

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

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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,
Mumper, Mason, Smith, Amstutz, Padgett
Representatives Stewart, D., Hite, Zehringer**

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A B I L L

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

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

Section 1. That sections 145.01, 145.19, 145.191, 145.33, 8
145.35, 145.49, 145.58, 742.45 be amended and section 145.2914 of 9
the Revised Code be enacted to read as follows: 10

Sec. 145.01. As used in this chapter: 11

(A) "Public employee" means: 12

(1) Any person holding an office, not elective, under the 13
state or any county, township, municipal corporation, park 14

district, conservancy district, sanitary district, health 15
district, metropolitan housing authority, state retirement board, 16
Ohio historical society, public library, county law library, union 17
cemetery, joint hospital, institutional commissary, state 18
university, or board, bureau, commission, council, committee, 19
authority, or administrative body as the same are, or have been, 20
created by action of the general assembly or by the legislative 21
authority of any of the units of local government named in 22
division (A)(1) of this section, or employed and paid in whole or 23
in part by the state or any of the authorities named in division 24
(A)(1) of this section in any capacity not covered by section 25
742.01, 3307.01, 3309.01, or 5505.01 of the Revised Code. 26

(2) A person who is a member of the public employees 27
retirement system and who continues to perform the same or similar 28
duties under the direction of a contractor who has contracted to 29
take over what before the date of the contract was a publicly 30
operated function. The governmental unit with which the contract 31
has been made shall be deemed the employer for the purposes of 32
administering this chapter. 33

(3) Any person who is an employee of a public employer, 34
notwithstanding that the person's compensation for that employment 35
is derived from funds of a person or entity other than the 36
employer. Credit for such service shall be included as total 37
service credit, provided that the employee makes the payments 38
required by this chapter, and the employer makes the payments 39
required by sections 145.48 and 145.51 of the Revised Code. 40

(4) A person who elects in accordance with section 145.015 of 41
the Revised Code to remain a contributing member of the public 42
employees retirement system. 43

In all cases of doubt, the public employees retirement board 44
shall determine whether any person is a public employee, and its 45
decision is final. 46

(B) "Member" means any public employee, other than a public 47
employee excluded or exempted from membership in the retirement 48
system by section 145.03, 145.031, 145.032, 145.033, 145.034, 49
145.035, or 145.38 of the Revised Code. "Member" includes a PERS 50
retirant who becomes a member under division (C) of section 145.38 51
of the Revised Code. "Member" also includes a disability benefit 52
recipient. 53

(C) "Head of the department" means the elective or appointive 54
head of the several executive, judicial, and administrative 55
departments, institutions, boards, and commissions of the state 56
and local government as the same are created and defined by the 57
laws of this state or, in case of a charter government, by that 58
charter. 59

(D) "Employer" or "public employer" means the state or any 60
county, township, municipal corporation, park district, 61
conservancy district, sanitary district, health district, 62
metropolitan housing authority, state retirement board, Ohio 63
historical society, public library, county law library, union 64
cemetery, joint hospital, institutional commissary, state medical 65
college, state university, or board, bureau, commission, council, 66
committee, authority, or administrative body as the same are, or 67
have been, created by action of the general assembly or by the 68
legislative authority of any of the units of local government 69
named in this division not covered by section 742.01, 3307.01, 70
3309.01, or 5505.01 of the Revised Code. In addition, "employer" 71
means the employer of any public employee. 72

(E) "Prior service" means all service as a public employee 73
rendered before January 1, 1935, and all service as an employee of 74
any employer who comes within the state teachers retirement system 75
or of the school employees retirement system or of any other 76
retirement system established under the laws of this state 77
rendered prior to January 1, 1935, provided that if the employee 78

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

If an employee who has been granted prior service credit by 91
the public employees retirement system for service rendered prior 92
to January 1, 1935, as an employee of a board of education 93
establishes, before retirement, one year or more of contributing 94
service in the state teachers retirement system or school 95
employees retirement system, then the prior service ceases to be 96
the liability of this system. 97

If the board determines that a position of any member in any 98
calendar year prior to January 1, 1935, was a part-time position, 99
the board shall determine what fractional part of a year's credit 100
shall be allowed by the following formula: 101

(1) When the member has been either elected or appointed to 102
an office the term of which was two or more years and for which an 103
annual salary is established, the fractional part of the year's 104
credit shall be computed as follows: 105

First, when the member's annual salary is one thousand 106
dollars or less, the service credit for each such calendar year 107
shall be forty per cent of a year. 108

Second, for each full one hundred dollars of annual salary 109

above one thousand dollars, the member's service credit for each 110
such calendar year shall be increased by two and one-half per 111
cent. 112

(2) When the member is paid on a per diem basis, the service 113
credit for any single year of the service shall be determined by 114
using the number of days of service for which the compensation was 115
received in any such year as a numerator and using two hundred 116
fifty days as a denominator. 117

(3) When the member is paid on an hourly basis, the service 118
credit for any single year of the service shall be determined by 119
using the number of hours of service for which the compensation 120
was received in any such year as a numerator and using two 121
thousand hours as a denominator. 122

(F) "Contributor" means any person who has an account in the 123
employees' savings fund created by section 145.23 of the Revised 124
Code. When used in the sections listed in division (B) of section 125
145.82 of the Revised Code, "contributor" includes any person 126
participating in a PERS defined contribution plan. 127

(G) "Beneficiary" or "beneficiaries" means the estate or a 128
person or persons who, as the result of the death of a member, 129
contributor, or retirant, qualify for or are receiving some right 130
or benefit under this chapter. 131

(H)(1) "Total service credit," except as provided in section 132
145.37 of the Revised Code, means all service credited to a member 133
of the retirement system since last becoming a member, including 134
restored service credit as provided by section 145.31 of the 135
Revised Code; credit purchased under sections 145.293 and 145.299 136
of the Revised Code; all the member's prior service credit; all 137
the member's military service credit computed as provided in this 138
chapter; all service credit established pursuant to section 139
145.297 of the Revised Code; and any other service credited under 140

