

As Introduced

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

H. B. No. 600

Representative Wachtmann

—

A BILL

To amend sections 145.01, 145.20, 145.201, 145.29, 1
145.291, 145.293, 145.294, 145.298, 145.299, 2
145.30, 145.33, 145.34, 145.36, 145.401, 145.41, 3
145.452, 145.47, 145.48, 145.51, 145.814, and 4
3375.411; to amend, for the purpose of adopting a 5
new section number as indicated in parentheses, 6
section 145.29 (145.292); to enact new section 7
145.29 and sections 145.2914 and 145.2915; and to 8
repeal sections 145.02, 145.292, 145.42, and 9
145.44 of the Revised Code to modify the purchase 10
of service credit in the Public Employees 11
Retirement System. 12

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

Section 1. That sections 145.01, 145.20, 145.201, 145.29, 13
145.291, 145.293, 145.294, 145.298, 145.299, 145.30, 145.33, 14
145.34, 145.36, 145.401, 145.41, 145.452, 145.47, 145.48, 145.51, 15
145.814, and 3375.411 be amended; section 145.29 (145.292) be 16
amended for the purpose of adopting a new section number as 17
indicated in parentheses; and new section 145.29 and sections 18
145.2914 and 145.2915 of the Revised Code be enacted to read as 19
follows: 20

Sec. 145.01. As used in this chapter:	21
(A) "Public employee" means:	22
(1) Any person holding an office, not elective, under the state or any county, township, municipal corporation, park district, conservancy district, sanitary district, health district, metropolitan housing authority, state retirement board, Ohio historical society, public library, county law library, union cemetery, joint hospital, institutional commissary, state university, or board, bureau, commission, council, committee, authority, or administrative body as the same are, or have been, created by action of the general assembly or by the legislative authority of any of the units of local government named in division (A)(1) of this section, or employed and paid in whole or in part by the state or any of the authorities named in division (A)(1) of this section in any capacity not covered by section 742.01, 3307.01, 3309.01, or 5505.01 of the Revised Code.	23 24 25 26 27 28 29 30 31 32 33 34 35 36
(2) A person who is a member of the public employees retirement system and who continues to perform the same or similar duties under the direction of a contractor who has contracted to take over what before the date of the contract was a publicly operated function. The governmental unit with which the contract has been made shall be deemed the employer for the purposes of administering this chapter.	37 38 39 40 41 42 43
(3) Any person who is an employee of a public employer, notwithstanding that the person's compensation for that employment is derived from funds of a person or entity other than the employer. Credit for such service shall be included as total service credit, provided that the employee makes the payments required by this chapter, and the employer makes the payments required by sections 145.48 and 145.51 of the Revised Code.	44 45 46 47 48 49 50
(4) A person who elects in accordance with section 145.015 of	51

the Revised Code to remain a contributing member of the public 52
employees retirement system. 53

In all cases of doubt, the public employees retirement board 54
shall determine whether any person is a public employee, and its 55
decision is final. 56

(B) "Member" means any public employee, other than a public 57
employee excluded or exempted from membership in the retirement 58
system by section 145.03, 145.031, 145.032, 145.033, 145.034, 59
145.035, or 145.38 of the Revised Code. "Member" includes a PERS 60
retirant who becomes a member under division (C) of section 145.38 61
of the Revised Code. "Member" also includes a disability benefit 62
recipient. 63

(C) "Head of the department" means the elective or appointive 64
head of the several executive, judicial, and administrative 65
departments, institutions, boards, and commissions of the state 66
and local government as the same are created and defined by the 67
laws of this state or, in case of a charter government, by that 68
charter. 69

(D) "Employer" or "public employer" means the state or any 70
county, township, municipal corporation, park district, 71
conservancy district, sanitary district, health district, 72
metropolitan housing authority, state retirement board, Ohio 73
historical society, public library, county law library, union 74
cemetery, joint hospital, institutional commissary, state medical 75
college, state university, or board, bureau, commission, council, 76
committee, authority, or administrative body as the same are, or 77
have been, created by action of the general assembly or by the 78
legislative authority of any of the units of local government 79
named in this division not covered by section 742.01, 3307.01, 80
3309.01, or 5505.01 of the Revised Code. In addition, "employer" 81
means the employer of any public employee. 82

(E) ~~"Prior service" means all service as a public employee rendered before January 1, 1935, and all service as an employee of any employer who comes within the state teachers retirement system or of the school employees retirement system or of any other retirement system established under the laws of this state rendered prior to January 1, 1935, provided that if the employee claiming the service was employed in any capacity covered by that other system after that other system was established, credit for the service may be allowed by the public employees retirement system only when the employee has made payment, to be computed on the salary earned from the date of appointment to the date membership was established in the public employees retirement system, at the rate in effect at the time of payment, and the employer has made payment of the corresponding full liability as provided by section 145.44 of the Revised Code. "Prior military service" also means all service credited for active duty with the armed forces of the United States as provided in section 145.30 of the Revised Code.~~

~~If an employee who has been granted prior service credit by the public employees retirement system for service rendered prior to January 1, 1935, as an employee of a board of education establishes, before retirement, one year or more of contributing service in the state teachers retirement system or school employees retirement system, then the prior service ceases to be the liability of this system.~~

~~If the board determines that a position of any member in any calendar year prior to January 1, 1935, was a part time position, the board shall determine what fractional part of a year's credit shall be allowed by the following formula:~~

~~(1) When the member has been either elected or appointed to an office the term of which was two or more years and for which an annual salary is established, the fractional part of the year's~~

~~credit shall be computed as follows:~~ 115

~~First, when the member's annual salary is one thousand 116
dollars or less, the service credit for each such calendar year 117
shall be forty per cent of a year.~~ 118

~~Second, for each full one hundred dollars of annual salary 119
above one thousand dollars, the member's service credit for each 120
such calendar year shall be increased by two and one-half per 121
cent.~~ 122

~~(2) When the member is paid on a per diem basis, the service 123
credit for any single year of the service shall be determined by 124
using the number of days of service for which the compensation was 125
received in any such year as a numerator and using two hundred 126
fifty days as a denominator.~~ 127

~~(3) When the member is paid on an hourly basis, the service 128
credit for any single year of the service shall be determined by 129
using the number of hours of service for which the compensation 130
was received in any such year as a numerator and using two 131
thousand hours as a denominator.~~ 132

(F) "Contributor" means any person who has an account in the 133
employees' savings fund created by section 145.23 of the Revised 134
Code. When used in the sections listed in division (B) of section 135
145.82 of the Revised Code, "contributor" includes any person 136
participating in a PERS defined contribution plan. 137

(G) "Beneficiary" or "beneficiaries" means the estate or a 138
person or persons who, as the result of the death of a member, 139
contributor, or retirant, qualify for or are receiving some right 140
or benefit under this chapter. 141

(H)(1) "Total service credit," except as provided in section 142
145.37 of the Revised Code, means all service credited to a member 143
of the retirement system since last becoming a member, including 144
restored service credit as provided by section 145.31 of the 145

Revised Code; credit purchased under sections 145.293 and 145.299 146
of the Revised Code; ~~all the member's prior service credit;~~ all 147
the member's military service credit computed as provided in this 148
chapter; all service credit established pursuant to section 149
145.297 of the Revised Code; and any other service credited under 150
this chapter. ~~In addition, "total service credit" includes any 151
period, not in excess of three years, during which a member was 152
out of service and receiving benefits under Chapters 4121. and 153
4123. of the Revised Code.~~ For the exclusive purpose of satisfying 154
the service credit requirement and of determining eligibility for 155
benefits under sections 145.32, 145.33, 145.331, 145.35, 145.36, 156
and 145.361 of the Revised Code, "five or more years of total 157
service credit" means sixty or more calendar months of 158
contributing service in this system. 159

(2) "One and one-half years of contributing service credit," 160
as used in division (B) of section 145.45 of the Revised Code, 161
also means eighteen or more calendar months of employment by a 162
municipal corporation that formerly operated its own retirement 163
plan for its employees or a part of its employees, provided that 164
all employees of that municipal retirement plan who have eighteen 165
or more months of such employment, upon establishing membership in 166
the public employees retirement system, shall make a payment of 167
the contributions they would have paid had they been members of 168
this system for the eighteen months of employment preceding the 169
date membership was established. When that payment has been made 170
by all such employee members, a corresponding payment shall be 171
paid into the employers' accumulation fund by that municipal 172
corporation as the employer of the employees. 173

(3) Where a member also is a member of the state teachers 174
retirement system or the school employees retirement system, or 175
both, except in cases of retirement on a combined basis pursuant 176
to section 145.37 of the Revised Code or as provided in section 177

145.383 of the Revised Code, service credit for any period shall 178
be credited on the basis of the ratio that contributions to the 179
public employees retirement system bear to total contributions in 180
all state retirement systems. 181

(4) Not more than one year of credit may be given for any 182
period of twelve months. 183

(5) "Ohio service credit" means credit for service that was 184
rendered to the state or any of its political subdivisions or any 185
employer. 186

(I) "Regular interest" means interest at any rates for the 187
respective funds and accounts as the public employees retirement 188
board may determine from time to time. 189

(J) "Accumulated contributions" means the sum of all amounts 190
credited to a contributor's individual account in the employees' 191
savings fund together with any interest credited to the 192
contributor's account under section 145.471 or 145.472 of the 193
Revised Code. 194

(K)(1) "Final average salary" means the quotient obtained by 195
dividing by three the sum of the three full calendar years of 196
contributing service in which the member's earnable salary was 197
highest, except that if the member has a partial year of 198
contributing service in the year the member's employment 199
terminates and the member's earnable salary for the partial year 200
is higher than for any comparable period in the three years, the 201
member's earnable salary for the partial year shall be substituted 202
for the member's earnable salary for the comparable period during 203
the three years in which the member's earnable salary was lowest. 204

(2) If a member has less than three years of contributing 205
service, the member's final average salary shall be the member's 206
total earnable salary divided by the total number of years, 207
including any fraction of a year, of the member's contributing 208

service.	209
(3) For the purpose of calculating benefits payable to a member qualifying for service credit under division (Z) (Y) of this section, "final average salary" means the total earnable salary on which contributions were made divided by the total number of years during which contributions were made, including any fraction of a year. If contributions were made for less than twelve months, "final average salary" means the member's total earnable salary.	210 211 212 213 214 215 216
(L) "Annuity" means payments for life derived from contributions made by a contributor and paid from the annuity and pension reserve fund as provided in this chapter. All annuities shall be paid in twelve equal monthly installments.	217 218 219 220
(M) "Annuity reserve" means the present value, computed upon the basis of the mortality and other tables adopted by the board, of all payments to be made on account of any annuity, or benefit in lieu of any annuity, granted to a retirant as provided in this chapter.	221 222 223 224 225
(N)(1) "Disability retirement" means retirement as provided in section 145.36 of the Revised Code.	226 227
(2) "Disability allowance" means an allowance paid on account of disability under section 145.361 of the Revised Code.	228 229
(3) "Disability benefit" means a benefit paid as disability retirement under section 145.36 of the Revised Code, as a disability allowance under section 145.361 of the Revised Code, or as a disability benefit under section 145.37 of the Revised Code.	230 231 232 233
(4) "Disability benefit recipient" means a member who is receiving a disability benefit.	234 235
(O) "Age and service retirement" means retirement as provided in sections 145.32, 145.33, 145.331, 145.34, 145.37, and 145.46 of the Revised Code.	236 237 238

