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127th General Assembly Regular Session 2007-2008

Am. Sub. S. B. No. 267

Senator Faber

Cosponsors: Senators Seitz, Cates, Coughlin, Fedor, Harris, Kearney,
Miller, D., Niehaus, Wilson, Spada, Miller, R., Wagoner, Stivers, Schuler,
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Gibbs, Goyal, Grady, Hagan, J., Heard, Hughes, Letson, Luckie, Nero,
Oelslager, Schlichter, Schneider, Sears, Slesnick, Wachtmann, Widener,
Yuko

A BILL

To amend sections 145.01, 145.19, 145.191, 145.33, 1 145.35, 145.49, 145.58, 742.45, and 742.63 and to 2 enact section 145.2914 of the Revised Code 3 regarding the Public Employees Retirement System 4 (PERS) law enforcement division, the Ohio Public 5 Safety Officers Death Benefit Fund, and 6 reimbursement by PERS and the Ohio Police and Fire 7 Pension Fund for Medicare Part B premiums. 8

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

Section 1.	That sections 145.01, 145.19, 145.191, 145.33,	9
145.35, 145.49,	145.58, 742.45, and 742.63 be amended and section	10
145.2914 of the	Revised Code be enacted to read as follows:	11

- (A) "Public employee" means:
- (1) Any person holding an office, not elective, under the 14 state or any county, township, municipal corporation, park 15 district, conservancy district, sanitary district, health 16 district, metropolitan housing authority, state retirement board, 17 Ohio historical society, public library, county law library, union 18 cemetery, joint hospital, institutional commissary, state 19 university, or board, bureau, commission, council, committee, 20 authority, or administrative body as the same are, or have been, 21 created by action of the general assembly or by the legislative 22 authority of any of the units of local government named in 23 division (A)(1) of this section, or employed and paid in whole or 24 in part by the state or any of the authorities named in division 25 (A)(1) of this section in any capacity not covered by section 26 742.01, 3307.01, 3309.01, or 5505.01 of the Revised Code. 27
- (2) A person who is a member of the public employees

 retirement system and who continues to perform the same or similar

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 duties under the direction of a contractor who has contracted to

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 take over what before the date of the contract was a publicly

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 operated function. The governmental unit with which the contract

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 has been made shall be deemed the employer for the purposes of

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 administering this chapter.
- (3) Any person who is an employee of a public employer,

 notwithstanding that the person's compensation for that employment

 36 is derived from funds of a person or entity other than the

 37 employer. Credit for such service shall be included as total

 38 service credit, provided that the employee makes the payments

 39 required by this chapter, and the employer makes the payments

 40 required by sections 145.48 and 145.51 of the Revised Code.

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- (4) A person who elects in accordance with section 145.015 ofthe Revised Code to remain a contributing member of the publicemployees retirement system.

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In all cases of doubt, the public employees retirement board 45 shall determine whether any person is a public employee, and its 46 decision is final.

- (B) "Member" means any public employee, other than a public employee excluded or exempted from membership in the retirement system by section 145.03, 145.031, 145.032, 145.033, 145.034, 145.035, or 145.38 of the Revised Code. "Member" includes a PERS retirant who becomes a member under division (C) of section 145.38 of the Revised Code. "Member" also includes a disability benefit recipient.
- (C) "Head of the department" means the elective or appointive 55 head of the several executive, judicial, and administrative 56 departments, institutions, boards, and commissions of the state 57 and local government as the same are created and defined by the 58 laws of this state or, in case of a charter government, by that 59 charter.
- (D) "Employer" or "public employer" means the state or any 61 county, township, municipal corporation, park district, 62 conservancy district, sanitary district, health district, 63 metropolitan housing authority, state retirement board, Ohio 64 historical society, public library, county law library, union 65 cemetery, joint hospital, institutional commissary, state medical 66 college, state university, or board, bureau, commission, council, 67 committee, authority, or administrative body as the same are, or 68 have been, created by action of the general assembly or by the 69 legislative authority of any of the units of local government 70 named in this division not covered by section 742.01, 3307.01, 71 3309.01, or 5505.01 of the Revised Code. In addition, "employer" 72 means the employer of any public employee. 73
- (E) "Prior service" means all service as a public employee 74 rendered before January 1, 1935, and all service as an employee of 75 any employer who comes within the state teachers retirement system 76

or of the school employees retirement system or of any other	77
retirement system established under the laws of this state	78
rendered prior to January 1, 1935, provided that if the employee	79
claiming the service was employed in any capacity covered by that	80
other system after that other system was established, credit for	81
the service may be allowed by the public employees retirement	82
system only when the employee has made payment, to be computed on	83
the salary earned from the date of appointment to the date	84
membership was established in the public employees retirement	85
system, at the rate in effect at the time of payment, and the	86
employer has made payment of the corresponding full liability as	87
provided by section 145.44 of the Revised Code. "Prior service"	88
also means all service credited for active duty with the armed	89
forces of the United States as provided in section 145.30 of the	90
Revised Code.	91

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 99 calendar year prior to January 1, 1935, was a part-time position, 100 the board shall determine what fractional part of a year's credit 101 shall be allowed by the following formula: 102

(1) When the member has been either elected or appointed to 103 an office the term of which was two or more years and for which an 104 annual salary is established, the fractional part of the year's 105 credit shall be computed as follows:

First, when the member's annual salary is one thousand 107 dollars or less, the service credit for each such calendar year 108

of the Revised Code; all the member's prior service credit; all

the member's military service credit computed as provided in this

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chapter; all service credit established pursuant to section 140 145.297 of the Revised Code; and any other service credited under 141 this chapter. In addition, "total service credit" includes any 142 period, not in excess of three years, during which a member was 143 out of service and receiving benefits under Chapters 4121. and 144 4123. of the Revised Code. For the exclusive purpose of satisfying 145 the service credit requirement and of determining eligibility for 146 benefits under sections 145.32, 145.33, 145.331, 145.35, 145.36, 147 and 145.361 of the Revised Code, "five or more years of total 148 service credit" means sixty or more calendar months of 149 contributing service in this system. 150

- (2) "One and one-half years of contributing service credit," 151 as used in division (B) of section 145.45 of the Revised Code, 152 also means eighteen or more calendar months of employment by a 153 municipal corporation that formerly operated its own retirement 154 plan for its employees or a part of its employees, provided that 155 all employees of that municipal retirement plan who have eighteen 156 or more months of such employment, upon establishing membership in 157 the public employees retirement system, shall make a payment of 158 the contributions they would have paid had they been members of 159 this system for the eighteen months of employment preceding the 160 date membership was established. When that payment has been made 161 by all such employee members, a corresponding payment shall be 162 paid into the employers' accumulation fund by that municipal 163 corporation as the employer of the employees. 164
- (3) Where a member also is a member of the state teachers

 retirement system or the school employees retirement system, or

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 both, except in cases of retirement on a combined basis pursuant

 to section 145.37 of the Revised Code or as provided in section

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 145.383 of the Revised Code, service credit for any period shall

 be credited on the basis of the ratio that contributions to the

 public employees retirement system bear to total contributions in

section, "final average salary" means the total earnable salary on	203
which contributions were made divided by the total number of years	204
during which contributions were made, including any fraction of a	205
year. If contributions were made for less than twelve months,	206
"final average salary" means the member's total earnable salary.	207
(L) "Annuity" means payments for life derived from	208
contributions made by a contributor and paid from the annuity and	209
pension reserve fund as provided in this chapter. All annuities	210
shall be paid in twelve equal monthly installments.	211
(M) "Annuity reserve" means the present value, computed upon	212
the basis of the mortality and other tables adopted by the board,	213
of all payments to be made on account of any annuity, or benefit	214
in lieu of any annuity, granted to a retirant as provided in this	215
chapter.	216
(N)(1) "Disability retirement" means retirement as provided	217
in section 145.36 of the Revised Code.	218
(2) "Disability allowance" means an allowance paid on account	219
of disability under section 145.361 of the Revised Code.	220
(3) "Disability benefit" means a benefit paid as disability	221
retirement under section 145.36 of the Revised Code, as a	222
disability allowance under section 145.361 of the Revised Code, or	223
as a disability benefit under section 145.37 of the Revised Code.	224
(4) "Disability benefit recipient" means a member who is	225
receiving a disability benefit.	226
(0) "Age and service retirement" means retirement as provided	227
in sections 145.32, 145.33, 145.331, 145.34, 145.37, and 145.46 of	228
the Revised Code.	229
(P) "Pensions" means annual payments for life derived from	230
contributions made by the employer that at the time of retirement	231