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

(2) "One and one-half years of contributing service credit," 150
as used in division (B) of section 145.45 of the Revised Code, 151
also means eighteen or more calendar months of employment by a 152
municipal corporation that formerly operated its own retirement 153
plan for its employees or a part of its employees, provided that 154
all employees of that municipal retirement plan who have eighteen 155
or more months of such employment, upon establishing membership in 156
the public employees retirement system, shall make a payment of 157
the contributions they would have paid had they been members of 158
this system for the eighteen months of employment preceding the 159
date membership was established. When that payment has been made 160
by all such employee members, a corresponding payment shall be 161
paid into the employers' accumulation fund by that municipal 162
corporation as the employer of the employees. 163

(3) Where a member also is a member of the state teachers 164
retirement system or the school employees retirement system, or 165
both, except in cases of retirement on a combined basis pursuant 166
to section 145.37 of the Revised Code or as provided in section 167
145.383 of the Revised Code, service credit for any period shall 168
be credited on the basis of the ratio that contributions to the 169
public employees retirement system bear to total contributions in 170
all state retirement systems. 171

(4) Not more than one year of credit may be given for any 172

period of twelve months.	173
(5) "Ohio service credit" means credit for service that was rendered to the state or any of its political subdivisions or any employer.	174 175 176
(I) "Regular interest" means interest at any rates for the respective funds and accounts as the public employees retirement board may determine from time to time.	177 178 179
(J) "Accumulated contributions" means the sum of all amounts credited to a contributor's individual account in the employees' savings fund together with any interest credited to the contributor's account under section 145.471 or 145.472 of the Revised Code.	180 181 182 183 184
(K)(1) "Final average salary" means the quotient obtained by dividing by three the sum of the three full calendar years of contributing service in which the member's earnable salary was highest, except that if the member has a partial year of contributing service in the year the member's employment terminates and the member's earnable salary for the partial year is higher than for any comparable period in the three years, the member's earnable salary for the partial year shall be substituted for the member's earnable salary for the comparable period during the three years in which the member's earnable salary was lowest.	185 186 187 188 189 190 191 192 193 194
(2) If a member has less than three years of contributing service, the member's final average salary shall be the member's total earnable salary divided by the total number of years, including any fraction of a year, of the member's contributing service.	195 196 197 198 199
(3) For the purpose of calculating benefits payable to a member qualifying for service credit under division (Z) of this section, "final average salary" means the total earnable salary on which contributions were made divided by the total number of years	200 201 202 203

during which contributions were made, including any fraction of a	204
year. If contributions were made for less than twelve months,	205
"final average salary" means the member's total earnable salary.	206
(L) "Annuity" means payments for life derived from	207
contributions made by a contributor and paid from the annuity and	208
pension reserve fund as provided in this chapter. All annuities	209
shall be paid in twelve equal monthly installments.	210
(M) "Annuity reserve" means the present value, computed upon	211
the basis of the mortality and other tables adopted by the board,	212
of all payments to be made on account of any annuity, or benefit	213
in lieu of any annuity, granted to a retirant as provided in this	214
chapter.	215
(N)(1) "Disability retirement" means retirement as provided	216
in section 145.36 of the Revised Code.	217
(2) "Disability allowance" means an allowance paid on account	218
of disability under section 145.361 of the Revised Code.	219
(3) "Disability benefit" means a benefit paid as disability	220
retirement under section 145.36 of the Revised Code, as a	221
disability allowance under section 145.361 of the Revised Code, or	222
as a disability benefit under section 145.37 of the Revised Code.	223
(4) "Disability benefit recipient" means a member who is	224
receiving a disability benefit.	225
(O) "Age and service retirement" means retirement as provided	226
in sections 145.32, 145.33, 145.331, 145.34, 145.37, and 145.46 of	227
the Revised Code.	228
(P) "Pensions" means annual payments for life derived from	229
contributions made by the employer that at the time of retirement	230
are credited into the annuity and pension reserve fund from the	231
employers' accumulation fund and paid from the annuity and pension	232
reserve fund as provided in this chapter. All pensions shall be	233

paid in twelve equal monthly installments. 234

(Q) "Retirement allowance" means the pension plus that 235
portion of the benefit derived from contributions made by the 236
member. 237

(R)(1) Except as otherwise provided in division (R) of this 238
section, "earnable salary" means all salary, wages, and other 239
earnings paid to a contributor by reason of employment in a 240
position covered by the retirement system. The salary, wages, and 241
other earnings shall be determined prior to determination of the 242
amount required to be contributed to the employees' savings fund 243
under section 145.47 of the Revised Code and without regard to 244
whether any of the salary, wages, or other earnings are treated as 245
deferred income for federal income tax purposes. "Earnable salary" 246
includes the following: 247

(a) Payments made by the employer in lieu of salary, wages, 248
or other earnings for sick leave, personal leave, or vacation used 249
by the contributor; 250

(b) Payments made by the employer for the conversion of sick 251
leave, personal leave, and vacation leave accrued, but not used if 252
the payment is made during the year in which the leave is accrued, 253
except that payments made pursuant to section 124.383 or 124.386 254
of the Revised Code are not earnable salary; 255

(c) Allowances paid by the employer for full maintenance, 256
consisting of housing, laundry, and meals, as certified to the 257
retirement board by the employer or the head of the department 258
that employs the contributor; 259