(P) "Pensions" means annual payments for life derived from 239
contributions made by the employer that at the time of retirement 240
are credited into the annuity and pension reserve fund from the 241
employers' accumulation fund and paid from the annuity and pension 242
reserve fund as provided in this chapter. All pensions shall be 243
paid in twelve equal monthly installments. 244

(Q) "Retirement allowance" means the pension plus that 245
portion of the benefit derived from contributions made by the 246
member. 247

(R)(1) Except as otherwise provided in division (R) of this 248
section, "earnable salary" means all salary, wages, and other 249
earnings paid to a contributor by reason of employment in a 250
position covered by the retirement system. The salary, wages, and 251
other earnings shall be determined prior to determination of the 252
amount required to be contributed to the employees' savings fund 253
under section 145.47 of the Revised Code and without regard to 254
whether any of the salary, wages, or other earnings are treated as 255
deferred income for federal income tax purposes. "Earnable salary" 256
includes the following: 257

(a) Payments made by the employer in lieu of salary, wages, 258
or other earnings for sick leave, personal leave, or vacation used 259
by the contributor; 260

(b) Payments made by the employer for the conversion of sick 261
leave, personal leave, and vacation leave accrued, but not used if 262
the payment is made during the year in which the leave is accrued, 263
except that payments made pursuant to section 124.383 or 124.386 264
of the Revised Code are not earnable salary; 265

(c) Allowances paid by the employer for full maintenance, 266
consisting of housing, laundry, and meals, as certified to the 267
retirement board by the employer or the head of the department 268
that employs the contributor; 269

(d) Fees and commissions paid under section 507.09 of the Revised Code;	270 271
(e) Payments that are made under a disability leave program sponsored by the employer and for which the employer is required by section 145.296 of the Revised Code to make periodic employer and employee contributions;	272 273 274 275
(f) Amounts included pursuant to divisions <u>division</u> (K)(3) and (Y) of this section.	276 277
(2) "Earnable salary" does not include any of the following:	278
(a) Fees and commissions, other than those paid under section 507.09 of the Revised Code, paid as sole compensation for personal services and fees and commissions for special services over and above services for which the contributor receives a salary;	279 280 281 282
(b) Amounts paid by the employer to provide life insurance, sickness, accident, endowment, health, medical, hospital, dental, or surgical coverage, or other insurance for the contributor or the contributor's family, or amounts paid by the employer to the contributor in lieu of providing the insurance;	283 284 285 286 287
(c) Incidental benefits, including lodging, food, laundry, parking, or services furnished by the employer, or use of the employer's property or equipment, or amounts paid by the employer to the contributor in lieu of providing the incidental benefits;	288 289 290 291
(d) Reimbursement for job-related expenses authorized by the employer, including moving and travel expenses and expenses related to professional development;	292 293 294
(e) Payments for accrued but unused sick leave, personal leave, or vacation that are made at any time other than in the year in which the sick leave, personal leave, or vacation was accrued;	295 296 297 298
(f) Payments made to or on behalf of a contributor that are	299

in excess of the annual compensation that may be taken into 300
account by the retirement system under division (a)(17) of section 301
401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 302
U.S.C.A. 401(a)(17), as amended; 303

(g) Payments made under division (B), (C), or (E) of section 304
5923.05 of the Revised Code, Section 4 of Substitute Senate Bill 305
No. 3 of the 119th general assembly, Section 3 of Amended 306
Substitute Senate Bill No. 164 of the 124th general assembly, or 307
Amended Substitute House Bill No. 405 of the 124th general 308
assembly; 309

(h) Anything of value received by the contributor that is 310
based on or attributable to retirement or an agreement to retire, 311
except that payments made on or before January 1, 1989, that are 312
based on or attributable to an agreement to retire shall be 313
included in earnable salary if both of the following apply: 314

(i) The payments are made in accordance with contract 315
provisions that were in effect prior to January 1, 1986; 316

(ii) The employer pays the retirement system an amount 317
specified by the retirement board equal to the additional 318
liability resulting from the payments. 319

(3) The retirement board shall determine by rule whether any 320
compensation not enumerated in division (R) of this section is 321
earnable salary, and its decision shall be final. 322

(S) "Pension reserve" means the present value, computed upon 323
the basis of the mortality and other tables adopted by the board, 324
of all payments to be made on account of any retirement allowance 325
or benefit in lieu of any retirement allowance, granted to a 326
member or beneficiary under this chapter. 327

(T)(1) "Contributing service" means all service credited to a 328
member of the system since January 1, 1935, for which 329
contributions are made as required by sections 145.47, 145.48, and 330

145.483 of the Revised Code. In any year subsequent to 1934, 331
credit for any service shall be allowed by the following formula: 332

(a) For each month for which the member's earnable salary is 333
two hundred fifty dollars or more, allow one month's credit. 334

(b) For each month for which the member's earnable salary is 335
less than two hundred fifty dollars, allow a fraction of a month's 336
credit. The numerator of this fraction shall be the earnable 337
salary during the month, and the denominator shall be two hundred 338
fifty dollars, except that if the member's annual earnable salary 339
is less than six hundred dollars, the member's credit shall not be 340
reduced below twenty per cent of a year for a calendar year of 341
employment during which the member worked each month. Division 342
(T)(1)(b) of this section shall not reduce any credit earned 343
before January 1, 1985. 344

(2) Notwithstanding division (T)(1) of this section, an 345
elected official who prior to January 1, 1980, was granted a full 346
year of credit for each year of service as an elected official 347
shall be considered to have earned a full year of credit for each 348
year of service regardless of whether the service was full-time or 349
part-time. The public employees retirement board has no authority 350
to reduce the credit. 351

(U) "State retirement board" means the public employees 352
retirement board, the school employees retirement board, or the 353
state teachers retirement board. 354

(V) "Retirant" means any former member who retires and is 355
receiving a monthly allowance as provided in sections 145.32, 356
145.33, 145.331, 145.34, and 145.46 of the Revised Code. 357

(W) "Employer contribution" means the amount paid by an 358
employer as determined under section 145.48 of the Revised Code. 359

(X) "Public service terminates" means the last day for which 360
a public employee is compensated for services performed for an 361

employer or the date of the employee's death, whichever occurs 362
first. 363

~~(Y) When a member has been elected or appointed to an office, 364
the term of which is two or more years, for which an annual salary 365
is established, and in the event that the salary of the office is 366
increased and the member is denied the additional salary by reason 367
of any constitutional provision prohibiting an increase in salary 368
during a term of office, the member may elect to have the amount 369
of the member's contributions calculated upon the basis of the 370
increased salary for the office. At the member's request, the 371
board shall compute the total additional amount the member would 372
have contributed, or the amount by which each of the member's 373
contributions would have increased, had the member received the 374
increased salary for the office the member holds. If the member 375
elects to have the amount by which the member's contribution would 376
have increased withheld from the member's salary, the member shall 377
notify the employer, and the employer shall make the withholding 378
and transmit it to the retirement system. A member who has not 379
elected to have that amount withheld may elect at any time to make 380
a payment to the retirement system equal to the additional amount 381
the member's contribution would have increased, plus interest on 382
that contribution, compounded annually at a rate established by 383
the board and computed from the date on which the last 384
contribution would have been withheld from the member's salary to 385
the date of payment. A member may make a payment for part of the 386
period for which the increased contribution was not withheld, in 387
which case the interest shall be computed from the date the last 388
contribution would have been withheld for the period for which the 389
payment is made. Upon the payment of the increased contributions 390
as provided in this division, the increased annual salary as 391
provided by law for the office for the period for which the member 392
paid increased contributions thereon shall be used in determining 393
the member's earnable salary for the purpose of computing the 394~~

~~member's final average salary.~~ 395

~~(Z)~~ "Five years of service credit," for the exclusive purpose 396
of satisfying the service credit requirements and of determining 397
eligibility for benefits under section 145.33 of the Revised Code, 398
means employment covered under this chapter or under a former 399
retirement plan operated, recognized, or endorsed by the employer 400
prior to coverage under this chapter or under a combination of the 401
coverage. 402

~~(AA)~~(Z) "Deputy sheriff" means any person who is commissioned 403
and employed as a full-time peace officer by the sheriff of any 404
county, and has been so employed since on or before December 31, 405
1965, and whose primary duties are to preserve the peace, to 406
protect life and property, and to enforce the laws of this state; 407
any person who is or has been commissioned and employed as a peace 408
officer by the sheriff of any county since January 1, 1966, and 409
who has received a certificate attesting to the person's 410
satisfactory completion of the peace officer training school as 411
required by section 109.77 of the Revised Code and whose primary 412
duties are to preserve the peace, protect life and property, and 413
enforce the laws of this state; or any person deputized by the 414
sheriff of any county and employed pursuant to section 2301.12 of 415
the Revised Code as a criminal bailiff or court constable who has 416
received a certificate attesting to the person's satisfactory 417
completion of the peace officer training school as required by 418
section 109.77 of the Revised Code and whose primary duties are to 419
preserve the peace, protect life and property, and enforce the 420
laws of this state. 421

~~(BB)~~(AA) "Township constable or police officer in a township 422
police department or district" means any person who is 423
commissioned and employed as a full-time peace officer pursuant to 424
Chapter 505. or 509. of the Revised Code, who has received a 425
certificate attesting to the person's satisfactory completion of 426

the peace officer training school as required by section 109.77 of 427
the Revised Code, and whose primary duties are to preserve the 428
peace, protect life and property, and enforce the laws of this 429
state. 430

~~(CC)~~(BB) "Drug agent" means any person who is either of the 431
following: 432

(1) Employed full-time as a narcotics agent by a county 433
narcotics agency created pursuant to section 307.15 of the Revised 434
Code and has received a certificate attesting to the satisfactory 435
completion of the peace officer training school as required by 436
section 109.77 of the Revised Code; 437

(2) Employed full-time as an undercover drug agent as defined 438
in section 109.79 of the Revised Code and is in compliance with 439
section 109.77 of the Revised Code. 440

~~(DD)~~(CC) "Department of public safety enforcement agent" 441
means a full-time employee of the department of public safety who 442
is designated under section 5502.14 of the Revised Code as an 443
enforcement agent and who is in compliance with section 109.77 of 444
the Revised Code. 445

~~(EE)~~(DD) "Natural resources law enforcement staff officer" 446
means a full-time employee of the department of natural resources 447
who is designated a natural resources law enforcement staff 448
officer under section 1501.013 of the Revised Code and is in 449
compliance with section 109.77 of the Revised Code. 450

~~(FF)~~(EE) "Park officer" means a full-time employee of the 451
department of natural resources who is designated a park officer 452
under section 1541.10 of the Revised Code and is in compliance 453
with section 109.77 of the Revised Code. 454

~~(GG)~~(FF) "Forest officer" means a full-time employee of the 455
department of natural resources who is designated a forest officer 456
under section 1503.29 of the Revised Code and is in compliance 457

with section 109.77 of the Revised Code. 458

~~(HH)~~(GG) "Preserve officer" means a full-time employee of the 459
department of natural resources who is designated a preserve 460
officer under section 1517.10 of the Revised Code and is in 461
compliance with section 109.77 of the Revised Code. 462