are credited into the annuity and pension reserve fund from the

sponsored by the employer and for which the employer is required	264
by section 145.296 of the Revised Code to make periodic employer	265
and employee contributions;	266
(f) Amounts included pursuant to divisions (K)(3) and (Y) of	267
this section.	268
(2) "Earnable salary" does not include any of the following:	269
(a) Fees and commissions, other than those paid under section	270
507.09 of the Revised Code, paid as sole compensation for personal	271
services and fees and commissions for special services over and	272
above services for which the contributor receives a salary;	273
(b) Amounts paid by the employer to provide life insurance,	274
sickness, accident, endowment, health, medical, hospital, dental,	275
or surgical coverage, or other insurance for the contributor or	276
the contributor's family, or amounts paid by the employer to the	277
contributor in lieu of providing the insurance;	278
(c) Incidental benefits, including lodging, food, laundry,	279
parking, or services furnished by the employer, or use of the	280
employer's property or equipment, or amounts paid by the employer	281
to the contributor in lieu of providing the incidental benefits;	282
(d) Reimbursement for job-related expenses authorized by the	283
employer, including moving and travel expenses and expenses	284
related to professional development;	285
(e) Payments for accrued but unused sick leave, personal	286
leave, or vacation that are made at any time other than in the	287
year in which the sick leave, personal leave, or vacation was	288
accrued;	289
(f) Payments made to or on behalf of a contributor that are	290
in excess of the annual compensation that may be taken into	291
account by the retirement system under division (a)(17) of section	292
401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26	293

U.S.C.A. 401(a)(17), as amended;	294
(g) Payments made under division (B), (C), or (E) of section	295
5923.05 of the Revised Code, Section 4 of Substitute Senate Bill	296
No. 3 of the 119th general assembly, Section 3 of Amended	297
Substitute Senate Bill No. 164 of the 124th general assembly, or	298
Amended Substitute House Bill No. 405 of the 124th general	299
assembly;	300
(h) Anything of value received by the contributor that is	301
based on or attributable to retirement or an agreement to retire,	302
except that payments made on or before January 1, 1989, that are	303
based on or attributable to an agreement to retire shall be	304
included in earnable salary if both of the following apply:	305
(i) The payments are made in accordance with contract	306
provisions that were in effect prior to January 1, 1986;	307
(ii) The employer pays the retirement system an amount	308
specified by the retirement board equal to the additional	309
liability resulting from the payments.	310
(3) The retirement board shall determine by rule whether any	311
compensation not enumerated in division (R) of this section is	312
earnable salary, and its decision shall be final.	313
(S) "Pension reserve" means the present value, computed upon	314
the basis of the mortality and other tables adopted by the board,	315
of all payments to be made on account of any retirement allowance	316
or benefit in lieu of any retirement allowance, granted to a	317
member or beneficiary under this chapter.	318
(T)(1) "Contributing service" means all service credited to a	319
member of the system since January 1, 1935, for which	320
contributions are made as required by sections 145.47, 145.48, and	321
145.483 of the Revised Code. In any year subsequent to 1934,	322
credit for any service shall be allowed by the following formula:	323

first.

(a) For each month for which the member's earnable salary is	324
two hundred fifty dollars or more, allow one month's credit.	325
(b) For each month for which the member's earnable salary is	326
less than two hundred fifty dollars, allow a fraction of a month's	327
credit. The numerator of this fraction shall be the earnable	328
salary during the month, and the denominator shall be two hundred	329
fifty dollars, except that if the member's annual earnable salary	330
is less than six hundred dollars, the member's credit shall not be	331
reduced below twenty per cent of a year for a calendar year of	332
employment during which the member worked each month. Division	333
(T)(1)(b) of this section shall not reduce any credit earned	334
before January 1, 1985.	335
(2) Notwithstanding division (T)(1) of this section, an	336
elected official who prior to January 1, 1980, was granted a full	337
year of credit for each year of service as an elected official	338
shall be considered to have earned a full year of credit for each	339
year of service regardless of whether the service was full-time or	340
part-time. The public employees retirement board has no authority	341
to reduce the credit.	342
(U) "State retirement board" means the public employees	343
retirement board, the school employees retirement board, or the	344
state teachers retirement board.	345
(V) "Retirant" means any former member who retires and is	346
receiving a monthly allowance as provided in sections 145.32,	347
145.33, 145.331, 145.34, and 145.46 of the Revised Code.	348
(W) "Employer contribution" means the amount paid by an	349
employer as determined under section 145.48 of the Revised Code.	350
(X) "Public service terminates" means the last day for which	351
a public employee is compensated for services performed for an	352
employer or the date of the employee's death, whichever occurs	353

(Y) When a member has been elected or appointed to an office,	355
the term of which is two or more years, for which an annual salary	356
is established, and in the event that the salary of the office is	357
increased and the member is denied the additional salary by reason	358
of any constitutional provision prohibiting an increase in salary	359
during a term of office, the member may elect to have the amount	360
of the member's contributions calculated upon the basis of the	361
increased salary for the office. At the member's request, the	362
board shall compute the total additional amount the member would	363
have contributed, or the amount by which each of the member's	364
contributions would have increased, had the member received the	365
increased salary for the office the member holds. If the member	366
elects to have the amount by which the member's contribution would	367
have increased withheld from the member's salary, the member shall	368
notify the employer, and the employer shall make the withholding	369
and transmit it to the retirement system. A member who has not	370
elected to have that amount withheld may elect at any time to make	371
a payment to the retirement system equal to the additional amount	372
the member's contribution would have increased, plus interest on	373
that contribution, compounded annually at a rate established by	374
the board and computed from the date on which the last	375
contribution would have been withheld from the member's salary to	376
the date of payment. A member may make a payment for part of the	377
period for which the increased contribution was not withheld, in	378
which case the interest shall be computed from the date the last	379
contribution would have been withheld for the period for which the	380
payment is made. Upon the payment of the increased contributions	381
as provided in this division, the increased annual salary as	382
provided by law for the office for the period for which the member	383
paid increased contributions thereon shall be used in determining	384
the member's earnable salary for the purpose of computing the	385
member's final average salary.	386

(Z) "Five years of service credit," for the exclusive purpose

of satisfying the service credit requirements and of determining	388
eligibility for benefits under section 145.33 of the Revised Code,	389
means employment covered under this chapter or under a former	390
retirement plan operated, recognized, or endorsed by the employer	391
prior to coverage under this chapter or under a combination of the	392
coverage.	393
(AA) "Deputy sheriff" means any person who is commissioned	394

and employed as a full-time peace officer by the sheriff of any 395 county, and has been so employed since on or before December 31, 396 1965, and whose primary duties are to preserve the peace, to 397 protect life and property, and to enforce the laws of this state; 398 any person who is or has been commissioned and employed as a peace 399 officer by the sheriff of any county since January 1, 1966, and 400 who has received a certificate attesting to the person's 401 satisfactory completion of the peace officer training school as 402 required by section 109.77 of the Revised Code and whose primary 403 duties are to preserve the peace, protect life and property, and 404 enforce the laws of this state; or any person deputized by the 405 sheriff of any county and employed pursuant to section 2301.12 of 406 the Revised Code as a criminal bailiff or court constable who has 407 received a certificate attesting to the person's satisfactory 408 completion of the peace officer training school as required by 409 section 109.77 of the Revised Code and whose primary duties are to 410 preserve the peace, protect life and property, and enforce the 411 laws of this state. 412

(BB) "Township constable or police officer in a township 413
police department or district" means any person who is 414
commissioned and employed as a full-time peace officer pursuant to 415
Chapter 505. or 509. of the Revised Code, who has received a 416
certificate attesting to the person's satisfactory completion of 417
the peace officer training school as required by section 109.77 of 418
the Revised Code, and whose primary duties are to preserve the 419