(d) Fees and commissions paid under section 507.09 of the 260
Revised Code; 261

(e) Payments that are made under a disability leave program 262
sponsored by the employer and for which the employer is required 263
by section 145.296 of the Revised Code to make periodic employer 264

and employee contributions;	265
(f) Amounts included pursuant to divisions (K)(3) and (Y) of this section.	266 267
(2) "Earnable salary" does not include any of the following:	268
(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;	269 270 271 272
(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;	273 274 275 276 277
(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;	278 279 280 281
(d) Reimbursement for job-related expenses authorized by the employer, including moving and travel expenses and expenses related to professional development;	282 283 284
(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;	285 286 287 288
(f) Payments made to or on behalf of a contributor that are in excess of the annual compensation that may be taken into account by the retirement system under division (a)(17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401(a)(17), as amended;	289 290 291 292 293
(g) Payments made under division (B), (C), or (E) of section	294

5923.05 of the Revised Code, Section 4 of Substitute Senate Bill 295
No. 3 of the 119th general assembly, Section 3 of Amended 296
Substitute Senate Bill No. 164 of the 124th general assembly, or 297
Amended Substitute House Bill No. 405 of the 124th general 298
assembly; 299

(h) Anything of value received by the contributor that is 300
based on or attributable to retirement or an agreement to retire, 301
except that payments made on or before January 1, 1989, that are 302
based on or attributable to an agreement to retire shall be 303
included in earnable salary if both of the following apply: 304

(i) The payments are made in accordance with contract 305
provisions that were in effect prior to January 1, 1986; 306

(ii) The employer pays the retirement system an amount 307
specified by the retirement board equal to the additional 308
liability resulting from the payments. 309

(3) The retirement board shall determine by rule whether any 310
compensation not enumerated in division (R) of this section is 311
earnable salary, and its decision shall be final. 312

(S) "Pension reserve" means the present value, computed upon 313
the basis of the mortality and other tables adopted by the board, 314
of all payments to be made on account of any retirement allowance 315
or benefit in lieu of any retirement allowance, granted to a 316
member or beneficiary under this chapter. 317

(T)(1) "Contributing service" means all service credited to a 318
member of the system since January 1, 1935, for which 319
contributions are made as required by sections 145.47, 145.48, and 320
145.483 of the Revised Code. In any year subsequent to 1934, 321
credit for any service shall be allowed by the following formula: 322

(a) For each month for which the member's earnable salary is 323
two hundred fifty dollars or more, allow one month's credit. 324

(b) For each month for which the member's earnable salary is 325
less than two hundred fifty dollars, allow a fraction of a month's 326
credit. The numerator of this fraction shall be the earnable 327
salary during the month, and the denominator shall be two hundred 328
fifty dollars, except that if the member's annual earnable salary 329
is less than six hundred dollars, the member's credit shall not be 330
reduced below twenty per cent of a year for a calendar year of 331
employment during which the member worked each month. Division 332
(T)(1)(b) of this section shall not reduce any credit earned 333
before January 1, 1985. 334

(2) Notwithstanding division (T)(1) of this section, an 335
elected official who prior to January 1, 1980, was granted a full 336
year of credit for each year of service as an elected official 337
shall be considered to have earned a full year of credit for each 338
year of service regardless of whether the service was full-time or 339
part-time. The public employees retirement board has no authority 340
to reduce the credit. 341

(U) "State retirement board" means the public employees 342
retirement board, the school employees retirement board, or the 343
state teachers retirement board. 344

(V) "Retirant" means any former member who retires and is 345
receiving a monthly allowance as provided in sections 145.32, 346
145.33, 145.331, 145.34, and 145.46 of the Revised Code. 347

(W) "Employer contribution" means the amount paid by an 348
employer as determined under section 145.48 of the Revised Code. 349

(X) "Public service terminates" means the last day for which 350
a public employee is compensated for services performed for an 351
employer or the date of the employee's death, whichever occurs 352
first. 353

(Y) When a member has been elected or appointed to an office, 354
the term of which is two or more years, for which an annual salary 355

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

(Z) "Five years of service credit," for the exclusive purpose 386
of satisfying the service credit requirements and of determining 387
eligibility for benefits under section 145.33 of the Revised Code, 388

means employment covered under this chapter or under a former 389
retirement plan operated, recognized, or endorsed by the employer 390
prior to coverage under this chapter or under a combination of the 391
coverage. 392

(AA) "Deputy sheriff" means any person who is commissioned 393
and employed as a full-time peace officer by the sheriff of any 394
county, and has been so employed since on or before December 31, 395
1965, ~~and whose primary duties are to preserve the peace, to~~ 396
~~protect life and property, and to enforce the laws of this state;~~ 397
any person who is or has been commissioned and employed as a peace 398
officer by the sheriff of any county since January 1, 1966, and 399
who has received a certificate attesting to the person's 400
satisfactory completion of the peace officer training school as 401
required by section 109.77 of the Revised Code ~~and whose primary~~ 402
~~duties are to preserve the peace, protect life and property, and~~ 403
~~enforce the laws of this state;~~ or any person deputized by the 404
sheriff of any county and employed pursuant to section 2301.12 of 405
the Revised Code as a criminal bailiff or court constable who has 406
received a certificate attesting to the person's satisfactory 407
completion of the peace officer training school as required by 408
section 109.77 of the Revised Code ~~and whose primary duties are to~~ 409
~~preserve the peace, protect life and property, and enforce the~~ 410
~~laws of this state.~~ 411

(BB) "Township constable or police officer in a township 412
police department or district" means any person who is 413
commissioned and employed as a full-time peace officer pursuant to 414
Chapter 505. or 509. of the Revised Code, who has received a 415
certificate attesting to the person's satisfactory completion of 416
the peace officer training school as required by section 109.77 of 417
the Revised Code, ~~and whose primary duties are to preserve the~~ 418
~~peace, protect life and property, and enforce the laws of this~~ 419
~~state.~~ 420

(CC) "Drug agent" means any person who is either of the 421
following: 422

(1) Employed ~~full-time~~ full time as a narcotics agent by a 423
county narcotics agency created pursuant to section 307.15 of the 424
Revised Code and has received a certificate attesting to the 425
satisfactory completion of the peace officer training school as 426
required by section 109.77 of the Revised Code; 427