~~(II)~~(HH) "Wildlife officer" means a full-time employee of the 463
department of natural resources who is designated a wildlife 464
officer under section 1531.13 of the Revised Code and is in 465
compliance with section 109.77 of the Revised Code. 466

~~(JJ)~~(II) "State watercraft officer" means a full-time 467
employee of the department of natural resources who is designated 468
a state watercraft officer under section 1547.521 of the Revised 469
Code and is in compliance with section 109.77 of the Revised Code. 470

~~(KK)~~(JJ) "Park district police officer" means a full-time 471
employee of a park district who is designated pursuant to section 472
511.232 or 1545.13 of the Revised Code and is in compliance with 473
section 109.77 of the Revised Code. 474

~~(LL)~~(KK) "Conservancy district officer" means a full-time 475
employee of a conservancy district who is designated pursuant to 476
section 6101.75 of the Revised Code and is in compliance with 477
section 109.77 of the Revised Code. 478

~~(MM)~~(LL) "Municipal police officer" means a member of the 479
organized police department of a municipal corporation who is 480
employed full-time, is in compliance with section 109.77 of the 481
Revised Code, and is not a member of the Ohio police and fire 482
pension fund. 483

~~(NN)~~(MM) "Veterans' home police officer" means any person who 484
is employed at a veterans' home as a police officer pursuant to 485
section 5907.02 of the Revised Code and is in compliance with 486
section 109.77 of the Revised Code. 487

~~(OO)~~(NN) "Special police officer for a mental health institution" means any person who is designated as such pursuant to section 5119.14 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

~~(PP)~~(OO) "Special police officer for an institution for the mentally retarded and developmentally disabled" means any person who is designated as such pursuant to section 5123.13 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

~~(QQ)~~(PP) "State university law enforcement officer" means any person who is employed full-time as a state university law enforcement officer pursuant to section 3345.04 of the Revised Code and who is in compliance with section 109.77 of the Revised Code.

~~(RR)~~(OO) "House sergeant at arms" means any person appointed by the speaker of the house of representatives under division (B)(1) of section 101.311 of the Revised Code who has arrest authority under division (E)(1) of that section.

~~(SS)~~(RR) "Assistant house sergeant at arms" means any person appointed by the house sergeant at arms under division (C)(1) of section 101.311 of the Revised Code.

~~(TT)~~(SS) "Regional transit authority police officer" means a person who is employed full time as a regional transit authority police officer under division (Y) of section 306.35 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

~~(UU)~~(TT) "State highway patrol police officer" means a special police officer employed full time and designated by the superintendent of the state highway patrol pursuant to section 5503.09 of the Revised Code or a person serving full time as a special police officer pursuant to that section on a permanent basis on October 21, 1997, who is in compliance with section

109.77 of the Revised Code. 519

~~(VV)~~(UU) "Municipal public safety director" means a person 520
who serves ~~full-time~~ full time as the public safety director of a 521
municipal corporation with the duty of directing the activities of 522
the municipal corporation's police department and fire department. 523

~~(WW)~~(VV) Notwithstanding section 2901.01 of the Revised Code, 524
"PERS law enforcement officer" means a sheriff, deputy sheriff, 525
township constable or police officer in a township police 526
department or district, drug agent, municipal public safety 527
director, department of public safety enforcement agent, natural 528
resources law enforcement staff officer, park officer, forest 529
officer, preserve officer, wildlife officer, state watercraft 530
officer, park district police officer, conservancy district 531
officer, veterans' home police officer, special police officer for 532
a mental health institution, special police officer for an 533
institution for the mentally retarded and developmentally 534
disabled, state university law enforcement officer, municipal 535
police officer, house sergeant at arms, assistant house sergeant 536
at arms, regional transit authority police officer, or state 537
highway patrol police officer. 538

~~(XX)~~(WW) "Hamilton county municipal court bailiff" means a 539
person appointed by the clerk of courts of the Hamilton county 540
municipal court under division (A)(3) of section 1901.32 of the 541
Revised Code who is employed full time as a bailiff or deputy 542
bailiff, who has received a certificate attesting to the person's 543
satisfactory completion of the peace officer basic training 544
described in division (D)(1) of section 109.77 of the Revised 545
Code, and whose primary duties are to preserve the peace, to 546
protect life and property, and to enforce the laws of this state. 547

~~(YY)~~(XX) "Fiduciary" means a person who does any of the 548
following: 549

(1) Exercises any discretionary authority or control with respect to the management of the system or with respect to the management or disposition of its assets;

(2) Renders investment advice for a fee, direct or indirect, with respect to money or property of the system;

(3) Has any discretionary authority or responsibility in the administration of the system.

~~(ZZ)~~(YY) "Actuary" means an individual who satisfies all of the following requirements:

(1) Is a member of the American academy of actuaries;

(2) Is an associate or fellow of the society of actuaries;

(3) Has a minimum of five years' experience in providing actuarial services to public retirement plans.

~~(AAA)~~(ZZ) "PERS defined benefit plan" means the plan described in sections 145.201 to 145.79 of the Revised Code.

~~(BBB)~~(AAA) "PERS defined contribution plans" means the plan or plans established under section 145.81 of the Revised Code.

Sec. 145.20. (A) Any elective official of the state of Ohio or of any political subdivision thereof having employees in the public employees retirement system shall be considered as an employee of the state or such political subdivision, and may become a member of the system upon application to the public employees retirement board, with all the rights, privileges, and obligations of membership. An elective official who becomes a member of the system on or after the date the public employees retirement board first establishes a PERS defined contribution plan shall make an election pursuant to section 145.19 of the Revised Code not later than one hundred eighty days after applying for membership in the system. The election is effective as of the date the official applies for membership and is irrevocable on

receipt by the system. If a form evidencing an election is not 580
received by the system not later than the last day of the 581
one-hundred-eighty-day period, the official is deemed to have 582
elected to participate in the PERS defined benefit plan. 583

~~(B) Service as any such elective official by any member of 584
the system rendered prior to January 1, 1935, shall be included as 585
prior service, provided the member does both of the following: 586~~

~~(1) Completes three years of contributing service, or the 587
equivalent thereof, in the public employees retirement system 588
subsequent to the date that membership is established; 589~~

~~(2) Participates in the PERS defined benefit plan or a PERS 590
defined contribution plan with definitely determinable benefits. 591~~

~~(C) Credit for service between January 1, 1935, and the date 592
that membership is established, except service as an elective 593
official that was subject to the tax on wages imposed by the 594
"Federal Insurance Contributions Act," 68A Stat. 415 (1954), 26 595
U.S.C.A. 3101, as amended, may be secured by the elective official 596
provided the elective official does all of the following: 597~~

~~(1) Pays into the employees' savings fund an amount 598
determined by applying the member contribution rate in effect at 599
the time of payment to the earnable salary of the member during 600
all periods of service after January 1, 1935, covered by this 601
chapter, for which contributions have not been paid, plus interest 602
on such amount compounded annually at a rate to be determined 603
specified by the board that is equal to one hundred per cent of 604
the additional liability resulting from the purchase of that year 605
or portion of a year of credit as determined by an actuary 606
employed by the board; 607~~

~~(2) Completes one and one-half years of contributing 608
membership in the public employees retirement system subsequent to 609
the date membership was established; 610~~

(3) Participates in the PERS defined benefit plan or a PERS defined contribution plan with definitely determinable benefits. 611
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A member may choose to purchase in any one payment only part of the credit the member is eligible to purchase. The public employees retirement board shall determine the amount and manner of payment. In the event of death or withdrawal from service, the payment into the employees' savings fund for such service credit shall be considered as accumulated contributions of the member. 613
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Sec. 145.201. (A) Subject to the limit described in division (C) of this section, any member who is or has been an elected official of the state or any political subdivision thereof or has been appointed by the governor with the advice and consent of the senate to serve full-time as a member of a board, commission, or other public body may at any time prior to retirement purchase additional service credit in an amount not to exceed thirty-five per cent of the service credit allowed the member for the period of service as an elected or appointed official subsequent to January 1, 1935, other than credit for military service, part-time service, and service subject to the tax on wages imposed by the "Federal Insurance Contributions Act," 68A Stat. 415 (1954), 26 U.S.C.A. 3101, as amended. 619
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~~The For each year of additional service credit may be purchased by paying under this section, the member shall pay into the employees' savings fund an amount computed by multiplying by the employee contribution rate in effect at the time of purchase the member's earnable salary for the period of service upon which the purchased credit is based, by the number of years or portions thereof of additional service credit to be purchased, and by paying into the employers' accumulation fund an amount equal to the full amount paid into the employees' savings fund. If a member purchases less than the full amount of the additional service~~ 632
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~~credit to which the member is entitled, the period of service upon~~ 642
~~which the purchase is computed shall be the member's earliest~~ 643
~~period of such service specified by the public employees~~ 644
~~retirement board that is equal to one hundred per cent of the~~ 645
~~additional liability resulting from the purchase of that year or~~ 646
~~portion of a year of credit as determined by an actuary employed~~ 647
~~by the board.~~ The member shall receive full credit for such 648
additional elective service in computing an allowance or benefit 649
under section ~~145.20~~, 145.33, 145.331, 145.34, 145.36, 145.361, or 650
145.46 of the Revised Code, notwithstanding any other provision of 651
this chapter. The payment to the employees' savings fund, and 652
payments made to the employers' accumulation fund prior to the 653
effective date of this amendment, for such additional elective 654
service credit shall, in the event of death or withdrawal from 655
service, be considered as accumulated contributions of the member. 656

657
A member of a board, commission, or other public body shall 658
be considered to be serving full-time if full-time service is 659
required by law or if the director of administrative services 660
determines that the duties of the position require full-time 661
service. 662

(B) Notwithstanding division (A) of this section, a member 663
who purchased service credit under this section prior to January 664
1, 1980, on the basis of part-time service shall be permitted to 665
retain the credit and shall be given full credit for it in 666
computing an allowance or benefit under section ~~145.20~~, 145.33, 667
145.331, 145.34, 145.36, 145.361, or 145.46 of the Revised Code. 668
The public employees retirement board has no authority to cancel 669
or rescind such credit. 670

(C) A purchase made under this section shall not exceed the 671
limits established by division (n) of section 415 of the "Internal 672
Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415(n), as 673

amended. 674

(D) Subject to rules adopted by the public employees 675
retirement board, a member who has purchased service credit under 676
this section is entitled to be refunded all or a portion of the 677
actual amount the member paid for the service credit if, in 678
computing an age and service retirement allowance under division 679
(A)(5) of section 145.33 of Revised Code, the allowance exceeds 680
the limit established by division (A)(6) of that section. 681

A refund under this division cancels the equivalent amount of 682
service credit. 683

Sec. 145.29. (A) A member or former member of the public 684
employees retirement system who elects to purchase, restore, or 685
otherwise obtain service credit under section 145.28, 145.291, 686
145.292, 145.293, or 145.299 or division (C) of section 145.47 of 687
the Revised Code shall do both of the following: 688

(1) Submit an application to the public employees retirement 689
board in a manner or form approved by the board; 690