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(HH) "Preserve officer" means a full-time employee of the	450
department of natural resources who is designated a preserve	451
officer under section 1517.10 of the Revised Code and is in	452
compliance with section 109.77 of the Revised Code.	453
(II) "Wildlife officer" means a full-time employee of the	454
department of natural resources who is designated a wildlife	455
officer under section 1531.13 of the Revised Code and is in	456
compliance with section 109.77 of the Revised Code.	457
(JJ) "State watercraft officer" means a full-time employee of	458
the department of natural resources who is designated a state	459
watercraft officer under section 1547.521 of the Revised Code and	460
is in compliance with section 109.77 of the Revised Code.	461
(KK) "Park district police officer" means a full-time	462
employee of a park district who is designated pursuant to section	463
511.232 or 1545.13 of the Revised Code and is in compliance with	464
section 109.77 of the Revised Code.	465
(LL) "Conservancy district officer" means a full-time	466
employee of a conservancy district who is designated pursuant to	467
section 6101.75 of the Revised Code and is in compliance with	468
section 109.77 of the Revised Code.	469
(MM) "Municipal police officer" means a member of the	470
organized police department of a municipal corporation who is	471
employed full time <u>full time</u> , is in compliance with section 109.77	472
of the Revised Code, and is not a member of the Ohio police and	473
fire pension fund.	474
(NN) "Veterans' home police officer" means any person who is	475
employed at a veterans' home as a police officer pursuant to	476
section 5907.02 of the Revised Code and is in compliance with	477
section 109.77 of the Revised Code.	478
(00) "Special police officer for a mental health institution"	479

means any person who is designated as such pursuant to section

(VV) "Municipal public safety director" means a person who

serves full-time full time as the public safety director of a	512
municipal corporation with the duty of directing the activities of	513
the municipal corporation's police department and fire department.	514
(WW) Notwithstanding section 2901.01 of the Revised Code,	515
"PERS law enforcement officer" means a sheriff, or any of the	516
following whose primary duties are to preserve the peace, protect	517
life and property, and enforce the laws of this state: a deputy	518
sheriff, township constable or police officer in a township police	519
department or district, drug agent, municipal public safety	520
director, department of public safety enforcement agent, natural	521
resources law enforcement staff officer, park officer, forest	522
officer, preserve officer, wildlife officer, state watercraft	523
officer, park district police officer, conservancy district	524
officer, veterans' home police officer, special police officer for	525
a mental health institution, special police officer for an	526
institution for the mentally retarded and developmentally	527
disabled, state university law enforcement officer, municipal	528
police officer, house sergeant at arms, assistant house sergeant	529
at arms, regional transit authority police officer, or state	530
highway patrol police officer. PERS law enforcement officer also	531
includes a person serving as a municipal public safety director at	532
any time during the period from September 29, 2005 to the	533
effective date of this amendment, if the duties of that service	534
were to preserve the peace, protect life and property, and enforce	535
the laws of this state.	536
(XX) "Hamilton county municipal court bailiff" means a person	537
appointed by the clerk of courts of the Hamilton county municipal	538
court under division (A)(3) of section 1901.32 of the Revised Code	539
who is employed full time as a bailiff or deputy bailiff, who has	540
received a certificate attesting to the person's satisfactory	541
completion of the peace officer basic training described in	542
division (D)(1) of section 109.77 of the Revised Code, and whose	543

primary duties are to preserve the peace, to protect life and	544
property, and to enforce the laws of this state.	545
(YY) "PERS public safety officer" means a Hamilton county	546
municipal court bailiff, or any of the following whose primary	547
duties are other than to preserve the peace, protect life and	548
property, and enforce the laws of this state: a deputy sheriff,	549
township constable or police officer in a township police	550
department or district, drug agent, department of public safety	551
enforcement agent, natural resources law enforcement staff	552
officer, park officer, forest officer, preserve officer, wildlife	553
officer, state watercraft officer, park district police officer,	554
conservancy district officer, veterans' home police officer,	555
special police officer for a mental health institution, special	556
police officer for an institution for the mentally retarded and	557
developmentally disabled, state university law enforcement	558
officer, municipal police officer, house sergeant at arms,	559
assistant house sergeant at arms, regional transit authority	560
police officer, or state highway patrol police officer. PERS	561
public safety officer also includes a person serving as a	562
municipal public safety director at any time during the period	563
from September 29, 2005 to the effective date of this amendment,	564
if the duties of that service were other than to preserve the	565
peace, protect life and property, and enforce the laws of this	566
state.	567
(ZZ) "Fiduciary" means a person who does any of the	568
following:	569
(1) Exercises any discretionary authority or control with	570
respect to the management of the system or with respect to the	571 572
management or disposition of its assets;	5/2
(2) Renders investment advice for a fee, direct or indirect,	573
with respect to money or property of the system;	574

(3) Has any discretionary authority or responsibility in the	575
administration of the system.	576
(ZZ)(AAA) "Actuary" means an individual who satisfies all of	577
the following requirements:	578
(1) Is a member of the American academy of actuaries;	579
(2) Is an associate or fellow of the society of actuaries;	580
(3) Has a minimum of five years' experience in providing	581
actuarial services to public retirement plans.	582
(AAA)(BBB) "PERS defined benefit plan" means the plan	583
described in sections 145.201 to 145.79 of the Revised Code.	584
(BBB)(CCC) "PERS defined contribution plans" means the plan	585
or plans established under section 145.81 of the Revised Code.	586
Cog 145 10 (A) Evgent ag provided in division (D) of this	587
Sec. 145.19. (A) Except as provided in division (D) of this section, an individual who becomes employed in a position subject	588
to this chapter on or after the date on which the public employees	589
retirement board first establishes a PERS defined contribution	590
plan shall make an election under this section. Not later than one	591
	592
hundred eighty days after the date on which employment begins, the individual shall elect to participate either in the PERS defined	592
benefit plan or a PERS defined contribution plan. If a form	594
evidencing an election under this section is not received by the	595
public employees retirement system not later than the last day of	596
the one-hundred-eighty-day period, the individual is deemed to	597
have elected to participate in the PERS defined benefit plan.	598
(B) An election under this section shall be made in writing	599
on a form provided by the system and filed with the system.	600
(C) An election under this section shall take effect on the	601
date employment began and, except as provided in section 145.814	602
of the Revised Code or rules governing the PERS defined benefit	603
plan, is irrevocable on receipt by the system.	604

(D) An individual is ineligible to make an election under	605
this section if one of the following applies:	606
(1) At the time employment begins, the individual is a PERS	607
retirant or other system retirant, as those terms are defined in	608
section 145.38 of the Revised Code, or is retired under section	609
145.383 of the Revised Code.	610
(2) The individual is participating or has elected to	611
participate in an alternative retirement plan under section	612
3305.05 or 3305.051 of the Revised Code and the employment is in a	613
position that is subject to division $(C)(4)$ of section 3305.05 or	614
division (F) of section 3305.051 of the Revised Code.	615
(3) The individual is a contributor who, as of the last day	616
of the month prior to the date employment begins, has five or more	617
years of total service credit.	618
(4) The individual is employed in a position covered under	619
this chapter to which section 145.193 of the Revised Code applies.	620
(5) The individual is a PERS law enforcement officer or	621
Hamilton county municipal court bailiff PERS public safety	622
officer.	623
Sec. 145.191. (A) Except as provided in division (E) of this	624
section, a public employees retirement system member or	625
contributor who, as of the last day of the month immediately	626
preceding the date on which the public employees retirement board	627
first establishes a PERS defined contribution plan, has less than	628
five years of total service credit is eligible to make an election	629
under this section. A member or contributor who is employed in	630
more than one position subject to this chapter is eligible to make	631
only one election. The election applies to all positions subject	632
to this chapter.	633
Not later than one hundred eighty days after the day the	634

board first establishes a PERS defined contribution plan, an	635
eligible member or contributor may elect to participate in a PERS	636
defined contribution plan. If a form evidencing an election is not	637
received by the system not later than the last day of the	638
one-hundred-eighty-day period, a member or contributor to whom	639
this section applies is deemed to have elected to continue	640
participating in the PERS defined benefit plan.	641
(B) An election under this section shall be made in writing	642
on a form provided by the system and filed with the system.	643
(C) On receipt of an election under this section, the system	644
shall do both of the following:	645
(1) Credit to the plan elected both of the following:	646
(a) Any employer contributions attributable to the member for	647
the period beginning on the day the board first established a PERS	648
defined contribution plan;	649
(b) All accumulated contributions attributable to the member	650
or contributor.	651
(2) Cancel all service credit and eligibility for any	652
payment, benefit, or right under the PERS defined benefit plan.	653
(D) An election under this section is effective as of the	654
date the board first established a PERS defined contribution plan	655
and, except as provided in section 145.814 of the Revised Code or	656
rules governing the PERS defined benefit plan, is irrevocable on	657
receipt by the system.	658
(E) An election may not be made under this section by a	659
member or contributor who is either of the following:	660
(1) A PERS retirant who is a member under division (C) of	661
section 145.38 of the Revised Code;	662
(2) A PERS law enforcement officer or a Hamilton county	663

municipal court bailiff PERS public safety officer.