(2) Employed ~~full-time~~ full time as an undercover drug agent 428
as defined in section 109.79 of the Revised Code and is in 429
compliance with section 109.77 of the Revised Code. 430

(DD) "Department of public safety enforcement agent" means a 431
full-time employee of the department of public safety who is 432
designated under section 5502.14 of the Revised Code as an 433
enforcement agent and who is in compliance with section 109.77 of 434
the Revised Code. 435

(EE) "Natural resources law enforcement staff officer" means 436
a full-time employee of the department of natural resources who is 437
designated a natural resources law enforcement staff officer under 438
section 1501.013 of the Revised Code and is in compliance with 439
section 109.77 of the Revised Code. 440

(FF) "Park officer" means a full-time employee of the 441
department of natural resources who is designated a park officer 442
under section 1541.10 of the Revised Code and is in compliance 443
with section 109.77 of the Revised Code. 444

(GG) "Forest officer" means a full-time employee of the 445
department of natural resources who is designated a forest officer 446
under section 1503.29 of the Revised Code and is in compliance 447
with section 109.77 of the Revised Code. 448

(HH) "Preserve officer" means a full-time employee of the 449
department of natural resources who is designated a preserve 450
officer under section 1517.10 of the Revised Code and is in 451

compliance with section 109.77 of the Revised Code. 452

(II) "Wildlife officer" means a full-time employee of the 453
department of natural resources who is designated a wildlife 454
officer under section 1531.13 of the Revised Code and is in 455
compliance with section 109.77 of the Revised Code. 456

(JJ) "State watercraft officer" means a full-time employee of 457
the department of natural resources who is designated a state 458
watercraft officer under section 1547.521 of the Revised Code and 459
is in compliance with section 109.77 of the Revised Code. 460

(KK) "Park district police officer" means a full-time 461
employee of a park district who is designated pursuant to section 462
511.232 or 1545.13 of the Revised Code and is in compliance with 463
section 109.77 of the Revised Code. 464

(LL) "Conservancy district officer" means a full-time 465
employee of a conservancy district who is designated pursuant to 466
section 6101.75 of the Revised Code and is in compliance with 467
section 109.77 of the Revised Code. 468

(MM) "Municipal police officer" means a member of the 469
organized police department of a municipal corporation who is 470
employed ~~full-time~~ full time, is in compliance with section 109.77 471
of the Revised Code, and is not a member of the Ohio police and 472
fire pension fund. 473

(NN) "Veterans' home police officer" means any person who is 474
employed at a veterans' home as a police officer pursuant to 475
section 5907.02 of the Revised Code and is in compliance with 476
section 109.77 of the Revised Code. 477

(OO) "Special police officer for a mental health institution" 478
means any person who is designated as such pursuant to section 479
5119.14 of the Revised Code and is in compliance with section 480
109.77 of the Revised Code. 481

(PP) "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) "State university law enforcement officer" means any person who is employed ~~full-time~~ 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) "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) "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) "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) "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.

(VV) "Municipal public safety director" means a person who serves ~~full-time~~ full time as the public safety director of a municipal corporation with the duty of directing the activities of

the municipal corporation's police department and fire department. 513

(WW) Notwithstanding section 2901.01 of the Revised Code, 514
"PERS law enforcement officer" means a sheriff, or any of the 515
following whose primary duties are to preserve the peace, protect 516
life and property, and enforce the laws of this state: a deputy 517
sheriff, township constable or police officer in a township police 518
department or district, drug agent, ~~municipal public safety~~ 519
~~director~~, department of public safety enforcement agent, natural 520
resources law enforcement staff officer, park officer, forest 521
officer, preserve officer, wildlife officer, state watercraft 522
officer, park district police officer, conservancy district 523
officer, veterans' home police officer, special police officer for 524
a mental health institution, special police officer for an 525
institution for the mentally retarded and developmentally 526
disabled, state university law enforcement officer, municipal 527
police officer, house sergeant at arms, assistant house sergeant 528
at arms, regional transit authority police officer, or state 529
highway patrol police officer. PERS law enforcement officer also 530
includes a person serving as a municipal public safety director at 531
any time during the period from September 29, 2005 to the 532
effective date of this amendment, if the duties of that service 533
were to preserve the peace, protect life and property, and enforce 534
the laws of this state. 535

(XX) "Hamilton county municipal court bailiff" means a person 536
appointed by the clerk of courts of the Hamilton county municipal 537
court under division (A)(3) of section 1901.32 of the Revised Code 538
who is employed full time as a bailiff or deputy bailiff, who has 539
received a certificate attesting to the person's satisfactory 540
completion of the peace officer basic training described in 541
division (D)(1) of section 109.77 of the Revised Code, ~~and whose~~ 542
~~primary duties are to preserve the peace, to protect life and~~ 543
~~property, and to enforce the laws of this state.~~ 544

(YY) "PERS public safety officer" means a Hamilton county municipal court bailiff, or any of the following whose primary duties are other than to preserve the peace, protect life and property, and enforce the laws of this state: a deputy sheriff, township constable or police officer in a township police department or district, drug agent, department of public safety enforcement agent, natural resources law enforcement staff officer, park officer, forest officer, preserve officer, wildlife officer, state watercraft officer, park district police officer, conservancy district officer, veterans' home police officer, special police officer for a mental health institution, special police officer for an institution for the mentally retarded and developmentally disabled, state university law enforcement officer, municipal police officer, house sergeant at arms, assistant house sergeant at arms, regional transit authority police officer, or state highway patrol police officer. PERS public safety officer also includes a person serving as a municipal public safety director at any time during the period from September 29, 2005 to the effective date of this amendment, if the duties of that service were other than to preserve the peace, protect life and property, and enforce the laws of this state.