(2) For each year, or portion of a year, of credit purchased, 691
restored, or otherwise obtained, pay to the employees' savings 692
fund an amount specified by the board that is equal to one hundred 693
per cent of the additional liability resulting from the purchase, 694
restoration, or obtainment of that year or portion of a year of 695
credit as determined by an actuary employed by the board. 696

(B) Subject to board rules, a member may choose to purchase, 697
restore, or otherwise obtain only part of any eligible service 698
credit in any one payment. 699

Sec. 145.291. Any member of the public employees retirement 700
system who subsequent to January 1, 1935, and the date membership 701
was established was off the payroll either on a leave of absence 702
approved by the then appointing authority or because the member 703

~~resigned due to pregnancy or adoption of a child, shall have the~~ 704
~~right to make such payment, at the contribution rate in effect at~~ 705
~~the time of payment, with interest on such amount compounded~~ 706
~~annually at a rate to be determined by the retirement board as the~~ 707
~~member would have made if the member had continued on the payroll~~ 708
~~at the earnable salary the member was receiving at the time public~~ 709
~~service was interrupted may purchase service credit for the period~~ 710
~~of absence or resignation, provided that subsequent to such leave~~ 711
~~of absence or resignation the member returned to regular~~ 712
~~contributing status in the retirement system for at least twelve~~ 713
~~calendar months. In the case of resignation, the member must~~ 714
~~submit evidence satisfactory to the retirement board documenting~~ 715
~~that the resignation was due to pregnancy or adoption of a child.~~ 716

~~The member may choose to purchase only part of the credit in~~ 718
~~any one payment, subject to board rules. The payment shall entitle~~ 719
~~the member to receive service credit for the leave or period of~~ 720
~~absence, Credit shall be purchased under this section in~~ 721
~~accordance with section 145.29 of the Revised Code except that~~ 722
~~service credit purchased under this section shall not exceed one~~ 723
~~year. The payment, together with any regular interest, shall, in~~ 724
~~the event of death or withdrawal from service of the member prior~~ 725
~~to retirement, be considered as accumulated contributions of the~~ 726
~~member.~~ 727

Sec. 145.29 145.292. ~~Three years of contributing membership~~ 728
~~in the public employees retirement system subsequent to the date~~ 729
~~that membership is established entitles a member to receive prior~~ 730
~~service credit for services prior to January 1, 1935, in any~~ 731
~~capacity which comes under this chapter, provided that such member~~ 732
~~has not lost membership at any time by the withdrawal of the~~ 733
~~member's accumulated contributions. Members who have withdrawn an~~ 734
~~exemption shall receive the prior service credit provided for~~ 735

~~under the conditions of this section, only in the event such 736
member has made the payments required by section 145.28 of the 737
Revised Code. If the public employees retirement board determines 738
that a position of any employee member in any one calendar year 739
prior to January 1, 1935, was a part time position, the board may 740
determine what fractional part of a year's credit shall be given. 741
In determining what credit shall be allowed to regular, full-time 742
employees who are paid on an hourly or per diem basis, the board 743
shall allow a full day's credit to any employee toward retirement 744
who is called to work and works any portion of a day. Credit for 745
service between January 1, 1935, and the date of becoming a member 746
of the public employees retirement system except a part-time 747
employee who claimed exemption under the provisions of section 748
145.03 of the Revised Code, may be ~~secured~~ purchased by any public 749
employee for service rendered an employer ~~provided such public 750
employee pays into the employees' savings fund an amount equal to 751
the amount the member would have paid if deductions had been taken 752
on the member's earnable salary at the member contribution rate in 753
effect at the time of such payment for service after January 1, 754
1935, or since the member's date of employment, plus interest on 755
such amount compounded annually at a rate to be determined by the 756
board. The member may choose to purchase only part of such credit 757
in any one payment, subject to board rules. Such payment shall be 758
refunded in the event of the death or withdrawal from service of 759
the member prior to retirement under the same conditions and in 760
the same manner as refunds are made under sections 145.40 and 761
145.43 of the Revised Code, from the employees' savings fund. 762
Credit shall be purchased under this section in accordance with 763
section 145.29 of the Revised Code. 764~~~~

Sec. 145.293. (A) Service credit may be purchased under this 765
section ~~shall be included in the member's total service credit.~~ 766
~~Credit may be purchased~~ for the following: 767

(1) Service rendered in another state, and service in any 768
entity operated by the United States government, that, if served 769
in a comparable position in Ohio, would be covered by the public 770
employees retirement system, Ohio police and fire pension fund, 771
state teachers retirement system, school employees retirement 772
system, or state highway patrol retirement system; 773

(2) Service for which contributions were made by the member 774
or on the member's behalf to a municipal retirement system in this 775
state, except that if the conditions specified in section 145.2910 776
of the Revised Code are met, service credit for this service may 777
be purchased only in accordance with section 145.2911 of the 778
Revised Code. 779

The number of years purchased under this section shall not 780
exceed the lesser of five years or the member's total accumulated 781
number of years of Ohio service. 782

~~(B) For each year of service purchased, a member shall pay to 783
the public employees retirement system for credit to the member's 784
accumulated account an amount equal to the member's retirement 785
contribution for full time employment for the first year of Ohio 786
service following termination of the service to be purchased. To 787
this amount shall be added an amount equal to compound interest at 788
a rate established by the public employees retirement board from 789
the date of membership in the public employees retirement system 790
to date of payment. The member may choose to purchase only part of 791
such credit in any one payment, subject to board rules Credit 792
shall be purchased under this section in accordance with section 793
145.29 of the Revised Code. 794~~

(C) A member is ineligible to purchase under this section 795
credit for service for which the member has obtained credit under 796
section 145.44 of the Revised Code or service that is used in the 797
calculation of any retirement benefit currently being paid or 798
payable in the future to the member under any other retirement 799

program except social security. At the time the credit is 800
purchased the member shall certify on a form furnished by the 801
retirement board that the member does and will conform to this 802
requirement. 803

(D) Credit purchased under this section may be combined 804
pursuant to section 145.37 with credit purchased under sections 805
3307.74 and 3309.31 of the Revised Code, except that not more than 806
an aggregate total of five years' service credit purchased under 807
this section and sections 3307.74 and 3309.31 shall be used in 808
determining retirement eligibility or calculating benefits under 809
section 145.37 of the Revised Code. 810

Sec. 145.294. (A)(1) The public employees retirement board 811
may establish by rule a payroll deduction plan for payment of the 812
cost of restoring service credit under section 145.31 or 145.311 813
of the Revised Code or purchasing any service credit members of 814
the public employees retirement system are eligible to purchase 815
under this chapter, or for making additional deposits under 816
section 145.583 or 145.62 of the Revised Code. In addition to any 817
other matter considered relevant by the board, the rules shall 818
specify all of the following: 819

~~(1)~~(a) The types of service credit that may be paid for 820
through payroll deduction, including the section of the Revised 821
Code that authorizes the purchase of each type of service credit 822
for which payment may be made by payroll deduction; 823

~~(2)~~(b) The procedure for informing the member's employer and 824
the system that the member wishes to purchase service credit under 825
this chapter or make additional deposits under section 145.583 or 826
145.62 of the Revised Code through payroll deduction; 827

~~(3)~~(c) The procedure to be followed by the system and 828
employers to determine for each request the amount to be deducted, 829
the number of deductions to be made, and the interval at which 830

deductions will be made. The rules may provide for a minimum 831
amount for each deduction or a maximum number of deductions for 832
the purchase of any type of credit. 833

~~(4)~~(d) The procedure to be followed by employers in 834
transmitting amounts deducted from the salaries of their employees 835
to the system; 836

~~(5)~~(e) The procedure to be followed by the system in 837
crediting service credit to members who choose to purchase it 838
through payroll deduction. 839

~~(B)~~(2) If the board establishes a payroll deduction plan 840
under this ~~section~~ division, it shall certify to the member's 841
employer for each member for whom deductions are to be made, the 842
amount of each deduction and the payrolls from which deductions 843
are to be made. The employer shall make the deductions as 844
certified and transmit the amounts deducted in accordance with the 845
rules established by the board under this section. 846

~~(C)~~(3) Rules adopted under this ~~section~~ division shall not 847
affect any right to purchase service credit conferred by any other 848
section of the Revised Code, including the right of a member under 849
any such section to purchase only part of the service credit the 850
member is eligible to purchase. 851

~~(D)~~(4) No payroll deduction made pursuant to this ~~section~~ 852
division may exceed the amount of a member's net compensation 853
after all other deductions and withholdings required by law. 854

(B) The public employees retirement board may establish by 855
rule a payment plan for the cost of restoring service credit under 856
section 145.31 or 145.311 of the Revised Code or purchasing any 857
service credit members of the public employees retirement system 858
may purchase under this chapter. The plan may provide for partial 859
payments and for payments by payroll deduction under division (A) 860
of this section. 861

On receipt of a request from a member eligible to restore or 862
purchase service credit, the system shall determine and give 863
notice to the member of the total cost of the credit and the time 864
period in which the payments must be made for the credit to be 865
available at that cost. The system may specify the amount and 866
frequency of payments for credit not purchased in a single 867
payment. 868

Sec. 145.298. (A) As used in this section: 869

(1) "State employing unit" means an employing unit described 870
in division (A)(2) of section 145.297 of the Revised Code. 871

(2) "State institution" means a state correctional facility, 872
a state institution for the mentally ill, or a state institution 873
for the care, treatment, and training of the mentally retarded. 874

(B) In the event of a proposal to close a state institution 875
or lay off, within a six-month period, a number of persons 876
employed at an institution that equals or exceeds the lesser of 877
fifty or ten per cent of the persons employed at the institution, 878
the employing unit responsible for the institution's operation 879
shall establish a retirement incentive plan for persons employed 880
at the institution. 881

(C) In the event of a proposal, other than a proposal 882
described in division (B) of this section, to lay off, within a 883
six-month period, a number of employees of a state employing unit 884
that equals or exceeds the lesser of fifty or ten per cent of the 885
employing unit's employees, the employing unit shall establish a 886
retirement incentive plan for employees of the employing unit. 887

(D)(1) A retirement incentive plan established under this 888
section shall be consistent with the requirements of section 889
145.297 of the Revised Code, ~~except as provided in division (D)(2)~~ 890
~~of this section and except~~ that the plan shall go into effect at 891

the time the layoffs or proposed closings are announced and shall 892
remain in effect until the date of the layoffs or closings. 893

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~~(2) A retirement incentive plan established under this 895
section due to the proposed closing of a state institution by the 896
department of mental health prior to July 1, 1997, shall be 897
consistent with the requirements of section 145.297 of the Revised 898
Code, except as follows: 899~~

~~(a) The employing unit shall purchase at least three years of 900
service credit for each participating employee, except that it 901
shall not purchase more service credit than the amount allowed by 902
division (D) of section 145.297 of the Revised Code; 903~~

~~(b) The plan shall go into effect at the time the proposed 904
closing is announced and shall remain in effect at least until the 905
date of the closing. 906~~

~~(3) If the employing unit already has a retirement incentive 907
plan in effect, the plan shall remain in effect at least until the 908
date of the layoffs or closings. The employing unit may revise the 909
existing plan to provide greater benefits, but if it revises the 910
plan, it shall give written notice of the changes to all employees 911
who have elected to participate in the original plan, and it shall 912
provide the greater benefits to all employees who participate in 913
the plan, whether their elections to participate were made before 914
or after the date of the revision. 915~~

