.45 of 451
the Revised Code for employment subject to this section. 452

(K) If any payment is made by the Ohio police and fire 453
pension fund to an OPFPF retirant or other system retirant to 454
which the retirant is not entitled, the retirant shall repay it to 455
the fund. If the retirant fails to make the repayment, the fund 456
shall withhold the amount due from any allowances or other amounts 457
due the OPFPF retirant or other system retirant. 458

(L) An OPFPF retirant who is employed under this section is 459
not eligible to receive any benefits under section 742.37 of the 460
Revised Code for the employment under this section. 461

(M) This section does not affect the receipt of benefits by 462
or eligibility for benefits of any person who on August 20, 1976, 463
was receiving a disability benefit or service retirement pension 464
or allowance from a state or municipal retirement system in Ohio 465
and was a member of any other state or municipal retirement system 466
of this state. 467

(N) The board of trustees of the fund may adopt rules to 468
carry out this section. 469

Sec. 742.261. (A) As used in this section: 470

(1) "Administrative employee" means both of the following: 471

(a) A member of a police department employed as a chief of 472
police or in another position with managerial responsibilities and 473
duties; 474

(b) A member of a fire department employed as a fire chief or 475
in another position with managerial responsibilities and duties. 476

(2) "Managerial responsibilities and duties" includes 477
formulating policy on behalf of the employing entity, directing 478
the implementation of policy, assisting the preparation for 479

conduct of collective negotiations, administering collectively 480
negotiated agreements, or having a major role in personnel 481
administration. 482

(3) "Nonmonetary compensation" does not include primary 483
health, medical, hospital, or surgical insurance coverage from the 484
OPFPF retirant's employer, if the employer provides such coverage 485
to other employees performing comparable work. 486

(B) An OPFPF retirant who, at the time of retirement, was 487
employed by a police department or a fire department as an 488
administrative employee may be employed by the same department in 489
the position held at the time of retirement only if the following 490
requirements are met: 491

(1) The department submits, on a form provided by the Ohio 492
police and fire pension fund board of trustees, a written request 493
that the board of trustees authorize the employment. 494

(2) The board of trustees authorizes the employment as 495
described in division (C) of this section. 496

(3) The annual compensation of an OPFPF retirant employed 497
under this section does not exceed sixty per cent of the 498
retirant's average annual salary and does not include any form of 499
nonmonetary compensation. 500

(C) Not later than thirty days after receiving a request from 501
a police or fire department pursuant to division (B) of this 502
section, the board of trustees shall authorize the employment by 503
notifying the department, in writing, of the amount that equals 504
sixty per cent of the retirant's average annual salary. 505

(D)(1) The term of employment of an OPFPF retirant under this 506
section shall not exceed one calendar year, beginning on the date 507
the employment commenced. The retirant's employment shall 508
automatically terminate on the date that is one year after the 509
date the employment commenced, unless the employing police or fire 510

department renews the employment as described in division (D)(2) 511
of this section. 512

(2) The head or, if applicable, the governing body of the 513
police or fire department annually shall do all of the following 514
with regard to each OPFPF retirant employed under this section: 515

(a) Notify the retirant of the date that the retirant's 516
employment terminates; 517

(b) Conduct an annual review of the retirant's employment, 518
including a performance review, to determine whether to continue 519
the retirant's employment for an additional year; 520

(c) Notify the retirant of the results of the review 521
conducted under division (D)(2)(b) of this section, including a 522
statement of whether the head or governing body intends to 523
continue the retirant's employment. 524

(E)(1) A police or fire department that employs an OPFPF 525
retirant under this section shall not do either of the following: 526

(a) In a single calendar year, pay to the retirant an amount 527
that exceeds sixty per cent of the retirant's average annual 528
salary as determined under division (C) of this section; 529

(b) Pay, award, or otherwise give to the retirant any form of 530
nonmonetary compensation. 531

(2) An OPFPF retirant employed under this section shall not 532
do either of the following: 533

(a) In a single calendar year, accept or otherwise receive 534
any monetary compensation that exceeds sixty per cent of the 535
retirant's average annual salary, as determined under division (C) 536
of this section; 537

(b) Accept or otherwise receive from the employing police or 538
fire department any form of nonmonetary compensation. 539

(F) The board of trustees may adopt rules to carry out this 540

section. 541

Sec. 3307.35. (A) As used in this section and section 542
3307.352 of the Revised Code, "other system retirant" means a 543
member or former member of the public employees retirement system, 544
Ohio police and fire pension fund, school employees retirement 545
system, state highway patrol retirement system, or Cincinnati 546
retirement system who is receiving age and service or commuted age 547
and service retirement, or a disability benefit from a system of 548
which the retirant is a member or former member. 549