(ZZ) "Fiduciary" means a person who does any of the following:

(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)~~(AAA) "Actuary" means an individual who satisfies all of 576
the following requirements: 577

(1) Is a member of the American academy of actuaries; 578

(2) Is an associate or fellow of the society of actuaries; 579

(3) Has a minimum of five years' experience in providing 580
actuarial services to public retirement plans. 581

~~(AAA)~~(BBB) "PERS defined benefit plan" means the plan 582
described in sections 145.201 to 145.79 of the Revised Code. 583

~~(BBB)~~(CCC) "PERS defined contribution plans" means the plan 584
or plans established under section 145.81 of the Revised Code. 585

Sec. 145.19. (A) Except as provided in division (D) of this 586
section, an individual who becomes employed in a position subject 587
to this chapter on or after the date on which the public employees 588
retirement board first establishes a PERS defined contribution 589
plan shall make an election under this section. Not later than one 590
hundred eighty days after the date on which employment begins, the 591
individual shall elect to participate either in the PERS defined 592
benefit plan or a PERS defined contribution plan. If a form 593
evidencing an election under this section is not received by the 594
public employees retirement system not later than the last day of 595
the one-hundred-eighty-day period, the individual is deemed to 596
have elected to participate in the PERS defined benefit plan. 597

(B) An election under this section shall be made in writing 598
on a form provided by the system and filed with the system. 599

(C) An election under this section shall take effect on the 600
date employment began and, except as provided in section 145.814 601
of the Revised Code or rules governing the PERS defined benefit 602
plan, is irrevocable on receipt by the system. 603

(D) An individual is ineligible to make an election under 604
this section if one of the following applies: 605

(1) At the time employment begins, the individual is a PERS 606
retirant or other system retirant, as those terms are defined in 607
section 145.38 of the Revised Code, or is retired under section 608
145.383 of the Revised Code. 609

(2) The individual is participating or has elected to 610
participate in an alternative retirement plan under section 611
3305.05 or 3305.051 of the Revised Code and the employment is in a 612
position that is subject to division (C)(4) of section 3305.05 or 613
division (F) of section 3305.051 of the Revised Code. 614

(3) The individual is a contributor who, as of the last day 615
of the month prior to the date employment begins, has five or more 616
years of total service credit. 617

(4) The individual is employed in a position covered under 618
this chapter to which section 145.193 of the Revised Code applies. 619

(5) The individual is a PERS law enforcement officer or 620
~~Hamilton county municipal court bailiff~~ PERS public safety 621
officer. 622

Sec. 145.191. (A) Except as provided in division (E) of this 623
section, a public employees retirement system member or 624
contributor who, as of the last day of the month immediately 625
preceding the date on which the public employees retirement board 626
first establishes a PERS defined contribution plan, has less than 627
five years of total service credit is eligible to make an election 628
under this section. A member or contributor who is employed in 629
more than one position subject to this chapter is eligible to make 630
only one election. The election applies to all positions subject 631
to this chapter. 632

Not later than one hundred eighty days after the day the 633
board first establishes a PERS defined contribution plan, an 634
eligible member or contributor may elect to participate in a PERS 635

defined contribution plan. If a form evidencing an election is not 636
received by the system not later than the last day of the 637
one-hundred-eighty-day period, a member or contributor to whom 638
this section applies is deemed to have elected to continue 639
participating in the PERS defined benefit plan. 640

(B) An election under this section shall be made in writing 641
on a form provided by the system and filed with the system. 642

(C) On receipt of an election under this section, the system 643
shall do both of the following: 644

(1) Credit to the plan elected both of the following: 645

(a) Any employer contributions attributable to the member for 646
the period beginning on the day the board first established a PERS 647
defined contribution plan; 648

(b) All accumulated contributions attributable to the member 649
or contributor. 650

(2) Cancel all service credit and eligibility for any 651
payment, benefit, or right under the PERS defined benefit plan. 652

(D) An election under this section is effective as of the 653
date the board first established a PERS defined contribution plan 654
and, except as provided in section 145.814 of the Revised Code or 655
rules governing the PERS defined benefit plan, is irrevocable on 656
receipt by the system. 657

(E) An election may not be made under this section by a 658
member or contributor who is either of the following: 659

(1) A PERS retirant who is a member under division (C) of 660
section 145.38 of the Revised Code; 661

(2) A PERS law enforcement officer or a ~~Hamilton county~~ 662
~~municipal court bailiff~~ PERS public safety officer. 663

Sec. 145.2914. (A) The public employees retirement board may 664

adopt rules in accordance with section 145.09 of the Revised Code 665
to establish a program under which service credit earned under 666
division (A) or (B)(2)(b) of section 145.33 of the Revised Code is 667
treated as service credit earned under division (B)(2)(a) of that 668
section if the member makes payment to the public employees 669
retirement system in accordance with the rules. 670

(B) If the board adopts rules under division (A) of this 671
section, all of the following apply: 672

(1) For each year or portion of a year of service credit 673
earned under division (A) or (B)(2)(b) of section 145.33 of the 674
Revised Code that is to be treated as service credit earned under 675
division (B)(2)(a) of that section, the member shall pay to the 676
retirement system an amount specified by the retirement board that 677
is not less than one hundred per cent of the additional liability 678
resulting from the purchase of that year, or portion of a year, of 679
service. 680

(2) The number of years of service credit earned under 681
division (A) or (B)(2)(b) of section 145.33 of the Revised Code 682
that may be treated as service credit earned under division 683
(B)(2)(a) of that section shall not exceed five. 684

(3) Any amounts paid under this section shall be credited to 685
the employees' savings fund. 686

(4) The amounts paid by the member under this section are 687
subject to the limits established by division (n) of section 415 688
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 689
415(n), as amended. 690