Sec. 145.299. (A) As used in this section, "school board 916
member" means a member of a city, local, exempted village, or 917
joint vocational school district board of education and "governing 918
board member" means a member of an educational service center 919
governing board. 920

(B) A member of the public employees retirement system may 921

purchase credit for service as a school board member if ~~all~~ both 922
of the following conditions are met: 923

(1) The member is eligible to retire under this chapter or 924
will become eligible to retire as a result of purchasing the 925
credit. 926

(2) The member agrees to retire within ninety days after 927
receiving notice of the additional liability under ~~division (C) of~~ 928
~~this~~ section 145.29 of the Revised Code. 929

(3) The retirement system receives certification of the 930
member's service and compensation as a school board or governing 931
board member from the board of education or governing board of the 932
district or educational service center in which the member served 933
or, if that district or educational service center no longer 934
exists, the board or governing board that controls the territory, 935
or the largest part of the territory, of the district or 936
educational service center in which the member served. 937

(C) Credit shall be purchased under this section in 938
accordance with section 145.29 of the Revised Code, except that 939
payment for the credit or portion of credit shall be paid in full 940
at the time of purchase. 941

(D) The retirement system shall calculate the amount of 942
credit the member is eligible to purchase by dividing the 943
compensation received pursuant to section 3313.12 of the Revised 944
Code for each month served as a school board or governing board 945
member by the amount of compensation that, for the same month, the 946
retirement system considered equivalent to full-time service. 947

(E) Credit may be purchased for service as a school board or 948
governing board member, other than service subject to the tax on 949
wages imposed by the "Federal Insurance Contributions Act," 68A 950
Stat. 415 (1954), 26 U.S.C.A. 3101, as amended, between January 1, 951
1935, and the first day of January of the year in which the credit 952

is purchased. A member may purchase not more than one-twelfth of a 953
year's credit for each month of service as a school board or 954
governing board member. 955

~~(C) On receipt of a request from a member eligible to 956
purchase credit under this section, the system shall obtain from 957
its actuary certification of the additional liability to the 958
system for each month of credit the member is eligible to 959
purchase, and shall notify the member of such additional 960
liability. The member may purchase in one month increments any 961
portion of the credit the member is eligible to purchase. For each 962
month of credit purchased, the member shall pay to the system an 963
amount equal to the additional liability resulting from the 964
purchase. Payment shall be made in full at the time of purchase. 965~~

~~(D)(F) The public employees retirement board shall adopt 966
rules in accordance with section 111.15 of the Revised Code 967
concerning the purchase of credit under this section. In addition 968
to any other matters considered relevant by the retirement board, 969
the rules shall specify the procedure to be followed by a member 970
to inform the system of the member's desire to purchase credit for 971
service as a school board or governing board member. 972~~

~~(E)(G) If the member does not retire within ninety days after 973
purchasing credit under this section, the system shall withdraw 974
the credit and refund the amount paid by the member. 975~~

Sec. 145.2914. (A) As used in this section, "workers' 976
compensation" means benefits paid under Chapter 4121. or 4123. of 977
the Revised Code. 978

(B) A member of the public employees retirement system may 979
purchase service credit under this section for any period during 980
which the member was out of service and receiving workers' 981
compensation. 982

(C) For credit purchased under this section: 983

(1) If the member is employed by one public employer, for 984
each year of credit, the member shall pay to the system for credit 985
to the member's accumulated account an amount equal to the 986
employee contribution required under section 145.47 of the Revised 987
Code that would have been paid had the member not been out of 988
service based on the salary of the member before the member was 989
out of service. To this amount shall be added an amount equal to 990
compound interest at a rate established by the public employees 991
retirement board from the first date the member was out of service 992
to the final date of payment. 993

(2) If the member is employed by more than one public 994
employer, the member is eligible to purchase credit under this 995
section and make payments under division (C)(2) of this section 996
only for the position for which the member received workers' 997
compensation. For each year of credit, the member shall pay to the 998
system for credit to the member's accumulated account an amount 999
equal to the employee contribution required under section 145.47 1000
of the Revised Code that would have been paid had the member not 1001
been out of service based on the salary of the member before the 1002
member was out of service. To this amount shall be added an amount 1003
equal to compound interest at a rate established by the public 1004
employees retirement board from the first date the member was out 1005
of service to the final date of payment. 1006

(D) The member may choose to purchase only part of such 1007
credit in any one payment, subject to board rules. 1008

(E) If a member makes a payment under division (C) of this 1009
section, the employer to which bureau of workers' compensation 1010
benefits are attributed shall pay to the system for credit to the 1011
employers' accumulation fund an amount equal to the employer 1012
contribution required under section 145.48 of the Revised Code 1013
corresponding to that payment that would have been paid had the 1014

member not been out of service based on the salary of the member 1015
before the member was out of service. To this amount shall be 1016
added an amount equal to compound interest at a rate established 1017
by the board from the first date the member was out of service to 1018
the final date of payment by the member for the service. 1019

(F) The number of years purchased under this section shall 1020
not exceed three. 1021

Sec. 145.2915. When a member has been elected or appointed to 1022
an office, the term of which is two or more years, for which an 1023
annual salary is established, and in the event that the salary of 1024
the office is increased and the member is denied the additional 1025
salary by reason of any constitutional provision prohibiting an 1026
increase in salary during a term of office, the member may elect 1027
to have the amount of the member's and employer's contributions 1028
calculated upon the basis of the increased salary for the office. 1029
At the member's request and on notification to the public 1030
employees retirement system, the public employees retirement board 1031
shall compute the total additional amount the member and employer 1032
would have contributed, or the amount by which each of the 1033
member's and employer's contributions would have increased, had 1034
the member received the increased salary for the office the member 1035
holds. If the member elects to have the combined amount by which 1036
the member's and employer's contribution would have increased 1037
withheld from the member's salary, the member shall notify the 1038
employer, and the employer shall make the withholding commensurate 1039
with the period of denied salary and transmit it to the retirement 1040
system. On the payment of the increased contributions as provided 1041
in this section, the increased annual salary as provided by law 1042
for the office for the period for which the member paid increased 1043
contributions thereon shall be used in determining the member's 1044
earnable salary for the purpose of computing the member's final 1045
average salary. The member's computed earnable salary shall not be 1046

increased if the increased contribution made under this section 1047
for that salary was not made commensurate with the earning of the 1048
salary. 1049

Sec. 145.30. (A) As used in this section and section 145.301 1050
of the Revised Code: 1051

(1) "Armed forces" of the United States includes the 1052
following: 1053

(a) Army, navy, air force, marine corps, coast guard, 1054
auxiliary corps as established by congress, red cross nurse 1055
serving with the army, navy, air force, or hospital service of the 1056
United States, army nurse corps, navy nurse corps, full-time 1057
service with the American red cross in a combat zone, and such 1058
other service as may be designated by congress as included 1059
therein; 1060

(b) Personnel of the Ohio national guard and the reserve 1061
components of any of the armed forces enumerated in division 1062
(A)(1) of this section who are called to active duty pursuant to 1063
an executive order issued by the president of the United States or 1064
an act of congress; 1065

(c) Persons on whom United States merchant marine veteran 1066
status has been conferred for service aboard oceangoing merchant 1067
ships in service to the United States during World War II. 1068

(2) "State retirement system" means any of the following: the 1069
Ohio police and fire pension fund, public employees retirement 1070
system, school employees retirement system, state highway patrol 1071
retirement system, or the state teachers retirement system. 1072

(B) Upon reemployment in the public service and completion of 1073
one year of service credit as covered by a state retirement system 1074
or the Cincinnati retirement system, within two years after 1075
service in the armed forces that is terminated in a manner other 1076

than as described in section 4304 of Title 38 of the United States Code, "Uniformed Services Employment and Reemployment Rights Act of 1994," 108 Stat. 3149, 38 U.S.C.A. 4304, and presentation of documentation of the service and subject to rules adopted by the retirement board, any member of the public employees retirement system who was a member with not less than one year of payroll deductions before entering active duty with the armed forces and maintained membership in the public employees retirement system as provided by section 145.41 of the Revised Code, and who was or is out of active service as a public employee by reason of having become a member of the armed forces of the United States on active duty or service shall have such service, not in excess of ten years, considered included as the ~~equivalent~~ of prior military service. Service in the armed forces as established by documentation of the service, not in excess of ten years, shall also be considered included as prior military service for a person who was a public employee and who has acquired service credit for five years prior to, and within the one year preceding, the date of entering on active duty in the armed forces of the United States if such person was reemployed in the public service within one year after service in the armed forces that is terminated in a manner other than as described in section 4304 of Title 38 of the United States Code, "Uniformed Services Employment and Reemployment Rights Act of 1994," 108 Stat. 3149, 38 U.S.C.A. 4304, and established total service credit as defined in section 145.01 of the Revised Code of twenty years exclusive of credit for service in the uniformed services, as defined in section 145.302 of the Revised Code. This division shall not serve to cancel any military service credit earned or granted prior to November 1, 1965.

(C) A member of the public employees retirement system is ineligible to receive service credit under this section for any year of military service credit used in the calculation of any

retirement benefit currently being paid to the member or payable 1110
in the future under any other retirement program, except social 1111
security, or used to obtain service credit pursuant to section 1112
145.301 or 145.302 of the Revised Code. At the time such credit is 1113
requested, the member shall certify on a form supplied by the 1114
retirement board that the member does and will conform to this 1115
requirement. This division does not cancel any military service 1116
credit earned prior to March 15, 1979. 1117

Sec. 145.33. (A) Except as provided in division (B) or (C) of 1118
this section, a member with at least five years of total service 1119
credit who has attained age sixty, or who has thirty years of 1120
total Ohio service credit, may apply for age and service 1121
retirement, which shall consist of: 1122

(1) An annuity having a reserve equal to the amount of the 1123
member's accumulated contributions at that time; 1124

(2) A pension equal to the annuity provided by division 1125
(A)(1) of this section, excluding amounts of the member's 1126
accumulated contributions deposited under former division (Y) of 1127
section 145.01 or former sections 145.02, 145.29, 145.292, 145.42, 1128
and 145.44, or sections 145.20, 145.201, 145.28, 145.291, 145.293, 1129
145.299, 145.301, 145.47, and 145.814, of the Revised Code for the 1130
purchase of service credit; 1131

(3) An additional pension, if the member can qualify for 1132
prior military service, equal to forty dollars multiplied by the 1133
number of years, and fraction thereof, of such prior ~~and~~ military 1134
service credit; 1135

(4) A basic annual pension equal to one hundred eighty 1136
dollars if the member has ten or more years of total service 1137
credit as of October 1, 1956, except that the basic annual pension 1138
shall not exceed the sum of the annual benefits provided by 1139
divisions (A)(1), (2), and (3) of this section. 1140

(5) When a member retires on age and service retirement, the member's total annual single lifetime allowance, including the allowances provided in divisions (A)(1), (2), (3), and (4) of this section, shall be not less than a base amount adjusted in accordance with division (A)(5) of this section and determined by multiplying the member's total service credit by the greater of the following:

(a) Eighty-six dollars;

(b) Two and two-tenths per cent of the member's final average salary for each of the first thirty years of service plus two and one-half per cent of the member's final average salary for each subsequent year of service.