(B) Subject to this section and ~~section~~ sections 3307.353 and 550
3307.354 of the Revised Code, a superannuate or other system 551
retirant may be employed as a teacher. 552

(C) A superannuate or other system retirant employed in 553
accordance with this section shall contribute to the state 554
teachers retirement system in accordance with section 3307.26 of 555
the Revised Code and the employer shall contribute in accordance 556
with sections 3307.28 and 3307.31 of the Revised Code. Such 557
contributions shall be received as specified in section 3307.14 of 558
the Revised Code. A superannuate or other system retirant employed 559
as a teacher is not a member of the state teachers retirement 560
system, does not have any of the rights, privileges, or 561
obligations of membership, except as provided in this section, and 562
is not eligible to receive health, medical, hospital, or surgical 563
benefits under section 3307.39 of the Revised Code for employment 564
subject to this section. 565

(D) The employer that employs a superannuate or other system 566
retirant shall notify the state teachers retirement board of the 567
employment not later than the end of the month in which the 568
employment commences. Any overpayment of benefits to a 569
superannuate by the retirement system resulting from an employer's 570
failure to give timely notice may be charged to the employer and 571

may be certified and deducted as provided in section 3307.31 of 572
the Revised Code. 573

(E) On receipt of notice from an employer that a person who 574
is an other system retirant has been employed, the state teachers 575
retirement system shall notify the state retirement system of 576
which the other system retirant was a member of such employment. 577

(F) A superannuate or other system retirant who has received 578
an allowance or benefit for less than two months when employment 579
subject to this section commences shall forfeit the allowance or 580
benefit for any month the superannuate or retirant is employed 581
prior to the expiration of such period. Contributions shall be 582
made to the retirement system from the first day of such 583
employment, but service and contributions for that period shall 584
not be used in the calculation of any benefit payable to the 585
superannuate or other system retirant, and those contributions 586
shall be refunded on the superannuate's or retirant's death or 587
termination of the employment. Contributions made on compensation 588
earned after the expiration of such period shall be used in 589
calculation of the benefit or payment due under section 3307.352 590
of the Revised Code. 591

(G) On receipt of notice from the Ohio police and fire 592
pension fund, public employees retirement system, or school 593
employees retirement system of the re-employment of a 594
superannuate, the state teachers retirement system shall not pay, 595
or if paid shall recover, the amount to be forfeited by the 596
superannuate in accordance with section 145.38, 742.26, or 597
3309.341 of the Revised Code. 598

(H) If the disability benefit of an other system retirant 599
employed under this section is terminated, the retirant shall 600
become a member of the state teachers retirement system, effective 601
on the first day of the month next following the termination, with 602
all the rights, privileges, and obligations of membership. If such 603

person, after the termination of the retirant's disability 604
benefit, earns two years of service credit under this retirement 605
system or under the public employees retirement system, Ohio 606
police and fire pension fund, school employees retirement system, 607
or state highway patrol retirement system, the retirant's prior 608
contributions as an other system retirant under this section shall 609
be included in the retirant's total service credit, as defined in 610
section 3307.50 of the Revised Code, as a state teachers 611
retirement system member, and the retirant shall forfeit all 612
rights and benefits of this section. Not more than one year of 613
credit may be given for any period of twelve months. 614

(I) This section does not affect the receipt of benefits by 615
or eligibility for benefits of any person who on August 20, 1976, 616
was receiving a disability benefit or service retirement pension 617
or allowance from a state or municipal retirement system in Ohio 618
and was a member of any other state or municipal retirement system 619
of this state. 620

(J) The state teachers retirement board may make the 621
necessary rules to carry into effect this section and to prevent 622
the abuse of the rights and privileges thereunder. 623

Sec. 3307.354. (A)(1) As used in this section, 624
"administrative employee" means either of the following: 625

(a) A person employed as superintendent, assistant 626
superintendent, principal, assistant principal, or any other 627
position with managerial responsibilities and duties; 628

(b) A person employed as a president, business manager, 629
administrative officer, dean, or assistant dean of an institution 630
of higher education as defined in section 3345.12 of the Revised 631
Code or any other position with managerial responsibilities and 632
duties. 633

(2) "Managerial responsibilities and duties" includes 634
formulating policy on behalf of the employing entity, directing 635
the implementation of policy, assisting the preparation for 636
conduct of collective negotiations, administering collectively 637
negotiated agreements, or having a major role in personnel 638
administration. 639

(3) "Nonmonetary compensation" does not include primary 640
health, medical, hospital, or surgical insurance coverage from the 641
superannuate's employer, if the employer provides coverage to 642
other employees performing comparable work. 643

(B) A superannuate who, at the time of retirement, was 644
employed as an administrative employee may be employed by the same 645
employer in the position held at the time of retirement only if 646
the following requirements are met: 647