(C) A member may make payments authorized by this section if 691
the member is eligible to retire under this chapter or will become 692
eligible to retire as a result of the payment. The member shall 693
agree to retire not later than ninety days after receiving notice 694

of the additional liability specified under division (B)(1) of 695
this section. Payment shall be made in full for any credit earned 696
under division (A) or (B)(2)(b) of section 145.33 of the Revised 697
Code that is to be treated as service credit earned under division 698
(B)(2)(a) of that section, but the member may choose to make 699
payment for only part of the credit for which the member is 700
eligible. 701

(D) If the member does not retire not later than ninety days 702
after making the payment authorized by this section, the system 703
shall refund the payment and shall not treat the credit for which 704
payment was made as service credit earned under division (B)(2)(a) 705
of section 145.33 of the Revised Code. 706

(E) The board's rules may deal with any other matter 707
necessary to implement this section. 708

Sec. 145.33. (A) Except as provided in division (B) or (C) of 709
this section, a member with at least five years of total service 710
credit who has attained age sixty, or who has thirty years of 711
total Ohio service credit, may apply for age and service 712
retirement, which shall consist of: 713

(1) An annuity having a reserve equal to the amount of the 714
member's accumulated contributions at that time; 715

(2) A pension equal to the annuity provided by division 716
(A)(1) of this section; 717

(3) An additional pension, if the member can qualify for 718
prior service, equal to forty dollars multiplied by the number of 719
years, and fraction thereof, of such prior and military service 720
credit; 721

(4) A basic annual pension equal to one hundred eighty 722
dollars if the member has ten or more years of total service 723
credit as of October 1, 1956, except that the basic annual pension 724

shall not exceed the sum of the annual benefits provided by 725
divisions (A)(1), (2), and (3) of this section. 726

(5) When a member retires on age and service retirement, the 727
member's total annual single lifetime allowance, including the 728
allowances provided in divisions (A)(1), (2), (3), and (4) of this 729
section, shall be not less than a base amount adjusted in 730
accordance with division (A)(5) of this section and determined by 731
multiplying the member's total service credit by the greater of 732
the following: 733

(a) Eighty-six dollars; 734

(b) Two and two-tenths per cent of the member's final average 735
salary for each of the first thirty years of service plus two and 736
one-half per cent of the member's final average salary for each 737
subsequent year of service. 738

The allowance shall be adjusted by the factors of attained 739
age or years of service to provide the greater amount as 740
determined by the following schedule: 741

Attained	or	Years of Total Service Credit	Percentage of Base Amount	
58		25	75	742
59		26	80	743
60		27	85	744
61		28	88	745
62		29	90	746
63		30	91	747
64		31	94	748
65		32	95	749
66		33	97	750
67		34	99	751
68		35 or more	100	752

Members shall vest the right to a benefit in accordance with 755

the following schedule, based on the member's attained age by 756
 September 1, 1976: 757

Attained Birthday	Percentage of Base Amount	
66	102	761
67	104	762
68	106	763
69	108	764
70 or more	110	765

(6) The total annual single lifetime allowance that a member 766
 shall receive under division (A)(5) of this section shall not 767
 exceed the lesser of one hundred per cent of the member's final 768
 average salary or the limit established by section 415 of the 769
 "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, 770
 as amended. 771

(B)(1) For the purposes of divisions (B) to (G) of this 772
 section, "total service credit as a PERS law enforcement officer" 773
 and "total service credit as a ~~Hamilton county municipal court~~ 774
~~bailiff~~ PERS public safety officer" include credit for military 775
 service to the extent permitted by division (E)(2) of this section 776
 and credit for service as a police officer or state highway patrol 777
 trooper to the extent permitted by divisions (E)(3) and (4) of 778
 this section. 779

(2) A member who meets the conditions in division (B)(2)(a), 780
 (b), or (c), ~~or~~ (d) of this section may apply for an age and 781
 service retirement benefit under this division: 782

(a) The member has attained age forty-eight and has at least 783
 twenty-five years of total service credit as a PERS law 784
 enforcement officer ~~whose primary duties were to preserve the~~ 785
~~peace, protect life and property, and enforce the laws in the~~ 786
~~member's jurisdiction;~~ 787

(b) The member has attained age fifty-two, and has at least 788
twenty-five years of total service credit as a PERS law 789
~~enforcement public safety officer, but the member's primary duties~~ 790
~~were other than to preserve the peace, protect life and property,~~ 791
~~and enforce the laws in the member's jurisdiction or has service~~ 792
as a PERS public safety officer and service as a PERS law 793
enforcement officer that when combined equal at least twenty-five 794
years of total service credit; 795

~~(c) The member has attained age fifty two and has at least~~ 796
~~twenty five years of total service as a Hamilton county municipal~~ 797
~~court bailiff;~~ 798

~~(d)~~ The member has attained age sixty-two and has at least 799
fifteen years of total service credit as either of the following: 800

(i) A PERS law enforcement officer; 801

(ii) A ~~Hamilton county municipal court bailiff~~ PERS public 802
safety officer. 803

(3) A benefit paid under division (B)(2) of this section 804
shall consist of an annual single lifetime allowance equal to the 805
sum of two and one-half per cent of the member's final average 806
salary multiplied by the first twenty-five years of the member's 807
total service plus two and one-tenth per cent of the member's 808
final average salary multiplied by the number of years of the 809
member's total service credit in excess of twenty-five years. 810

(4) A member with at least fifteen years of total service 811
credit as a PERS law enforcement officer or ~~Hamilton county~~ 812
~~municipal court bailiff~~ PERS public safety officer who voluntarily 813
resigns or is discharged for any reason except death, dishonesty, 814
cowardice, intemperate habits, or conviction of a felony may apply 815
for an age and service retirement benefit, which shall consist of 816
an annual single lifetime allowance equal to one and one-half per 817
cent of the member's final average salary multiplied by the number 818

of years of the member's total service credit. The allowance shall 819
commence on the first day of the calendar month following the 820
month in which the application is filed with the public employees 821
retirement board on or after the attainment by the applicant of 822
age fifty-two. 823