The allowance shall be adjusted by the factors of attained age or years of service to provide the greater amount as determined by the following schedule:

Attained Birthday	or	Years of Total Service Credit	Percentage of Base Amount
58		25	75
59		26	80
60		27	85
61			88
		28	90
62			91
63			94
		29	95
64			97
65		30 or more	100

Members shall vest the right to a benefit in accordance with the following schedule, based on the member's attained age by September 1, 1976:

	Percentage	1172
Attained	of	1173
Birthday	Base Amount	1174
66	102	1175
67	104	1176
68	106	1177
69	108	1178
70 or more	110	1179

(6) The total annual single lifetime allowance that a member shall receive under division (A)(5) of this section shall not exceed the lesser of one hundred per cent of the member's final average salary or the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

(B)(1) For the purposes of divisions (B) to (G) of this section, "total service credit as a PERS law enforcement officer" and "total service credit as a Hamilton county municipal court bailiff" include credit for military service to the extent permitted by division (E)(2) of this section and credit for service as a police officer or state highway patrol trooper to the extent permitted by divisions (E)(3) and (4) of this section.

(2) A member who meets the conditions in division (B)(2)(a), (b), (c), or (d) of this section may apply for an age and service retirement benefit under this division:

(a) The member has attained age forty-eight and has at least twenty-five years of total service credit as a PERS law enforcement officer whose primary duties were to preserve the peace, protect life and property, and enforce the laws in the member's jurisdiction;

(b) The member has attained age fifty-two, and has at least twenty-five years of total service credit as a PERS law enforcement officer, but the member's primary duties were other

than to preserve the peace, protect life and property, and enforce 1204
the laws in the member's jurisdiction; 1205

(c) The member has attained age fifty-two and has at least 1206
twenty-five years of total service as a Hamilton county municipal 1207
court bailiff; 1208

(d) The member has attained age sixty-two and has at least 1209
fifteen years of total service credit as either of the following: 1210

(i) A PERS law enforcement officer; 1211

(ii) A Hamilton county municipal court bailiff. 1212

(3) A benefit paid under division (B)(2) of this section 1213
shall consist of an annual single lifetime allowance equal to the 1214
sum of two and one-half per cent of the member's final average 1215
salary multiplied by the first twenty-five years of the member's 1216
total service plus two and one-tenth per cent of the member's 1217
final average salary multiplied by the number of years of the 1218
member's total service credit in excess of twenty-five years. 1219

(4) A member with at least fifteen years of total service 1220
credit as a PERS law enforcement officer or Hamilton county 1221
municipal court bailiff who voluntarily resigns or is discharged 1222
for any reason except death, dishonesty, cowardice, intemperate 1223
habits, or conviction of a felony may apply for an age and service 1224
retirement benefit, which shall consist of an annual single 1225
lifetime allowance equal to one and one-half per cent of the 1226
member's final average salary multiplied by the number of years of 1227
the member's total service credit. The allowance shall commence on 1228
the first day of the calendar month following the month in which 1229
the application is filed with the public employees retirement 1230
board on or after the attainment by the applicant of age 1231
fifty-two. 1232

(C)(1) A member with at least twenty-five years of total 1233
service credit who would be eligible to retire under division 1234

(B)(2)(b) or (c) of this section had the member attained age 1235
fifty-two and who voluntarily resigns or is discharged for any 1236
reason except death, dishonesty, cowardice, intemperate habits, or 1237
conviction of a felony, on or after the date of attaining 1238
forty-eight years of age, but before the date of attaining 1239
fifty-two years of age, may elect to receive a reduced benefit as 1240
determined by the following schedule: 1241

Attained Age	Reduced Benefit	
48	75% of the benefit payable under	1242
	division (B)(3) of this section	1243
49	80% of the benefit payable under	1244
	division (B)(3) of this section	1245
50	86% of the benefit payable under	1246
	division (B)(3) of this section	1247
51	93% of the benefit payable under	1248
	division (B)(3) of this section	1249

(2) If a member elects to receive a reduced benefit after 1251
attaining age forty-eight the reduced benefit is payable from the 1252
later of the date of the member's most recent birthday or the date 1253
the member becomes eligible to receive the reduced benefit. 1254

(3) Once a member elects to receive a reduced benefit 1255
determined by the schedule in division (C)(1) of this section and 1256
has received a payment, the member may not reelect to change that 1257
election. 1258

(4) If a member who has resigned or been discharged has left 1259
on deposit the member's accumulated contributions in the 1260
employees' savings fund and has not elected to receive a reduced 1261
benefit determined by the schedule in division (C)(1) of this 1262
section, upon attaining fifty-two years of age, the member shall 1263
be entitled to receive a benefit computed and paid under division 1264
(B)(3) of this section. 1265

(D) A benefit paid under division (B) or (C) of this section 1266

shall not exceed the lesser of ninety per cent of the member's 1267
final average salary or the limit established by section 415 of 1268
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1269
415, as amended. 1270

(E)(1) A member with service credit as a PERS law enforcement 1271
officer or a Hamilton county municipal court bailiff and other 1272
service credit under this chapter may elect one of the following: 1273

(a) To have all the member's service credit under this 1274
chapter, including credit for service as a PERS law enforcement 1275
officer or Hamilton county municipal court bailiff, used in 1276
calculating a retirement allowance under division (A) of this 1277
section if the member qualifies for an allowance under that 1278
division; 1279

(b) If the member qualifies for an allowance under division 1280
(B) or (C) of this section, to ~~have the member's service credit as~~ 1281
~~a PERS law enforcement officer or Hamilton county municipal court~~ 1282
~~bailiff used in calculating a benefit under the appropriate~~ 1283
~~division and the member's credit for all service other than PERS~~ 1284
~~law enforcement service or service as a Hamilton county municipal~~ 1285
~~court bailiff under this chapter used in calculating a benefit~~ 1286
~~consisting of a single life annuity having a reserve equal to the~~ 1287
~~amount of the member's accumulated contributions and an equal~~ 1288
~~amount of the employer's contributions~~ receive all of the 1289
following: 1290

(i) A benefit under division (B) or (C) of this section for 1291
the member's service credit as a PERS law enforcement officer or 1292
Hamilton county municipal court bailiff; 1293

(ii) A single life annuity having a reserve equal to the 1294
amount of the member's accumulated contributions for all service 1295
other than PERS law enforcement service or service as a Hamilton 1296
county municipal court bailiff; 1297

(iii) A pension equal to the annuity provided under division (E)(1)(b)(ii) of this section, excluding amounts of the member's accumulated contributions deposited under former division (Y) of section 145.01 or former sections 145.02, 145.29, 145.292, 145.42, and 145.44, or sections 145.20, 145.201, 145.28, 145.291, 145.293, 145.299, 145.301, 145.47, and 145.814, of the Revised Code for the purchase of service credit.

(2) Notwithstanding sections 145.01 and 145.30 of the Revised Code, no more than four years of military service credit granted under section 145.30 of the Revised Code and five years of military service credit purchased under section 145.301 or 145.302 of the Revised Code shall be used in calculating service as a PERS law enforcement officer or Hamilton county municipal court bailiff or the total service credit of that person.

(3) Only credit for the member's service as a PERS law enforcement officer or service credit obtained as a police officer or state highway patrol trooper shall be used in computing the benefit of a member who qualifies for a benefit under division (B)(2)(a), (b), or (d)(ii) or (4) or division (C) of this section for the following:

(a) Any person who originally is commissioned and employed as a deputy sheriff by the sheriff of any county, or who originally is elected sheriff, on or after January 1, 1975;

(b) Any deputy sheriff who originally is employed as a criminal bailiff or court constable on or after April 16, 1993;

(c) Any person who originally is appointed as a township constable or police officer in a township police department or district on or after January 1, 1981;

(d) Any person who originally is employed as a county narcotics agent on or after September 26, 1984;

(e) Any person who originally is employed as an undercover

drug agent as defined in section 109.79 of the Revised Code, 1329
department of public safety enforcement agent who prior to June 1330
30, 1999, was a liquor control investigator, park officer, forest 1331
officer, wildlife officer, state watercraft officer, park district 1332
police officer, conservancy district officer, veterans' home 1333
police officer, special police officer for a mental health 1334
institution, special police officer for an institution for the 1335
mentally retarded and developmentally disabled, or municipal 1336
police officer on or after December 15, 1988; 1337

(f) Any person who originally is employed as a state 1338
university law enforcement officer on or after November 6, 1996; 1339

(g) Any person who is originally employed as a state 1340
university law enforcement officer by the university of Akron on 1341
or after September 16, 1998; 1342

(h) Any person who originally is employed as a preserve 1343
officer on or after March 18, 1999; 1344

(i) Any person who originally is employed as a natural 1345
resources law enforcement staff officer on or after March 18, 1346
1999; 1347

(j) Any person who is originally employed as a department of 1348
public safety enforcement agent on or after June 30, 1999; 1349

(k) Any person who is originally employed as a house sergeant 1350
at arms or assistant house sergeant at arms on or after September 1351
5, 2001; 1352

(l) Any person who is originally appointed as a regional 1353
transit authority police officer or state highway patrol police 1354
officer on or after February 1, 2002; 1355

(m) Any person who is originally employed as a municipal 1356
public safety director on or after ~~the effective date of this~~ 1357
~~amendment~~ September 29, 2005. 1358

(4) Only credit for a member's service as a Hamilton county
municipal court bailiff or service credit obtained as a PERS law
enforcement officer, police officer, or state highway patrol
trooper shall be used in computing the benefit of a member who
qualifies for a benefit under division (B)(2)(c) or (d)(ii) or (4)
or division (C) of this section for any person who originally is
employed as a Hamilton county municipal court bailiff on or after
November 6, 1996.

(F) Retirement allowances determined under this section shall
be paid as provided in section 145.46 of the Revised Code.

(G) For the purposes of this section, service prior to June
30, 1999, as a food stamp trafficking agent under former section
5502.14 of the Revised Code shall be considered service as a law
enforcement officer.