(1) The employer submits, on a form provided by the state 648
teachers retirement board, a written request to the retirement 649
board to authorize the employment. 650

(2) The retirement board authorizes the employment as 651
described in division (C) of this section. 652

(3) The annual compensation of a superannuate employed under 653
this section does not exceed sixty per cent of the superannuate's 654
final average salary and does not include any form of nonmonetary 655
compensation. 656

(C) Not later than thirty days after receiving a request from 657
an employer pursuant to division (B) of this section, the 658
retirement board shall authorize the employment by notifying the 659
employer, in writing, of the amount that equals sixty per cent of 660
the superannuate's final average salary. 661

(D)(1) The term of employment of a superannuate under this 662
section shall not exceed one school year. The superannuate's 663
employment shall automatically terminate on the date that the 664

school year for which the superannuate was employed terminates, 665
unless the employer renews the employment as described in division 666
(D)(2) of this section. 667

(2) The head or, if applicable, the governing body of the 668
employer annually shall do all of the following with regard to 669
each superannuate employed under this section: 670

(a) Notify the superannuate of the date that the 671
superannuate's employment terminates; 672

(b) Conduct an annual review of the superannuate's 673
employment, including a performance review, to determine whether 674
to continue the superannuate's employment for an additional school 675
year; 676

(c) Notify the superannuate of the results of the review 677
conducted under division (D)(2)(b) of this section, including a 678
statement of whether the head or governing body intends to 679
continue the superannuate's employment. 680

(E)(1) An employer that employs a superannuate under this 681
section shall not do either of the following: 682

(a) In a single calendar year, pay to the superannuate an 683
amount that exceeds sixty per cent of the superannuate's final 684
average salary as determined under division (C) of this section; 685

(b) Pay, award, or otherwise give to the superannuate any 686
form of nonmonetary compensation. 687

(2) A superannuate employed under this section shall not do 688
either of the following: 689

(a) In a single calendar year, accept or otherwise receive 690
any monetary compensation that exceeds sixty per cent of the 691
superannuate's final average salary, as determined under division 692
(C) of this section; 693

(b) Accept or otherwise receive from the employer any form of 694

nonmonetary compensation. 695

(F) The retirement board may adopt rules to carry out this section. 696
697

Sec. 3309.341. (A) As used in this section and ~~section~~ 698
sections 3309.344 and 3309.346 of the Revised Code: 699

(1) "SERS retirant" means any person who is receiving a 700
retirement allowance from the school employees retirement system 701
under section 3309.36, 3309.38, or 3309.381 of the Revised Code or 702
any benefit paid under a plan established under section 3309.81 of 703
the Revised Code. 704

(2) "Other system retirant" means a member or former member 705
of the public employees retirement system, Ohio police and fire 706
pension fund, state teachers retirement system, state highway 707
patrol retirement system, or Cincinnati retirement system who is 708
receiving age and service or commuted age and service retirement, 709
or a disability benefit from a system of which the retirant is a 710
member or former member. 711

(B)(1) Subject to this section and ~~section~~ sections 3309.345 712
and 3009.346 of the Revised Code, an SERS retirant or other system 713
retirant may be employed by a public employer. If so employed, the 714
SERS retirant or other system retirant shall contribute to the 715
school employees retirement system in accordance with section 716
3309.47 of the Revised Code, and the employer shall make 717
contributions in accordance with section 3309.49 of the Revised 718
Code. 719

(2) An employer that employs an SERS retirant or other system 720
retirant shall notify the retirement board of the employment not 721
later than the end of the month in which the employment commences. 722
On receipt of notice from an employer that a person who is an 723
other system retirant has been employed, the school employees 724

retirement system shall notify the state retirement system of 725
which the other system retirant was a member of such employment. 726

(C) An SERS retirant or other system retirant who has 727
received a retirement allowance or disability benefit for less 728
than two months when employment subject to this section commences 729
shall forfeit the retirement allowance or disability benefit for 730
any month the SERS retirant or other system retirant is employed 731
prior to the expiration of the two-month period. Service and 732
contributions for that period shall not be included in the 733
calculation of any benefits payable to the SERS retirant or other 734
system retirant, and those contributions shall be refunded on 735
death or termination of the employment. Contributions made on 736
compensation earned after the expiration of such period shall be 737
used in the calculation of the benefit or payment due under 738
section 3309.344 of the Revised Code. 739

(D) On receipt of notice from the Ohio police and fire 740
pension fund, public employees retirement system, or state 741
teachers retirement system of the re-employment of an SERS 742
retirant, the school employees retirement system shall not pay, or 743
if paid shall recover, the amount to be forfeited by the SERS 744
retirant in accordance with section 145.38, 742.26, or 3307.35 of 745
the Revised Code. 746