(C)(1) A member with at least twenty-five years of total 824
service credit who would be eligible to retire under division 825
(B)(2)(b) ~~or (c)~~ of this section had the member attained age 826
fifty-two and who voluntarily resigns or is discharged for any 827
reason except death, dishonesty, cowardice, intemperate habits, or 828
conviction of a felony, on or after the date of attaining 829
forty-eight years of age, but before the date of attaining 830
fifty-two years of age, may elect to receive a reduced benefit as 831
determined by the following schedule: 832

Attained Age	Reduced Benefit	
48	75% of the benefit payable under	833
	division (B)(3) of this section	834
49	80% of the benefit payable under	835
	division (B)(3) of this section	836
50	86% of the benefit payable under	837
	division (B)(3) of this section	838
51	93% of the benefit payable under	839
	division (B)(3) of this section	840

(2) If a member elects to receive a reduced benefit after 841
attaining age forty-eight the reduced benefit is payable from the 842
later of the date of the member's most recent birthday or the date 843
the member becomes eligible to receive the reduced benefit. 844
845

(3) Once a member elects to receive a reduced benefit 846
determined by the schedule in division (C)(1) of this section and 847
has received a payment, the member may not reelect to change that 848
election. 849

(4) If a member who has resigned or been discharged has left 850

on deposit the member's accumulated contributions in the 851
employees' savings fund and has not elected to receive a reduced 852
benefit determined by the schedule in division (C)(1) of this 853
section, upon attaining fifty-two years of age, the member shall 854
be entitled to receive a benefit computed and paid under division 855
(B)(3) of this section. 856

(D) A benefit paid under division (B) or (C) of this section 857
shall not exceed the lesser of ninety per cent of the member's 858
final average salary or the limit established by section 415 of 859
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 860
415, as amended. 861

(E)(1) A member with service credit as a PERS law enforcement 862
officer or a ~~Hamilton county municipal court bailiff~~ PERS public 863
safety officer and other service credit under this chapter may 864
elect one of the following: 865

(a) To have all the member's service credit under this 866
chapter, including credit for service as a PERS law enforcement 867
officer or ~~Hamilton county municipal court bailiff~~ PERS public 868
safety officer, used in calculating a retirement allowance under 869
division (A) of this section if the member qualifies for an 870
allowance under that division; 871

(b) If the member qualifies for an allowance under division 872
(B)(2)(a) of this section, to have the member's service credit as 873
a PERS law enforcement officer used in calculating a benefit under 874
that division and the member's credit for all service other than 875
PERS law enforcement service used in calculating a benefit 876
consisting of a single life annuity having a reserve equal to the 877
amount of the member's accumulated contributions for all service 878
other than PERS law enforcement service and an equal amount of 879
employer contributions. 880

(c) If the member qualifies for an allowance under division 881

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

(2) Notwithstanding sections 145.01 and 145.30 of the Revised 894
Code, no more than four years of military service credit granted 895
under section 145.30 of the Revised Code and five years of 896
military service credit purchased under section 145.301 or 145.302 897
of the Revised Code shall be used in calculating service as a PERS 898
law enforcement officer or ~~Hamilton county municipal court bailiff~~ 899
PERS public safety officer or the total service credit of that 900
person. 901

(3) Only credit for the member's service as a PERS law 902
enforcement officer, PERS public safety officer, or service credit 903
obtained as a police officer or state highway patrol trooper shall 904
be used in computing the benefit of a member who qualifies for a 905
benefit under division (B)~~(2)(a), (b), or (d)(ii) or (4)~~ or 906
~~division~~ (C) of this section for the following: 907

(a) Any person who originally is commissioned and employed as 908
a deputy sheriff by the sheriff of any county, or who originally 909
is elected sheriff, on or after January 1, 1975; 910

(b) Any deputy sheriff who originally is employed as a 911
criminal bailiff or court constable on or after April 16, 1993; 912

(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;	913 914 915
(d) Any person who originally is employed as a county narcotics agent on or after September 26, 1984;	916 917
(e) Any person who originally is employed as an undercover drug agent as defined in section 109.79 of the Revised Code, department of public safety enforcement agent who prior to June 30, 1999, was a liquor control investigator, park officer, forest officer, wildlife officer, state watercraft officer, park district police officer, conservancy district officer, veterans' home police officer, special police officer for a mental health institution, special police officer for an institution for the mentally retarded and developmentally disabled, or municipal police officer on or after December 15, 1988;	918 919 920 921 922 923 924 925 926 927
(f) Any person who originally is employed as a state university law enforcement officer on or after November 6, 1996;	928 929
(g) Any person who is originally employed as a state university law enforcement officer by the university of Akron on or after September 16, 1998;	930 931 932
(h) Any person who originally is employed as a preserve officer on or after March 18, 1999;	933 934
(i) Any person who originally is employed as a natural resources law enforcement staff officer on or after March 18, 1999;	935 936 937
(j) Any person who is originally employed as a department of public safety enforcement agent on or after June 30, 1999;	938 939
(k) Any person who is originally employed as a house sergeant at arms or assistant house sergeant at arms on or after September 5, 2001;	940 941 942

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

(m) Any person who is originally employed as a municipal public safety director on or after ~~the effective date of this amendment~~ September 29, 2005, but not later than the effective date of this amendment.

(4) Only credit for a member's service as a ~~Hamilton county municipal court bailiff~~ PERS public safety officer 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)(b) or (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. 145.35. (A) As used in this section, "on-duty illness or injury" means an illness or injury that occurred during or resulted from performance of duties under the direct supervision of a member's appointing authority.