Sec. 145.2914. (A) The public employees retirement board may	665
adopt rules in accordance with section 145.09 of the Revised Code	666
to establish a program under which service credit earned under	667
division (A) or (B)(2)(b) of section 145.33 of the Revised Code is	668
treated as service credit earned under division (B)(2)(a) of that	669
section if the member makes payment to the public employees	670
retirement system in accordance with the rules.	671
(B) If the board adopts rules under division (A) of this	672
section, all of the following apply:	673
(1) For each year or portion of a year of service credit	674
earned under division (A) or (B)(2)(b) of section 145.33 of the	675
Revised Code that is to be treated as service credit earned under	676
division (B)(2)(a) of that section, the member shall pay to the	677
retirement system an amount specified by the retirement board that	678
is not less than one hundred per cent of the additional liability	679
resulting from the purchase of that year, or portion of a year, of	680
service.	681
(2) The number of years of service credit earned under	682
division (A) or (B)(2)(b) of section 145.33 of the Revised Code	683
that may be treated as service credit earned under division	684
(B)(2)(a) of that section shall not exceed five.	685
(3) Any amounts paid under this section shall be credited to	686
the employees' savings fund.	687
(4) The amounts paid by the member under this section are	688
subject to the limits established by division (n) of section 415	689
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.	690
415(n), as amended.	691
(C) A member may make payments authorized by this section if	692
the member is eligible to retire under this chapter or will become	693
eligible to retire as a result of the payment. The member shall	694

agree to retire not later than ninety days after receiving notice	695
of the additional liability specified under division (B)(1) of	696
this section. Payment shall be made in full for any credit earned	697
under division (A) or (B)(2)(b) of section 145.33 of the Revised	698
Code that is to be treated as service credit earned under division	699
(B)(2)(a) of that section, but the member may choose to make	700
payment for only part of the credit for which the member is	701
eligible.	702
(D) If the member does not retire not later than ninety days	703
after making the payment authorized by this section, the system	704
shall refund the payment and shall not treat the credit for which	705
payment was made as service credit earned under division (B)(2)(a)	706
of section 145.33 of the Revised Code.	707
(E) The board's rules may deal with any other matter	708
necessary to implement this section.	709
Sec. 145.33. (A) Except as provided in division (B) or (C) of	710
this section, a member with at least five years of total service	711
credit who has attained age sixty, or who has thirty years of	712
total Ohio service credit, may apply for age and service	713
retirement, which shall consist of:	714
(1) An annuity having a reserve equal to the amount of the	715
member's accumulated contributions at that time;	716
(2) A pension equal to the annuity provided by division	717
(A)(1) of this section;	718
(3) An additional pension, if the member can qualify for	719
prior service, equal to forty dollars multiplied by the number of	720
years, and fraction thereof, of such prior and military service	721
credit;	722
(4) A basic annual pension equal to one hundred eighty	723
dollars if the member has ten or more years of total service	724

credit as of October 1, 1956, except that the basic annual pension 725 shall not exceed the sum of the annual benefits provided by 726 divisions (A)(1), (2), and (3) of this section. 727

- (5) When a member retires on age and service retirement, the 728 member's total annual single lifetime allowance, including the 729 allowances provided in divisions (A)(1), (2), (3), and (4) of this 730 section, shall be not less than a base amount adjusted in 731 accordance with division (A)(5) of this section and determined by 732 multiplying the member's total service credit by the greater of 733 the following:
 - (a) Eighty-six dollars;
- (b) Two and two-tenths per cent of the member's final average 736 salary for each of the first thirty years of service plus two and 737 one-half per cent of the member's final average salary for each 738 subsequent year of service. 739

The allowance shall be adjusted by the factors of attained 740 age or years of service to provide the greater amount as 741 determined by the following schedule: 742

		Years of	Percentage	743
Attained	or	Total Service	of	744
Birthday		Credit	Base Amount	745
58		25	75	746
59		26	80	747
60		27	85	748
61			88	749
		28	90	750
62			91	751
63			94	752
		29	95	753
64			97	754
65		30 or more	100	755

	1	756
Members shall vest the right to a benefit in		756
the following schedule, based on the member's att	cained age by	757
September 1, 1976:	D	758
	Percentage	759
Attained	of	760
Birthday	Base Amount	761
66	102	762
67	104	763
68	106	764
69	108	765
70 or more	110	766
(6) The total annual single lifetime allowar	nce that a member	767
shall receive under division (A)(5) of this sect:	ion shall not	768
exceed the lesser of one hundred per cent of the	member's final	769
average salary or the limit established by section	on 415 of the	770
"Internal Revenue Code of 1986," 100 Stat. 2085,	26 U.S.C.A. 415,	771
as amended.		772
(B)(1) For the purposes of divisions (B) to	(G) of this	773
section, "total service credit as a PERS law enfo	orcement officer"	774
and "total service credit as a Hamilton county m	unicipal court	775
bailiff PERS public safety officer include cred	it for military	776
service to the extent permitted by division (E)(2	2) of this section	777
and credit for service as a police officer or sta	ate highway patrol	778
trooper to the extent permitted by divisions (E)	(3) and (4) of	779
this section.		780
(2) A member who meets the conditions in div	rision (B)(2)(a),	781
(b), $\underline{\text{or}}$ (c), $\underline{\text{or}}$ (d) of this section may apply for	an age and	782
service retirement benefit under this division:		783
(a) The member has attained age forty-eight	and has at least	784
twenty-five years of total service credit as a PM	ERS law	785
enforcement officer whose primary duties were to	preserve the	786
peace, protect life and property, and enforce the	e laws in the	787

member's jurisdiction;	788
(b) The member has attained age fifty-two, and has at least	789
twenty-five years of total service credit as a PERS law	790
enforcement public safety officer, but the member's primary duties	791
were other than to preserve the peace, protect life and property,	792
and enforce the laws in the member's jurisdiction or has service	793
as a PERS public safety officer and service as a PERS law	794
enforcement officer that when combined equal at least twenty-five	795
<pre>years of total service credit;</pre>	796
(c) The member has attained age fifty two and has at least	797
twenty-five years of total service as a Hamilton county municipal	798
court bailiff;	799
(d) The member has attained age sixty-two and has at least	800
fifteen years of total service credit as either of the following:	801
(i) A PERS law enforcement officer;	802
(ii) A Hamilton county municipal court bailiff PERS public	803
safety officer.	804
(3) A benefit paid under division (B)(2) of this section	805
shall consist of an annual single lifetime allowance equal to the	806
sum of two and one-half per cent of the member's final average	807
salary multiplied by the first twenty-five years of the member's	808
total service plus two and one-tenth per cent of the member's	809
final average salary multiplied by the number of years of the	810
member's total service credit in excess of twenty-five years.	811
(4) A member with at least fifteen years of total service	812
credit as a PERS law enforcement officer or Hamilton county	813
municipal court bailiff PERS public safety officer who voluntarily	814
resigns or is discharged for any reason except death, dishonesty,	815
cowardice, intemperate habits, or conviction of a felony may apply	816
for an age and service retirement benefit, which shall consist of	817
an annual single lifetime allowance equal to one and one-half per	818

election.

cent of the member's final ave	erage salary multiplied by the number	819
of years of the member's total	l service credit. The allowance shall	820
commence on the first day of	the calendar month following the	821
month in which the application	n is filed with the public employees	822
retirement board on or after	the attainment by the applicant of	823
age fifty-two.		824
(C)(1) A member with at	least twenty-five years of total	825
service credit who would be e	ligible to retire under division	826
(B)(2)(b) or (c) of this sect.	ion had the member attained age	827
fifty-two and who voluntarily	resigns or is discharged for any	828
reason except death, dishones	ty, cowardice, intemperate habits, or	829
conviction of a felony, on or	after the date of attaining	830
forty-eight years of age, but	before the date of attaining	831
fifty-two years of age, may e	lect to receive a reduced benefit as	832
determined by the following se	chedule:	833
Attained Age	Reduced Benefit	834
48	75% of the benefit payable under	835
	division (B)(3) of this section	836
49	80% of the benefit payable under	837
	division (B)(3) of this section	838
50	86% of the benefit payable under	839
	division (B)(3) of this section	840
51	93% of the benefit payable under	841
	division (B)(3) of this section	842
(2) If a member elects to	o receive a reduced benefit after	843
attaining age forty-eight the	reduced benefit is payable from the	844
later of the date of the member	er's most recent birthday or the date	845
the member becomes eligible to	o receive the reduced benefit.	846
(3) Once a member elects	to receive a reduced benefit	847
determined by the schedule in	division (C)(1) of this section and	848
has received a payment, the mo	ember may not reelect to change that	849

employer contributions.