(E) An SERS retirant or other system retirant subject to this 747
section is not a member of the school employees retirement system; 748
does not have any of the rights, privileges, or obligations of 749
membership, except as specified in this section; and is not 750
eligible to receive health, medical, hospital, or surgical 751
benefits under section 3309.69 of the Revised Code for employment 752
subject to this section. 753

(F) If the disability benefit of an other system retirant 754
employed under this section is terminated, the retirant shall 755
become a member of the school employees retirement system, 756

effective on the first day of the month next following the 757
termination, with all the rights, privileges, and obligations of 758
membership. If the retirant, after the termination of the 759
disability benefit, earns two years of service credit under this 760
retirement system or under the public employees retirement system, 761
Ohio police and fire pension fund, state teachers retirement 762
system, or state highway patrol retirement system, the retirant's 763
prior contributions as an other system retirant under this section 764
shall be included in the retirant's total service credit as a 765
school employees retirement system member, and the retirant shall 766
forfeit all rights and benefits of this section. Not more than one 767
year of credit may be given for any period of twelve months. 768

(G) This section does not affect the receipt of benefits by 769
or eligibility for benefits of any person who on August 29, 1976, 770
was receiving a disability benefit or service retirement pension 771
or allowance from a state or municipal retirement system in Ohio 772
and was a member of any other state or municipal retirement system 773
of this state. 774

(H) The school employees retirement board may adopt rules to 775
carry out this section. 776

Sec. 3309.346. (A) As used in this section: 777

(1) "Administrative employee" means a person employed in a 778
position with managerial responsibilities and duties, but does not 779
include a school board member or governing board member, as 780
defined in section 3309.012 of the Revised Code. 781

(2) "Managerial responsibilities and duties" includes 782
formulating policy on behalf of the employing entity, directing 783
the implementation of policy, assisting the preparation for 784
conduct of collective negotiations, administering collectively 785
negotiated agreements, or having a major role in personnel 786
administration. 787

(3) "Nonmonetary compensation" does not include primary health, medical, hospital, or surgical insurance coverage from the SERS retirant's employer, if the employer provides such coverage to other employees performing comparable work. 788
789
790
791

(B) An SERS retirant who, at the time of retirement, was employed by a public employer as an administrative employee may be employed by the same employer in the position held at the time of retirement only if the following requirements are met: 792
793
794
795

(1) The public employer submits, on a form provided by the school employees retirement board, a written request that the retirement board authorize the employment. 796
797
798

(2) The retirement board authorizes the employment as described in division (C) of this section. 799
800

(3) The annual compensation of an SERS retirant employed under this section does not exceed sixty per cent of the retirant's final average salary and does not include any form of nonmonetary compensation. 801
802
803
804

(C) Not later than thirty days after receiving a request from a public employer pursuant to division (B) of this section, the retirement board shall authorize the employment by notifying the employer, in writing, of the amount that equals sixty per cent of the retirant's final average salary. 805
806
807
808
809

(D)(1) The term of employment of an SERS retirant under this section shall not exceed one school year. The retirant's employment shall automatically terminate on the date that the school year for which the retirant was employed terminates, unless the employer renews the employment as described in division (D)(2) of this section. 810
811
812
813
814
815

(2) The head or, if applicable, the governing body of the public employer annually shall do all of the following with regard to each SERS retirant employed under this section: 816
817
818

(a) Notify the retirant of the date that the retirant's employment terminates; 819
820

(b) Conduct an annual review of the retirant's employment, including a performance review, to determine whether to continue the retirant's employment for an additional school year; 821
822
823

(c) Notify the retirant of the results of the review conducted under division (D)(2)(b) of this section, including a statement of whether the head or governing body intends to continue the retirant's employment. 824
825
826
827

(E)(1) A public employer that employs an SERS retirant under this section shall not do either of the following: 828
829

(a) In a single calendar year, pay to the retirant an amount that exceeds sixty per cent of the retirant's final average salary as determined under division (C) of this section; 830
831
832

(b) Pay, award, or otherwise give to the retirant any form of nonmonetary compensation. 833
834

(2) An SERS retirant employed under this section shall not do either of the following: 835
836

(a) In a single calendar year, accept or otherwise receive any monetary compensation that exceeds sixty per cent of the retirant's final average salary, as determined under division (C) of this section; 837
838
839
840

(b) Accept or otherwise receive from the public employer any form of nonmonetary compensation. 841
842

(F) The retirement board may adopt rules to carry out this section. 843
844

Section 2. That existing sections 145.38, 742.26, 3307.35, 845
and 3309.341 of the Revised Code are hereby repealed. 846