Sec. 145.34. Any member who has completed twenty-five years
of total service and has attained the member's fifty-fifth
birthday, may retire on a commuted age and service allowance. Upon
retirement on a commuted age and service allowance on or after
September 30, 1963, a member shall be granted a retirement
allowance consisting of:

(A) An annuity having a reserve equal to the amount of the
member's accumulated contributions at that time;

(B) A pension equal to the annuity provided by division (A)
of this section, excluding amounts of the member's accumulated
contributions deposited under former division (Y) of section
145.01 or former sections 145.02, 145.29, 145.292, 145.42, and
145.44, or sections 145.20, 145.201, 145.28, 145.291, 145.293,
145.299, 145.301, 145.47, and 145.814, of the Revised Code for the
purchase of service credit;

(C) An additional pension, if such member can qualify for

prior military service credit, the reserve for which, based upon 1389
regular interest and the service tables approved by the board, 1390
shall be the present worth of the reserve required for the payment 1391
of the prior military service pension provided by section 145.33 1392
of the Revised Code, after either sixty years of age or thirty 1393
years of service credit, whichever can be attained first. The 1394
annual prior military service pension shall be determined by the 1395
amount of such commuted reserve divided by the age and service 1396
annuity rate for the attained age at retirement. 1397

(D) The commuted value calculated as provided in division (C) 1398
of this section of a basic annual pension of one hundred eighty 1399
dollars, provided the member has ten or more years of total 1400
service credit as of October 1, 1956. 1401

(E) When a member retires on commuted age and service 1402
retirement, the member's single lifetime allowance shall not be 1403
less than that provided by divisions (A), (B), (C), and (D) of 1404
this section and division (A)(5) of section 145.33 of the Revised 1405
Code and shall not exceed the limits established by division 1406
(A)(6) of that section. 1407

A year of service for the purpose of commuted age and service 1408
retirement and of applying the minimum retirement allowance as 1409
provided in this section is defined as a complete year of 1410
full-time employment, or the equivalent thereof. The board is the 1411
final authority in determining the eligibility of an employee for 1412
such form of retirement and for such minimum allowance. 1413

~~In determining eligibility only for retirement under this 1414
section the board shall include in "total service" the years of 1415
prior service credit granted members of the public employees 1416
retirement system by a publicly owned utility as provided for in 1417
section 145.48 of the Revised Code under a pension plan adopted by 1418
the publicly owned utility. 1419~~

(F) Retirement allowances determined under this section shall 1420
be paid as provided in section 145.46 of the Revised Code. 1421

Sec. 145.36. A member who has elected disability coverage 1422
under this section, has not attained age sixty, and is determined 1423
by the public employees retirement board under section 145.35 of 1424
the Revised Code to qualify for a disability benefit shall be 1425
retired on disability under this section. 1426

Upon disability retirement, a member shall receive an annual 1427
amount that shall consist of: 1428

(A) An annuity having a reserve equal to the amount of the 1429
retirant's accumulated contributions; 1430

(B) A pension that shall be the difference between the 1431
following: 1432

(1) The member's annuity and an under division (A) of this 1433
section, excluding the portion of the pension attributable to 1434
contributions deposited under former division (Y) of section 1435
145.01 or former sections 145.02, 145.29, 145.292, 145.42, and 1436
145.44, or sections 145.20, 145.201, 145.28, 145.291, 145.293, 1437
145.299, 145.301, 145.47, and 145.814, of the Revised Code for the 1438
purchase of service credit; 1439

(2) An annual amount determined by multiplying the total 1440
service credit of the retirant, and in addition thereto the 1441
projected number of years and fractions thereof between the 1442
effective date of the member's disability retirement and attained 1443
age sixty, assuming continuous service, by eighty-six dollars or 1444
two and two-tenths per cent of the member's final average salary, 1445
whichever is greater. 1446

Where the recipient is not receiving a disability benefit 1447
under section 145.37 of the Revised Code and is receiving a 1448
disability benefit from either the state teachers retirement 1449

system or the school employees retirement system, the recipient 1450
shall not be eligible for service credit based upon the number of 1451
years and fractions thereof between the date of disability and 1452
attained age sixty as provided for in this division. 1453

In no case shall disability retirement be less than thirty 1454
per cent or more than seventy-five per cent of the member's final 1455
average salary, except that it shall not exceed any limit to which 1456
the retirement system is subject under section 415 of the 1457
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, 1458
as amended. 1459

A year of service for the purpose of disability retirement is 1460
a complete year of full-time employment, or the equivalent 1461
thereof. The public employees retirement board is the final 1462
authority in determining the eligibility of a member for 1463
disability retirement. 1464

Sec. 145.401. (A) As used in this section: 1465

(1) "Eligible contributions" means amounts contributed under 1466
section 145.47 of the Revised Code, amounts received from a member 1467
or transferred under division (B) of section 145.20 as that 1468
section existed prior to the effective date of this amendment or 1469
former section 145.44 or section 145.20, 145.295, 145.2911, 1470
145.2914, 145.2915, or 145.302, ~~or 145.44~~ of the Revised Code, and 1471
any interest credited under section 145.471 or 145.472 of the 1472
Revised Code. "Eligible contributions" does not include 1473
contributions that were used in the payment of a disability 1474
benefit or, as provided in rules adopted by the board, were 1475
refunded to a member because the system was not authorized to 1476
accept the contributions. 1477

(2) "Service credit" means service credit earned for periods 1478
for which contributions were made under section 145.47 of the 1479
Revised Code and, if applicable, periods for which service credit 1480

was purchased or transferred under division (B) of section 145.20 1481
as that section existed prior to the effective date of this 1482
amendment or former section 145.44 or section 145.20, 145.295, 1483
145.2911, 145.2914, 145.2915, or 145.302, ~~or 145.44~~ of the Revised 1484
Code. 1485

(B) If a member has, or at the time of death had, at least 1486
five years of service credit, the public employees retirement 1487
board shall include the amount specified in division (B)(1) or (2) 1488
of this section in the amount payable under section 145.40 of the 1489
Revised Code to the member, or under division (B) of section 1490
145.43 of the Revised Code to a beneficiary or beneficiaries of 1491
the member, unless at the time of death the member was a 1492
disability benefit recipient. The amount specified in division 1493
(B)(1) or (2) of this section shall be paid from the employers' 1494
accumulation fund. 1495

(1) If the member has, or had at the time of death, at least 1496
five but less than ten years of service credit, the amount 1497
included shall be equal to thirty-three per cent of the member's 1498
eligible contributions. 1499

(2) If the member has, or had at the time of death, at least 1500
ten years of service credit, the amount included shall be equal to 1501
sixty-seven per cent of the member's eligible contributions. 1502

Sec. 145.41. Membership shall cease upon refund of 1503
accumulated contributions, death, or retirement except as provided 1504
in section 145.362 of the Revised Code. A member who separates 1505
from service for any reason other than death or retirement or who 1506
otherwise ceases to be a public employee for any reason other than 1507
death or retirement may leave the member's accumulated 1508
contributions on deposit with the public employees retirement 1509
board and, for the purposes of the public employees retirement 1510
system, be considered on a membership leave of absence. The 1511

member's membership rights shall continue until the member has 1512
withdrawn the member's accumulated contributions, retired on a 1513
retirement allowance as provided in section 145.33, 145.331, or 1514
145.34 of the Revised Code, or died. The account of such a member 1515
shall remain in the employees' savings fund, except that the 1516
account of a member who has less than five calendar years of 1517
contributing service credit or is a member of the state teachers 1518
retirement system or the school employees retirement system may be 1519
transferred to the income fund if by the end of the fifth calendar 1520
year following the calendar year in which the last contribution 1521
was received the member has not died, claimed a refund of 1522
contributions, or requested the retirement board to continue the 1523
member's membership on a leave of absence basis. In case such a 1524
member later requests a refund, the member's account shall be 1525
restored to the employees' savings account and refunded therefrom. 1526
Members on such leaves of absence shall retain all rights, 1527
obligations, and privileges of membership in the public employees 1528
retirement system. A "contributor," as defined in division (F) of 1529
section 145.01 of the Revised Code, who formerly lost membership 1530
through termination of membership leave of absence and who has not 1531
withdrawn the contributor's account shall be reinstated as a 1532
member with all the rights, privileges, and obligations of 1533
membership in the system. In no case shall a member on leave of 1534
absence as provided in this section add to the member's total 1535
number of years of service credit by reason of such leave of 1536
absence, unless such member ~~was receiving benefits from the state~~ 1537
~~insurance fund and by reason of such benefits qualified for~~ 1538
~~additional service credit as provided in division (H) of section~~ 1539
~~145.01 of the Revised Code, or was~~ is eligible to and does make a 1540
payment as provided in section 145.291 of the Revised Code. 1541

Sec. 145.452. ~~Upon the death of a member prior to receipt of~~ 1542
~~service retirement~~ The surviving spouse of a member who dies on or 1543

after the effective date of this amendment shall have the right to 1544
continue to purchase any service credit the member initiated 1545
before death. The terms and conditions for continuing the purchase 1546
shall be the same as the terms and conditions that applied at the 1547
time the member initiated the purchase. A purchase shall be 1548
considered to have been initiated before the member's death if the 1549
member made one or more payments for the purchase before the 1550
member's death. 1551

Until one year after the effective date of this amendment, 1552
the surviving spouse or dependents of ~~the deceased~~ a member who 1553
died before the effective date of this amendment shall have the 1554
right to purchase any service credit the member, had the member 1555
not died, would have been eligible to purchase under this chapter 1556
upon the same terms and conditions that the deceased member could 1557
have purchased such service credit had the member not died. ~~Any~~ 1558

Any service credit purchased under this section shall be 1559
applied under the provisions of this chapter in the same manner as 1560
it would have been applied had it been purchased by the deceased 1561
member during the deceased member's lifetime. 1562

Sec. 145.47. (A) Each public employee who is a contributor to 1563
the public employees retirement system shall contribute eight per 1564
cent of the contributor's earnable salary to the employees' 1565
savings fund, except that the public employees retirement board 1566
may raise the contribution rate to a rate not greater than ten per 1567
cent of the employee's earnable salary. 1568

(B) The head of each state department, institution, board, 1569
and commission, and the fiscal officer of each local authority 1570
subject to this chapter, shall deduct from the earnable salary of 1571
each contributor on every payroll of such contributor for each 1572
payroll period subsequent to the date of coverage, an amount equal 1573

to the applicable per cent of the contributor's earnable salary. 1574
The head of each state department and the fiscal officer of each 1575
local authority subject to this chapter shall transmit promptly to 1576
the system a report of contributions at such intervals and in such 1577
form as the system shall require, showing thereon all deductions 1578
for the system made from the earnable salary of each contributor 1579
employed, together with warrants or checks covering the total of 1580
such deductions. A penalty of five per cent of the total amount 1581
due for the particular reporting period shall be added when such 1582
report, together with warrants or checks to cover the total amount 1583
due from the earnable salary of all amenable employees of such 1584
employer, is filed thirty or more days after the last day of such 1585
reporting period. Such penalty shall be added to and collected on 1586
the next succeeding regular employer billing. Interest at a rate 1587
set by the retirement board shall be charged on the amount of the 1588
penalty in case such penalty is not paid within three months after 1589
it is added to the regular employer billing. The system, after 1590
making a record of all such receipts, shall deposit them with the 1591
treasurer of state for use as provided by this chapter. In 1592
addition to the periodical reports of deduction required by this 1593
section, the fiscal officer of each local authority subject to 1594
this chapter shall submit to the system at least once each year a 1595
complete listing of all noncontributing appointive employees. 1596
Where an employer fails to transmit contributions to the system, 1597
the system may make a determination of the employees' liability 1598
for contributions and certify to the employer the amounts due for 1599
collection in the same manner as payments due the employers' 1600
accumulation fund. Any amounts so collected shall be held in trust 1601
pending receipt of a report of contributions for such public 1602
employees for the period involved as provided by law and, 1603
thereafter, the amount in trust shall be transferred to the 1604
employees' savings fund to the credit of the employees. Any amount 1605
remaining after the transfer to the employees' savings fund shall 1606

be transferred to the employers' accumulation fund as a credit of 1607
such employer. The fiscal officer shall require each new 1608
contributor to submit to the system a detailed report of all the 1609
contributor's previous service as a public employee along with 1610
such other facts as the board requires for the proper operation of 1611
the system. 1612

(C) Any member who, because of the member's own illness, 1613
injury, or other reason which may be approved by the member's 1614
employer is prevented from making the member's contribution to the 1615
system for any payroll period, may ~~pay such deductions as a back~~ 1616
~~payment~~ purchase service credit for the period of absence within 1617
one year. Credit shall be purchased under this division in 1618
accordance with section 145.29 of the Revised Code. 1619