(4) If a member who has resigned or been discharged has left	851
on deposit the member's accumulated contributions in the	852
employees' savings fund and has not elected to receive a reduced	853
benefit determined by the schedule in division (C)(1) of this	854
section, upon attaining fifty-two years of age, the member shall	855
be entitled to receive a benefit computed and paid under division	856
(B)(3) of this section.	857
(D) A benefit paid under division (B) or (C) of this section	858
shall not exceed the lesser of ninety per cent of the member's	859
final average salary or the limit established by section 415 of	860
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A.	861
415, as amended.	862
(E)(1) A member with service credit as a PERS law enforcement	863
officer or a Hamilton county municipal court bailiff PERS public	864
safety officer and other service credit under this chapter may	865
elect one of the following:	866
(a) To have all the member's service credit under this	867
(a) To have all the member's service credit under this chapter, including credit for service as a PERS law enforcement	867 868
chapter, including credit for service as a PERS law enforcement	868
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public	868 869
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under	868 869 870
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an	868 869 870 871
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an allowance under that division;	868 869 870 871 872
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an allowance under that division; (b) If the member qualifies for an allowance under division	868 869 870 871 872
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an allowance under that division; (b) If the member qualifies for an allowance under division (B)(2)(a) of this section, to have the member's service credit as	868 869 870 871 872 873
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an allowance under that division; (b) If the member qualifies for an allowance under division (B)(2)(a) of this section, to have the member's service credit as a PERS law enforcement officer used in calculating a benefit under	868 869 870 871 872 873 874
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an allowance under that division; (b) If the member qualifies for an allowance under division (B)(2)(a) of this section, to have the member's service credit as a PERS law enforcement officer used in calculating a benefit under that division and the member's credit for all service other than	868 869 870 871 872 873 874 875
chapter, including credit for service as a PERS law enforcement officer or Hamilton county municipal court bailiff PERS public safety officer, used in calculating a retirement allowance under division (A) of this section if the member qualifies for an allowance under that division; (b) If the member qualifies for an allowance under division (B)(2)(a) of this section, to have the member's service credit as a PERS law enforcement officer used in calculating a benefit under that division and the member's credit for all service other than PERS law enforcement service used in calculating a benefit	868 869 870 871 872 873 874 875 876

(c) If the member qualifies for an allowance under division	882
(B)(2)(b) or (c) , $(B)(4)$, or (C) of this section, to have the	883
member's service credit as a PERS law enforcement officer or	884
Hamilton county municipal court bailiff PERS public safety officer	885
used in calculating a benefit under the appropriate division and	886
the member's credit for all service other than PERS law	887
enforcement service or service as a Hamilton county municipal	888
court bailiff PERS public safety officer under this chapter used	889
in calculating a benefit consisting of a single life annuity	890
having a reserve equal to the amount of the member's accumulated	891
contributions for all service other than PERS law enforcement	892
service or PERS public safety officer service and an equal amount	893
of the employer's contributions.	894

- (2) Notwithstanding sections 145.01 and 145.30 of the Revised 895 Code, no more than four years of military service credit granted 896 under section 145.30 of the Revised Code and five years of 897 military service credit purchased under section 145.301 or 145.302 898 of the Revised Code shall be used in calculating service as a PERS 899 law enforcement officer or Hamilton county municipal court bailiff 900 PERS public safety officer or the total service credit of that 901 person. 902
- (3) Only credit for the member's service as a PERS law
 903
 enforcement officer, PERS public safety officer, or service credit
 904
 obtained as a police officer or state highway patrol trooper shall
 905
 be used in computing the benefit of a member who qualifies for a
 906
 benefit under division (B)(2)(a), (b), or (d)(ii) or (4) or
 907
 division (C) of this section for the following:
 908
- (a) Any person who originally is commissioned and employed as 909 a deputy sheriff by the sheriff of any county, or who originally 910 is elected sheriff, on or after January 1, 1975; 911
- (b) Any deputy sheriff who originally is employed as a 912 criminal bailiff or court constable on or after April 16, 1993; 913

(c) Any person who originally is appointed as a township	914
constable or police officer in a township police department or	915
district on or after January 1, 1981;	916
(d) Any person who originally is employed as a county	917
narcotics agent on or after September 26, 1984;	918
(e) Any person who originally is employed as an undercover	919
drug agent as defined in section 109.79 of the Revised Code,	920
department of public safety enforcement agent who prior to June	921
30, 1999, was a liquor control investigator, park officer, forest	922
officer, wildlife officer, state watercraft officer, park district	923
police officer, conservancy district officer, veterans' home	924
police officer, special police officer for a mental health	925
institution, special police officer for an institution for the	926
mentally retarded and developmentally disabled, or municipal	927
police officer on or after December 15, 1988;	928
(f) Any person who originally is employed as a state	929
university law enforcement officer on or after November 6, 1996;	930
(g) Any person who is originally employed as a state	931
university law enforcement officer by the university of Akron on	932
or after September 16, 1998;	933
(h) Any person who originally is employed as a preserve	934
officer on or after March 18, 1999;	935
(i) Any person who originally is employed as a natural	936
resources law enforcement staff officer on or after March 18,	937
1999;	938
(j) Any person who is originally employed as a department of	939
public safety enforcement agent on or after June 30, 1999;	940
(k) Any person who is originally employed as a house sergeant	941
at arms or assistant house sergeant at arms on or after September	942
5, 2001;	943

(1) Any person who is originally appointed as a regional	944
transit authority police officer or state highway patrol police	945
officer on or after February 1, 2002;	946
(m) Any person who is originally employed as a municipal	947
public safety director on or after the effective date of this	948
amendment September 29, 2005, but not later than the effective	949
date of this amendment.	950
(4) Only credit for a member's service as a Hamilton county	951
municipal court bailiff PERS public safety officer or service	952
credit obtained as a PERS law enforcement officer, police officer,	953
or state highway patrol trooper shall be used in computing the	954
benefit of a member who qualifies for a benefit under division	955
$(B)(2)\underline{(b)}$ or (c) or (d) (ii) or (4) or division (C) of this section	956
for any person who originally is employed as a Hamilton county	957
municipal court bailiff on or after November 6, 1996.	958
(F) Retirement allowances determined under this section shall	959
be paid as provided in section 145.46 of the Revised Code.	960
(G) For the purposes of this section, service prior to June	961
30, 1999, as a food stamp trafficking agent under former section	962
5502.14 of the Revised Code shall be considered service as a law	963
enforcement officer.	964
Sec. 145.35. (A) As used in this section, "on-duty illness or	965
injury" means an illness or injury that occurred during or	966
resulted from performance of duties under the direct supervision	967
of a member's appointing authority.	968
	0.50
(B) The public employees retirement system shall provide	969
disability coverage to each member who has at least five years of	970
total service credit and disability coverage for on-duty illness	971
or injury to each member who is a PERS law enforcement officer or	972
Hamilton county municipal court bailiff PERS public safety	973

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1005

officer, regardless of length of service.

Not later than October 16, 1992, the public employees 975 retirement board shall give each person who is a member on July 976 29, 1992, the opportunity to elect disability coverage either 977 under section 145.36 of the Revised Code or under section 145.361 978 of the Revised Code. The board shall mail notice of the election, 979 accompanied by an explanation of the coverage under each of the 980 Revised Code sections and a form on which the election is to be 981 made, to each member at the member's last known address. The board 982 shall also provide the explanation and form to any member on 983 request. 984

Regardless of whether the member actually receives notice of 985 the right to make an election, a member who fails to file a valid 986 election under this section shall be considered to have elected 987 disability coverage under section 145.36 of the Revised Code. To 988 be valid, an election must be made on the form provided by the 989 retirement board, signed by the member, and filed with the board 990 not later than one hundred eighty days after the date the notice 991 was mailed, or, in the case of a form provided at the request of a 992 member, a date specified by rule of the retirement board. Once 993 made, an election is irrevocable, but if the member ceases to be a 994 member of the retirement system, the election is void. If a person 995 who makes an election under this section also makes an election 996 under section 3307.62 or 3309.39 of the Revised Code, the election 997 made for the system that pays a disability benefit to that person 998 shall govern the benefit. 999

Disability coverage shall be provided under section 145.361 1000 of the Revised Code for persons who become members after July 29, 1001 1992, and for members who elect under this division to be covered under section 145.361 of the Revised Code. 1003

The retirement board may adopt rules governing elections made under this division.

(C) Application for a disability benefit may be made by a	1006
member, by a person acting in the member's behalf, or by the	1007
member's employer, provided the member has disability coverage	1008
under section 145.36 or 145.361 of the Revised Code and is not	1009
receiving a disability benefit under any other Ohio state or	1010
municipal retirement program. Application must be made within two	1011
years from the date the member's contributing service terminated	1012
or the date the member ceased to make contributions to the PERS	1013
defined benefit plan under section 145.814 of the Revised Code,	1014
unless the retirement board determines that the member's medical	1015
records demonstrate conclusively that at the time the two-year	1016
period expired, the member was physically or mentally	1017
incapacitated for duty and unable to make an application.	1018
Application may not be made by or for any person receiving age and	1019
service retirement benefits under section 145.33, 145.331, 145.34,	1020
or 145.37 of the Revised Code or any person who, pursuant to	1021
section 145.40 of the Revised Code, has been paid the accumulated	1022
contributions standing to the credit of the person's individual	1023
account in the employees' savings fund. The application shall be	1024
made on a form provided by the retirement board.	1025

- (D) The benefit payable to any member who is approved for a 1026 disability benefit shall become effective on the first day of the 1027 month immediately following the later of the following: 1028
 - (1) The last day for which compensation was paid;
 - (2) The attainment of eligibility for a disability benefit. 1030
- (E) Medical examination of a member who has applied for a 1031 disability benefit shall be conducted by a competent disinterested 1032 physician or physicians selected by the board to determine whether 1033 the member is mentally or physically incapacitated for the 1034 performance of duty by a disabling condition either permanent or 1035 presumed to be permanent. The disability must have occurred since 1036 last becoming a member or have increased since last becoming a 1037

member to such extent as to make the disability permanent or	1038
presumed to be permanent. A disability is presumed to be permanent	1039
if it is expected to last for a continuous period of not less than	1040
twelve months following the filing of the application.	1041

If the physician or physicians determine that the member 1042 qualifies for a disability benefit, the board concurs with the 1043 determination, and the member agrees to medical treatment as 1044 specified in division (F) of this section, the member shall 1045 receive a disability benefit under section 145.36 or 145.361 of 1046 the Revised Code. The action of the board shall be final.

- (F) The public employees retirement board shall adopt rules 1048 requiring a disability benefit recipient, as a condition of 1049 continuing to receive a disability benefit, to agree in writing to 1050 obtain any medical treatment recommended by the board's physician 1051 and submit medical reports regarding the treatment. If the board 1052 determines that a disability benefit recipient is not obtaining 1053 the medical treatment or the board does not receive a required 1054 medical report, the disability benefit shall be suspended until 1055 the treatment is obtained, the report is received by the board, or 1056 the board's physician certifies that the treatment is no longer 1057 helpful or advisable. Should the recipient's failure to obtain 1058 treatment or submit a medical report continue for one year, the 1059 recipient's right to the disability benefit shall be terminated as 1060 of the effective date of the original suspension. 1061
- (G) In the event an employer files an application for a 1062 disability benefit as a result of a member having been separated 1063 from service because the member is considered to be mentally or 1064 physically incapacitated for the performance of the member's 1065 present duty, and the physician or physicians selected by the 1066 board reports to the board that the member is physically and 1067 mentally capable of performing service similar to that from which 1068 the member was separated and the board concurs in the report, the 1069

board shall so certify to the employer and the employer shall	1070
restore the member to the member's previous position and salary or	1071
to a similar position and salary.	1072
Sec. 145.49. (A) Notwithstanding section 145.47 of the	1073
Revised Code:	1074
(1) The public employees retirement system shall be	1075
authorized to calculate the employee contribution rates separately	1076
for those public employees contributing toward benefits as PERS	1077
<pre>public safety officers under division (B)(2)(b), (c), or (d) of</pre>	1078
section 145.33 of the Revised Code.	1079
(2) Each public employee contributing toward benefits as PERS	1080
law enforcement officers under division (B)(2)(a) of section	1081
145.33 of the Revised Code shall contribute to the employees'	1082
savings fund ten and one-tenth the rate determined under division	1083
(A)(1) of this section plus an additional percentage specified by	1084
the public employees retirement board, which shall initially be	1085
one per cent of the employee's earnable salary and shall not be	1086
increased to more than two per cent of the employee's earnable	1087
salary.	1088
(B) Notwithstanding section 145.48 of the Revised Code, the	1089
public employees retirement system shall be authorized to	1090
calculate the employer contribution rates separately for those	1091
public employees contributing toward benefits as PERS public	1092
safety officers under division (B)(2)(a) of section 145.33 of the	1093
Revised Code or <u>as PERS law enforcement officers</u> under division	1094
(B)(2)(b), (c) , or (d) of that section, except that the employer	1095
contribution rate shall not exceed eighteen and one-tenth per cent	1096
of the earnable salaries of those employees.	1097
Sec. 145.58. (A) As used in this section, "ineligible	1098

individual" means all of the following:

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- (1) A former member receiving benefits pursuant to section 1100 145.32, 145.33, 145.331, 145.34, or 145.46 of the Revised Code for 1101 whom eliqibility is established more than five years after June 1102 13, 1981, and who, at the time of establishing eligibility, has 1103 accrued less than ten years' service credit, exclusive of credit 1104 obtained pursuant to section 145.297 or 145.298 of the Revised 1105 Code, credit obtained after January 29, 1981, pursuant to section 1106 145.293 or 145.301 of the Revised Code, and credit obtained after 1107 May 4, 1992, pursuant to section 145.28 of the Revised Code; 1108
 - (2) The spouse of the former member;
- (3) The beneficiary of the former member receiving benefits 1110 pursuant to section 145.46 of the Revised Code. 1111
- (B) The public employees retirement board may enter into 1112 agreements with insurance companies, health insuring corporations, 1113 or government agencies authorized to do business in the state for 1114 issuance of a policy or contract of health, medical, hospital, or 1115 surgical benefits, or any combination thereof, for those 1116 individuals receiving age and service retirement or a disability 1117 or survivor benefit subscribing to the plan, or for PERS retirants 1118 employed under section 145.38 of the Revised Code, for coverage of 1119 benefits in accordance with division (D)(2) of section 145.38 of 1120 the Revised Code. Notwithstanding any other provision of this 1121 chapter, the policy or contract may also include coverage for any 1122 eligible individual's spouse and dependent children and for any of 1123 the individual's sponsored dependents as the board determines 1124 appropriate. If all or any portion of the policy or contract 1125 premium is to be paid by any individual receiving age and service 1126 retirement or a disability or survivor benefit, the individual 1127 shall, by written authorization, instruct the board to deduct the 1128 premium agreed to be paid by the individual to the company, 1129 corporation, or agency. 1130

The board may contract for coverage on the basis of part or

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1163

all of the cost of the coverage to be paid from appropriate funds	1132
of the public employees retirement system. The cost paid from the	1133
funds of the system shall be included in the employer's	1134
contribution rate provided by sections 145.48 and 145.51 of the	1135
Revised Code. The board may by rule provide coverage to ineligible	1136
individuals if the coverage is provided at no cost to the	1137
retirement system. The board shall not pay or reimburse the cost	1138
for coverage under this section or section 145.325 of the Revised	1139
Code for any ineligible individual.	1140
The board may provide for self-insurance of risk or level of	1141
risk as set forth in the contract with the companies,	1142
corporations, or agencies, and may provide through the	1143
self-insurance method specific benefits as authorized by rules of	1144
the board.	1145
(C) The board shall, beginning the month following receipt of	1146
satisfactory evidence of the payment for coverage, pay monthly to	1147
each recipient of service retirement, or a disability or survivor	1148
benefit under the public employees retirement system who is	1149
eligible for medical insurance coverage under part B of Title	1150
XVIII of "The Social Security Act," 79 Stat. 301 (1965), 42	1151
U.S.C.A. 1395j, as amended, an amount equal to the basic premium	1152
<u>determined by the board</u> for such coverage <u>that is not less than</u>	1153
ninety-six dollars and forty cents, except that the board shall	1154
make no such payment to any ineligible individual or pay an amount	1155
that exceeds the amount paid by the recipient for the coverage.	1156
At the request of the board, the recipient shall certify to	1157
the retirement system the amount paid by the recipient for	1158
coverage described in this division.	1159
(D) The board shall establish by rule requirements for the	1160
coordination of any coverage, payment, or benefit provided under	1161

this section or section 145.325 of the Revised Code with any

similar coverage, payment, or benefit made available to the same

1194

individual by the Ohio police and fire pension fund, state	1164
teachers retirement system, school employees retirement system, or	1165
state highway patrol retirement system.	1166
(E) The board shall make all other necessary rules pursuant	1167
to the purpose and intent of this section.	1168
Sec. 742.45. (A) The board of trustees of the Ohio police and	1169
fire pension fund may enter into an agreement with insurance	1170
companies, health insuring corporations, or government agencies	1171
authorized to do business in the state for issuance of a policy or	1172
contract of health, medical, hospital, or surgical benefits, or	1173
any combination thereof, for those individuals receiving service	1174
or disability pensions or survivor benefits subscribing to the	1175
plan. Notwithstanding any other provision of this chapter, the	1176
policy or contract may also include coverage for any eligible	1177
individual's spouse and dependent children and for any of the	1178
eligible individual's sponsored dependents as the board considers	1179
appropriate.	1180
If all or any portion of the policy or contract premium is to	1181
be paid by any individual receiving a service, disability, or	1182
survivor pension or benefit, the individual shall, by written	1183
authorization, instruct the board to deduct from the individual's	1184
benefit the premium agreed to be paid by the individual to the	1185
company, corporation, or agency.	1186
The board may contract for coverage on the basis of part or	1187
all of the cost of the coverage to be paid from appropriate funds	1188
of the Ohio police and fire pension fund. The cost paid from the	1189
funds of the Ohio police and fire pension fund shall be included	1190
in the employer's contribution rates provided by sections 742.33	1191
and 742.34 of the Revised Code.	1192