Sec. 145.48. (A) Each employer shall pay to the public 1620
employees retirement system an amount that shall be a certain per 1621
cent of the earnable salary of all contributors to be known as the 1622
"employer contribution," except that the public employees 1623
retirement board may raise the employer contribution to a rate not 1624
to exceed fourteen per cent of the earnable salaries of all 1625
contributors. 1626

(B)(1) On the basis of regular interest and of such mortality 1627
and other tables as are adopted by the public employees retirement 1628
board, the actuary for the board shall determine the liabilities 1629
and employer rates of contribution as follows: 1630

(a) The percentage of earnable salary that, when added to the 1631
per cent of earnable salary contributed by each member, will cover 1632
the costs of benefits to be paid to members for each year of 1633
service rendered; 1634

(b) The percentage of earnable salary that, if paid over a 1635
period of future years, will discharge fully the system's unfunded 1636
actuarial accrued pension liability; 1637

(c) The percentage of earnable salary designated by the board 1638
to pay benefits authorized under section 145.58 of the Revised 1639
Code. 1640

(2) If recognized assets exceed the liabilities for service 1641
previously rendered, on approval of the board, a percentage of 1642
earnable salary may be deducted from the employer rates of 1643
contribution that, if deducted annually over a period of future 1644
years, will eliminate the excess. 1645

~~(C) Any publicly owned utility that became subject to this 1646
chapter subsequent to July 1, 1938, shall assume before January 1, 1647
1967, the obligation to pay those of its employees entitled to any 1648
prior service credit a pension for such service that is in an 1649
amount at least equal to the pension provided for other public 1650
employees under this chapter. No employers' contributions for 1651
prior service credit shall be required of such publicly owned 1652
utility. The public employees retirement system has no obligation 1653
to pay a prior service pension to any such employees of a publicly 1654
owned utility, nor is it obligated to grant any service credit for 1655
service with such utility prior to May 1, 1942, or prior to the 1656
date such utility became subject to this chapter, whichever is the 1657
later date. 1658~~

Sec. 145.51. (A) Each employer described in division (D) of 1659
section 145.01 of the Revised Code shall pay into the employers' 1660
accumulation fund, in monthly installments, an amount certified by 1661
the public employees retirement board which equals the employer 1662
obligation as described in section 145.12 or 145.69 of the Revised 1663
Code. In addition, the board shall add to the employer billing 1664
next succeeding the amount, with interest, to be paid by the 1665
employer to provide the member with contributing service credit 1666
for the service prior to the date of initial contribution to the 1667
system for which the member has made additional payments, except 1668

payments made pursuant to former section 145.29 or sections 145.28 1669
and ~~145.29~~ 145.292 of the Revised Code. 1670

(B) Except as provided in section 145.52 of the Revised Code, 1671
all employer obligations described in division (A) of this section 1672
must be received by the public employees retirement system not 1673
later than the thirtieth day after the last day of the calendar 1674
month for which related member contributions are withheld. 1675

(C) Unless the board adopts a rule under division (F) of this 1676
section establishing a different interest rate or penalty, 1677
interest and penalties for failing to pay the employer obligation 1678
when due under division (B) of this section shall be as follows: 1679

(1) Interest, compounded annually and charged monthly, for 1680
each day after the due date that the employer obligation remains 1681
unpaid in an amount equal to six per cent per annum of the past 1682
due amount of the employer obligation and any penalties imposed 1683
under this section; 1684

(2) The penalty for failing to pay the employer obligation 1685
when due under division (B) is as follows: 1686

(a) At least eleven but not more than thirty days past due, 1687
an amount equal to one per cent of the past due obligation; 1688

(b) At least thirty-one but not more than sixty days past 1689
due, an additional amount equal to one and one-half per cent of 1690
the past due obligation; 1691

(c) Sixty-one or more days past due, an additional amount 1692
equal to two and one-half per cent of the past due obligation. 1693

(D) The aggregate of all payments by employers under this 1694
section shall be sufficient, when combined with the amount in the 1695
employers' accumulation fund, to provide amounts payable under 1696
this chapter out of the fund, and if not, the additional amount so 1697
required shall be collected by means of an increased rate per cent 1698

which shall be certified to such employers by the board. 1699

(E) Upon certification by the board to the director of budget 1700
and management, or to the county auditor, of an amount due from an 1701
employer within any county who is subject to this chapter, by 1702
reason of such employer's delinquency in making payments into the 1703
employers' accumulation fund for past billings, such amount shall 1704
be withheld from such employer from any funds subject to the 1705
control of the director or the county auditor to such employer and 1706
shall be paid to the public employees retirement system. 1707

(F) The board may adopt rules to do any of the following: 1708

(1) Establish interest at a rate that does not exceed the 1709
annual rate described in division (C)(1) of this section; 1710

(2) Establish penalties in amounts that do not exceed the 1711
amounts described in division (C)(2) of this section; 1712

(3) Permit the board to lengthen the periods of time or enter 1713
into repayment agreements for employers to comply with divisions 1714
(B) and (C) of this section. 1715

Sec. 145.814. (A) As used in this section: 1716

(1) "Additional liability" means an amount that, when added 1717
to the amount on deposit, will provide the remaining portion of 1718
the pension reserve for the period of service that corresponds to 1719
the contributions made by or on behalf of a member. 1720

(2) "Amount on deposit" means the sum of a member's employee 1721
and employer contributions and, if applicable, any earnings or 1722
losses on those contributions. 1723

(3) "Eligible member" means a member who was eligible to make 1724
an election under section 145.19 or 145.191 of the Revised Code, 1725
regardless of whether the member elected to participate in a PERS 1726
defined contribution plan. 1727

(B) If permitted to do so by the plan documents for a PERS defined contribution plan or rules governing the PERS defined benefit plan, an eligible member may elect, at intervals specified by the plan document or rules, to participate in a different defined contribution plan or in the PERS defined benefit plan. The election is subject to this section and rules adopted by the public employees retirement board under sections 145.09 and 145.80 of the Revised Code. An election to participate in a different plan shall be made in writing on a form provided by the public employees retirement system and filed with the system. The election shall take effect on the first day of the month following the date the election is filed and, except as provided in the plan documents or rules governing the PERS defined benefit plan, is irrevocable on receipt by the system.

(C)(1) Except as provided in division (C)(2) of this section, an election to participate in a different plan shall apply only to employee and employer contributions made and, if applicable, service credit earned after the effective date of the election.

(2) An eligible member may elect to have the member's amount on deposit and, if applicable, service credit earned prior to the effective date of the election deposited and credited in accordance with the member's new plan if one of the following applies:

(a) The member, by an election under this section, will cease participation in a PERS defined contribution plan that does not include definitely determinable benefits.

(b) The member, by an election under division (A) of this section, will begin participating in the PERS defined benefit plan.

(3) If a member described in division (C)(2) of this section makes the election described in that division, the board's actuary

shall determine the additional liability to the system, if any 1759
resulting from any additional service credit. If the actuary 1760
determines that there is an additional liability, the member shall 1761
elect one of the following: 1762

(a) To receive the total amount of service credit that the 1763
member would have received had the member been participating in 1764
the new plan, pay to the ~~system~~ employees' savings fund an amount 1765
~~equal to the~~ specified by the board that is equal to one hundred 1766
per cent of the additional liability resulting from that service 1767
credit, as determined by an actuary employed by the board; 1768

(b) Receive an amount of service credit that corresponds to 1769
the amount on deposit. 1770

For each member who makes the election described in division 1771
(C)(2) of this section, the system shall deposit and credit to the 1772
new plan the amount on deposit and, if applicable, the amount paid 1773
by the member. 1774

Sec. 3375.411. A board of library trustees of a free public 1775
library, appointed pursuant to the provisions of sections 3375.06, 1776
3375.08, 3375.12, 3375.15, and 3375.22 of the Revised Code, which 1777
has not less than seventy-five full-time employees, and which, 1778
prior to September 16, 1943, was providing for retirement of the 1779
employees of such library with annuities, insurance, or other 1780
provisions, under authority granted by former section 7889 of the 1781
General Code, may provide such retirement, insurance, or other 1782
provisions in the same manner authorized by former section 7889 of 1783
the General Code, as follows: the library board of such library 1784
which has appropriated and paid the board's portion provided in 1785
such system or plan, may continue to appropriate and pay the 1786
board's portion provided in such system or plan out of the funds 1787
received to the credit of such board by taxation or otherwise. 1788
Each employee of such library who is to be included in a system of 1789

retirement shall contribute to the retirement fund not less than 1790
four per cent per annum of the employee's salary from the time of 1791
eligibility to join the retirement system to the time of 1792
retirement. If a group insurance plan is installed by any library, 1793
not less than fifty per cent of the cost of such insurance shall 1794
be borne by the employees included in such plan. 1795

Provided, any employee whose employment by said library began 1796
on or after September 16, 1943, may exempt self from inclusion in 1797
such retirement system, or withdraw from such retirement system. 1798
Upon such exemption or withdrawal, such person shall become a 1799
member of the public employees retirement system in accordance 1800
with former section 145.02 and sections ~~145.02~~, 145.03~~7~~, and 145.28 1801
of the Revised Code, respectively. All employees appointed for the 1802
first time on and after January 1, 1956 shall, for retirement 1803
purposes, be eligible only for membership in the public employees 1804
retirement system as provided in Chapter 145. of the Revised Code. 1805
1806

A library board which provides for the retirement of its 1807
employees with annuities, insurance, or other provisions under the 1808
authority granted by this section may, pursuant to a board 1809
resolution adopted within thirty days after the effective date of 1810
this section, terminate such retirement plan. Upon the effective 1811
date of such termination, which is specified in the resolution, 1812
each employee covered by such retirement plan shall become a 1813
member of the public employees retirement system. 1814

Section 2. That existing sections 145.01, 145.20, 145.201, 1815
145.29, 145.291, 145.293, 145.294, 145.298, 145.299, 145.30, 1816
145.33, 145.34, 145.36, 145.401, 145.41, 145.452, 145.47, 145.48, 1817
145.51, 145.814, and 3375.411 and sections 145.02, 145.292, 1818
145.42, and 145.44 of the Revised Code are hereby repealed. 1819

Section 3. (A) This act applies to any purchase, restoration, 1820
or transfer of service credit for which the Public Employees 1821
Retirement System receives notice from the member of the intent to 1822
purchase, restore, or transfer on or after the effective date of 1823
this section. 1824

(B) Any purchase, restoration, or transfer of service credit 1825
under Chapter 145. of the Revised Code for which the Public 1826
Employees Retirement System receives notice in accordance with 1827
division (C) of this section from the member of the intent to 1828
purchase, restore, or transfer prior to the effective date of this 1829
section shall continue at the total cost of that credit 1830
immediately prior to the effective date of this section. The total 1831
cost shall continue unchanged unless the requirements of section 1832
145.294 of the Revised Code, and any rules adopted pursuant to 1833
that section, are not met. 1834

(C) Notice under this section shall be on a form provided by 1835
the retirement system and signed by the member. 1836

Section 4. Sections 1, 2, and 3 of this act are effective 1837
January 1, 2010. 1838