The board may provide for self-insurance of risk or level of

risk as set forth in the contract with the companies,

corporations, or agencies, and may provide through the	1195
self-insurance method specific benefits as authorized by the rules	1196
of the board.	1197
(B) The Except as otherwise provided in this division, the	1198
board shall, beginning the month following receipt of satisfactory	1199
evidence of the payment for coverage, pay monthly to each	1200
recipient of service, disability, or survivor benefits under the	1201
Ohio police and fire pension fund who is eligible for medical	1202
insurance coverage under part B of "The Social Security Amendments	1203
of 1965," 79 Stat. 301, 42 U.S.C.A. 1395j, as amended, an amount	1204
equal to the basic premiums specified by the board or determined	1205
pursuant to a formula established by the board that is not less	1206
than ninety-six dollars and forty cents, for such coverage, except	1207
that the board shall not pay an amount that exceeds the amount	1208
paid by the recipient for the coverage.	1209
The board shall pay not more than one monthly premium under	1210
this division to an eligible benefit recipient even if the	1211
recipient is receiving more than one monthly benefit from the	1212
fund. The board shall not pay a monthly premium under this	1213
division to an eligible benefit recipient who is receiving	1214
reimbursement for the premium from any other source.	1215
(C) The board shall establish by rule requirements for the	1216
coordination of any coverage, payment, or benefit provided under	1217
this section with any similar coverage, payment, or benefit made	1218
available to the same individual by the public employees	1219
retirement system, state teachers retirement system, school	1220
employees retirement system, or state highway patrol retirement	1221
system.	1222
(D) The board shall make all other necessary rules pursuant	1223
to the purpose and intent of this section.	1224

Sec. 742.63. The board of trustees of the Ohio police and

fire pension fund shall adopt rules for the management of the Ohio	1226
public safety officers death benefit fund and for disbursements of	1227
benefits as set forth in this section.	1228
(A) As used in this section:	1229
(1) "Member" means all of the following:	1230
(a) A member of the Ohio police and fire pension fund,	1231
including a member of the fund who has elected to participate in	1232
the deferred retirement option plan established under section	1233
742.43 of the Revised Code or a member of or contributor to a	1234
police or firemen's relief and pension fund established under	1235
former Chapter 521. or 741. of the Revised Code;	1236
(b) A member of the state highway patrol retirement system,	1237
including a member who is participating in the deferred retirement	1238
option plan established under section 5505.50 of the Revised Code;	1239
(c) A member of the public employees retirement system who at	1240
the time of the member's death was one of the following:	1241
(i) A county sheriff or deputy sheriff;	1242
(ii) A full-time regular police officer in a municipal	1243
corporation or township;	1244
(iii) A full-time regular firefighter employed by the state,	1245
an instrumentality of the state, a municipal corporation, a	1246
township, a joint fire district, or another political subdivision;	1247
(iv) A full-time park district ranger or patrol trooper;	1248
(v) A full-time law enforcement officer of the department of	1249
natural resources;	1250
(vi) A full-time department of public safety enforcement	1251
agent;	1252
(vii) A full-time law enforcement officer of parks, waterway	1253
lands, or reservoir lands under the control of a municipal	1254

district, the police department of a township or municipal

corporation, and the police force of a state university.	1286
(3) "Firefighter or police officer" includes a state highway	1287
patrol trooper, a county sheriff or deputy sheriff, a correction	1288
officer at an institution under the control of a county, a group	1289
of counties, a municipal corporation, or the department of	1290
rehabilitation and correction, a police officer employed by a	1291
township or municipal corporation, a firefighter employed by the	1292
state, an instrumentality of the state, a municipal corporation, a	1293
township, a joint fire district, or another political subdivision,	1294
a full-time park district ranger or patrol trooper, a full-time	1295
law enforcement officer of the department of natural resources, a	1296
full-time department of public safety enforcement agent, a	1297
full-time law enforcement officer of parks, waterway lands, or	1298
reservoir lands under the control of a municipal corporation, a	1299
full-time law enforcement officer of a conservancy district, and a	1300
state university law enforcement officer.	1301
(4) "Correction officer" includes, in addition to any	1302
correction officer, any correction corporal, sergeant, lieutenant,	1303
or captain, and the equivalents of all such persons.	1304
(5) "A park district ranger or patrol trooper" means a peace	1305
officer commissioned to make arrests, execute warrants, and	1306
preserve the peace upon lands under the control of a board of park	1307
commissioners of a metropolitan, county, or township park	1308
district.	1309
(6) "Metropolitan, county, or township park district" means a	1310
park district created under the authority of Chapter 511. or 1545.	1311
of the Revised Code.	1312
(7) "Conservancy district" means a conservancy district	1313
created under the authority of Chapter 6101. of the Revised Code.	1314
(8) "Law enforcement officer" means an officer commissioned	1315

to make arrests, execute warrants, and preserve the peace upon

(B) A spouse of a deceased member shall receive a death

benefit each month equal to the full death benefit amount,	1348
provided that the deceased member was a firefighter or police	1349
officer killed in the line of duty and there are no surviving	1350
children eligible for a benefit under this section. The spouse	1351
shall receive this benefit during the spouse's natural life until	1352
the deceased member's retirement eligibility date, on which date	1353
the benefit provided under this division shall terminate.	1354
(C)(1) If a member killed in the line of duty as a	1355
firefighter or police officer is survived only by a child or	1356
children, the child or children shall receive a benefit each month	1357
equal to the full death benefit amount. If there is more than one	1358
surviving child, the benefit shall be divided equally among these	1359
children.	1360
(2) If the death benefit paid under this division is divided	1361
among two or more surviving children and any of the children	1362
become ineligible to continue receiving a portion of the benefit	1363
as provided in division (H) of this section, the full death	1364
benefit amount shall be paid to the remaining eligible child or	1365
divided among the eligible children so that the benefit paid to	1366
the remaining eligible child or children equals the full death	1367
benefit amount.	1368
(3) Notwithstanding divisions $(C)(1)$ and (2) of this section,	1369
all death benefits paid under this division shall terminate on the	1370
deceased member's retirement eligibility date.	1371
(D) If a member killed in the line of duty as a firefighter	1372
or police officer is survived by both a spouse and a child or	1373
children, the monthly benefit provided shall be as follows:	1374
(1)(a) If there is a surviving spouse and one surviving	1375
child, the spouse shall receive an amount each month equal to	1376
one-half of the full death benefit amount and the child shall	1377

receive an amount equal to one-half of the full death benefit

amount.	1379
(b) If the surviving spouse dies or the child becomes	1380
ineligible as provided in division (H) of this section, the	1381
surviving spouse or child remaining eligible shall receive the	1382
full death benefit amount.	1383
(2)(a) If there is a surviving spouse and more than one	1384
child, the spouse shall receive an amount each month equal to	1385
one-third of the full death benefit amount and the children shall	1386
receive an amount, equally divided among them, equal to two-thirds	1387
of the full death benefit amount.	1388
(b) If a spouse and more than one child each are receiving a	1389
death benefit under division (D)(2)(a) of this section and the	1390
spouse dies, the children shall receive an amount each month,	1391
equally divided among them, equal to the full death benefit	1392
amount.	1393
(c) If a spouse and more than one child each are receiving a	1394
benefit under division (D)(2)(a) of this section and any of the	1395
children becomes ineligible to receive a benefit as provided in	1396
division (H) of this section, the spouse and remaining eligible	1397
child or children shall receive a death benefit as follows:	1398
(i) If there are two or more remaining eligible children, the	1399
spouse shall receive an amount each month equal to one-third of	1400
the full death benefit amount and the children shall receive an	1401
amount each month, equally divided among them, equal to two-thirds	1402
of the full death benefit amount;	1403
(ii) If there is one remaining eligible child, the spouse	1404
shall receive an amount each month equal to one-half of the full	1405
death benefit amount, and the child shall receive an amount each	1406
month equal to one-half of the full death benefit amount.	1407
(d) If a spouse and more than one child each are receiving a	1408

benefit under division (D)(2)(a) of this section and all of the

duty.

children become ineligible to receive a benefit as provided in	1410
division (H) of this section, the spouse shall receive the full	1411
death benefit amount.	1412
(3) Notwithstanding divisions (D)(1) and (2) of this section,	1413
death benefits paid under this division to a surviving spouse	1414
shall terminate on the member's retirement eligibility date. Death	1415
benefits paid to a surviving child or children shall terminate on	1416
the deceased member's retirement eligibility date unless earlier	1417
terminated pursuant to division (H) of this section.	1418
(E) If a member, on or after January 1, 1980, is killed in	1419
the line of duty as a firefighter or police officer and is	1420
survived by only a parent or parents dependent upon the member for	1421
support, the parent or parents shall receive an amount each month	1422
equal to the full death benefit amount. If there is more than one	1423
surviving parent dependent upon the deceased member for support,	1424
the death benefit amount shall be divided equally among the	1425
surviving parents. On the death of one of the surviving parents,	1426
the full death benefit amount shall be paid to the other parent.	1427
(F)(1) The following shall receive a monthly death benefit	1428
under this division:	1429
(a) A surviving spouse whose benefits are terminated in	1430
accordance with division (B) or (D)(3) of this section on the	1431
deceased member's retirement eligibility date, or who would	1432
qualify for a benefit under division (B) or (D) of this section	1433
except that the deceased member reached the member's retirement	1434
eligibility date prior to the member's death;	1435
(b) A qualified surviving spouse of a deceased member of or	1436
contributor to a police or firemen's relief and pension fund	1437
established under former Chapter 521. or 741. of the Revised Code	1438
who was a firefighter or police officer killed in the line of	1439

- (2) The monthly death benefit shall be one-half of an amount 1441 equal to the monthly salary received by the deceased member prior 1442 to the member's death, plus any salary increases the deceased 1443 member would have received prior to the member's retirement 1444 eligibility date. The benefit shall terminate on the surviving 1445 spouse's death. A death benefit payable under this division shall 1446 be reduced by an amount equal to any allowance or benefit payable 1447 to the surviving spouse under section 742.3714 of the Revised 1448 Code. 1449
- (3) A benefit granted to a surviving spouse under division 1450 (F)(1)(b) of this section shall commence on the first day of the 1451 month immediately following receipt by the board of a completed 1452 application on a form provided by the board and any evidence the 1453 board may require to establish that the deceased spouse was killed 1454 in the line of duty.
- (G)(1) If there is not a surviving spouse eligible to receive 1456 a death benefit under division (F) of this section or the 1457 surviving spouse receiving a death benefit under that division 1458 dies, a surviving child or children whose benefits under division 1459 (C) or (D) of this section are or have been terminated pursuant to 1460 division (C)(3) or (D)(3) of this section or who would qualify for 1461 a benefit under division (C) or (D) of this section except that 1462 the deceased member reached the member's retirement eligibility 1463 date prior to the member's death shall receive a monthly death 1464 benefit under this division. The monthly death benefit shall be 1465 one-half of an amount equal to the monthly salary received by the 1466 deceased member prior to the member's death, plus any salary 1467 increases the member would have received prior to the member's 1468 retirement eligibility date. If there is more than one surviving 1469 child, the benefit shall be divided equally among the surviving 1470 children. 1471
 - (2) If two or more surviving children each are receiving a

benefit under this division and any of those children becomes	1473
ineligible to continue receiving a benefit as provided in division	1474
(H) of this section, the remaining eligible child or children	1475
shall receive an amount equal to one-half of the monthly salary	1476
received by the deceased member prior to death, plus any salary	1477
increases the deceased member would have received prior to the	1478
retirement eligibility date. If there is more than one remaining	1479
eligible child, the benefit shall be divided equally among the	1480
eligible children.	1481

- (3) A death benefit, or portion of a death benefit, payable 1482 to a surviving child under this division shall be reduced by an 1483 amount equal to any allowance or benefit payable to that child 1484 under section 742.3714 of the Revised Code, but the reduction in 1485 that child's benefit shall not affect the amount payable to any 1486 other surviving child entitled to a portion of the death benefit. 1487
- (H) A death benefit paid to a surviving child under division 1488 (C), (D), or (G) of this section shall terminate on the death of 1489 the child or, unless one of the following is the case, when the child reaches age eighteen: 1491
- (1) The child, because of physical or mental disability, is 1492 unable to provide the child's own support, in which case the death 1493 benefit shall terminate when the disability is removed; 1494
- (2) The child is unmarried, under age twenty-two, and a 1495 student in and attending an institution of learning or training 1496 pursuant to a program designed to complete in each school year the 1497 equivalent of at least two-thirds of the full-time curriculum 1498 requirements of the institution, as determined by the trustees of 1499 the fund.
- (I) Acceptance of any death benefit under this section does 1501 not prohibit a spouse or child from receiving other benefits 1502 provided under the Ohio police and fire pension fund, the state 1503

As Passed by the House	
highway patrol retirement system, the public employees retirement	1504
system, or a retirement system operated by a municipal	1505
corporation.	1506
(J) No person shall receive a benefit under this section if	1507
any of the following occur:	1508
(1) The person fails to exercise the right to a monthly	1509
survivor benefit under division (A) or (B) of section 145.45,	1510
division (D), (E), or (F) of section 742.37 , or division (A)(3),	1511
(4), or (7) of section 5505.17 of the Revised Code; to a monthly	1512
survivor benefit from a retirement system operated by a municipal	1513
corporation; or to a retirement allowance under section 742.3714	1514
of the Revised Code.	1515
(2) The member's accumulated contributions under this chapter	1516
or Chapter 145. or 5505. of the Revised Code are refunded unless	1517
the member had been a member of the public employees retirement	1518
system and had fewer than eighteen months of total service credit	1519
at the time of death.	1520
(3) In the case of a full-time park district ranger or patrol	1521

trooper, a full-time law enforcement officer of the department of 1522 natural resources, a full-time law enforcement officer of parks, 1523 waterway lands, or reservoir lands under the control of a 1524 municipal corporation, a full-time law enforcement officer of a 1525 conservancy district, a correction officer at an institution under 1526 the control of a county, group of counties, or municipal 1527 corporation, or a member of a retirement system operated by a 1528 municipal corporation who at the time of the member's death was a 1529 full-time law enforcement officer of parks, waterway lands, or 1530 reservoir lands under the control of the municipal corporation, 1531 the member died prior to April 9, 1981, in the case of a benefit 1532 under division (B), (C), or (D) of this section, or prior to 1533 January 1, 1980, in the case of a benefit under division (E) of 1534 this section. 1535

Code are hereby repealed.

(4) In the case of a full-time department of public safety	1536
enforcement agent who prior to June 30, 1999, was a liquor control	1537
investigator of the department of public safety, the member died	1538
prior to December 23, 1986;	1539
(5) In the case of a full-time department of public safety	1540
enforcement agent other than an enforcement agent who, prior to	1541
June 30, 1999, was a liquor control investigator, the member died	1542
prior to June 30, 1999.	1543
(K) A surviving spouse whose benefit was terminated prior to	1544
June 30, 1999, due to remarriage shall receive a benefit under	1545
division (B), (D), or (F) of this section beginning on the first	1546
day of the month following receipt by the board of an application	1547
on a form provided by the board. The benefit amount shall be	1548
determined as of that date.	1549
(1) If the benefit will begin prior to the deceased member's	1550
retirement eligibility date, it shall be paid under division (B)	1551
or (D) of this section and shall terminate as provided in those	1552
divisions. A benefit paid to a surviving spouse under division (D)	1553
of this section shall be determined in accordance with that	1554
division, even if benefits paid to surviving children are reduced	1555
as a result.	1556
(2) If the benefit will begin on or after the deceased	1557
member's retirement eligibility date, it shall be paid under	1558
division (F) of this section and shall terminate as provided in	1559
that division. A benefit paid to a surviving spouse under division	1560
(F) of this section shall be determined in accordance with that	1561
division, even if benefits paid to surviving children are	1562
terminated as a result.	1563
Section 2. That existing sections 145.01, 145.19, 145.191,	1564
145.33, 145.35, 145.49, 145.58, 742.45, and 742.63 of the Revised	1565

As Passed by the House	
Section 3. The intent of the General Assembly in the	1567
amendments made in this act to divisions (WW) and (YY) of section	1568
145.01 and division (E)(3)(m) of section 145.33 of the Revised	1569
Code is to provide that service as a municipal public safety	1570
director earned on or after the effective date of this section	1571
shall not be used in calculation of benefits under divisions (B)	1572
to (E) of section 145.33 of the Revised Code. The amendments are	1573
not intended to prohibit the use of such service for calculation	1574

of benefits under those divisions for service prior to the

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effective date of this section.

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