(B) The public employees retirement system shall provide disability coverage to each member who has at least five years of total service credit and disability coverage for on-duty illness or injury to each member who is a PERS law enforcement officer or ~~Hamilton county municipal court bailiff~~ PERS public safety

officer, regardless of length of service. 973

Not later than October 16, 1992, the public employees 974
retirement board shall give each person who is a member on July 975
29, 1992, the opportunity to elect disability coverage either 976
under section 145.36 of the Revised Code or under section 145.361 977
of the Revised Code. The board shall mail notice of the election, 978
accompanied by an explanation of the coverage under each of the 979
Revised Code sections and a form on which the election is to be 980
made, to each member at the member's last known address. The board 981
shall also provide the explanation and form to any member on 982
request. 983

Regardless of whether the member actually receives notice of 984
the right to make an election, a member who fails to file a valid 985
election under this section shall be considered to have elected 986
disability coverage under section 145.36 of the Revised Code. To 987
be valid, an election must be made on the form provided by the 988
retirement board, signed by the member, and filed with the board 989
not later than one hundred eighty days after the date the notice 990
was mailed, or, in the case of a form provided at the request of a 991
member, a date specified by rule of the retirement board. Once 992
made, an election is irrevocable, but if the member ceases to be a 993
member of the retirement system, the election is void. If a person 994
who makes an election under this section also makes an election 995
under section 3307.62 or 3309.39 of the Revised Code, the election 996
made for the system that pays a disability benefit to that person 997
shall govern the benefit. 998

Disability coverage shall be provided under section 145.361 999
of the Revised Code for persons who become members after July 29, 1000
1992, and for members who elect under this division to be covered 1001
under section 145.361 of the Revised Code. 1002

The retirement board may adopt rules governing elections made 1003
under this division. 1004

(C) Application for a disability benefit may be made by a 1005
member, by a person acting in the member's behalf, or by the 1006
member's employer, provided the member has disability coverage 1007
under section 145.36 or 145.361 of the Revised Code and is not 1008
receiving a disability benefit under any other Ohio state or 1009
municipal retirement program. Application must be made within two 1010
years from the date the member's contributing service terminated 1011
or the date the member ceased to make contributions to the PERS 1012
defined benefit plan under section 145.814 of the Revised Code, 1013
unless the retirement board determines that the member's medical 1014
records demonstrate conclusively that at the time the two-year 1015
period expired, the member was physically or mentally 1016
incapacitated for duty and unable to make an application. 1017
Application may not be made by or for any person receiving age and 1018
service retirement benefits under section 145.33, 145.331, 145.34, 1019
or 145.37 of the Revised Code or any person who, pursuant to 1020
section 145.40 of the Revised Code, has been paid the accumulated 1021
contributions standing to the credit of the person's individual 1022
account in the employees' savings fund. The application shall be 1023
made on a form provided by the retirement board. 1024

(D) The benefit payable to any member who is approved for a 1025
disability benefit shall become effective on the first day of the 1026
month immediately following the later of the following: 1027

(1) The last day for which compensation was paid; 1028

(2) The attainment of eligibility for a disability benefit. 1029

(E) Medical examination of a member who has applied for a 1030
disability benefit shall be conducted by a competent disinterested 1031
physician or physicians selected by the board to determine whether 1032
the member is mentally or physically incapacitated for the 1033
performance of duty by a disabling condition either permanent or 1034
presumed to be permanent. The disability must have occurred since 1035
last becoming a member or have increased since last becoming a 1036

member to such extent as to make the disability permanent or 1037
presumed to be permanent. A disability is presumed to be permanent 1038
if it is expected to last for a continuous period of not less than 1039
twelve months following the filing of the application. 1040

If the physician or physicians determine that the member 1041
qualifies for a disability benefit, the board concurs with the 1042
determination, and the member agrees to medical treatment as 1043
specified in division (F) of this section, the member shall 1044
receive a disability benefit under section 145.36 or 145.361 of 1045
the Revised Code. The action of the board shall be final. 1046

(F) The public employees retirement board shall adopt rules 1047
requiring a disability benefit recipient, as a condition of 1048
continuing to receive a disability benefit, to agree in writing to 1049
obtain any medical treatment recommended by the board's physician 1050
and submit medical reports regarding the treatment. If the board 1051
determines that a disability benefit recipient is not obtaining 1052
the medical treatment or the board does not receive a required 1053
medical report, the disability benefit shall be suspended until 1054
the treatment is obtained, the report is received by the board, or 1055
the board's physician certifies that the treatment is no longer 1056
helpful or advisable. Should the recipient's failure to obtain 1057
treatment or submit a medical report continue for one year, the 1058
recipient's right to the disability benefit shall be terminated as 1059
of the effective date of the original suspension. 1060

(G) In the event an employer files an application for a 1061
disability benefit as a result of a member having been separated 1062
from service because the member is considered to be mentally or 1063
physically incapacitated for the performance of the member's 1064
present duty, and the physician or physicians selected by the 1065
board reports to the board that the member is physically and 1066
mentally capable of performing service similar to that from which 1067
the member was separated and the board concurs in the report, the 1068

board shall so certify to the employer and the employer shall 1069
restore the member to the member's previous position and salary or 1070
to a similar position and salary. 1071

Sec. 145.49. (A) Notwithstanding section 145.47 of the 1072
Revised Code: 1073

(1) The public employees retirement system shall be 1074
authorized to calculate the employee contribution rates separately 1075
for those public employees contributing toward benefits as PERS 1076
public safety officers under ~~division (B)(2)(b), (c), or (d)~~ of 1077
section 145.33 of the Revised Code. 1078

(2) Each public employee contributing toward benefits as PERS 1079
law enforcement officers under ~~division (B)(2)(a)~~ of section 1080
145.33 of the Revised Code shall contribute to the employees' 1081
savings fund ~~ten and one-tenth~~ the rate determined under division 1082
(A)(1) of this section plus an additional percentage specified by 1083
the public employees retirement board, which shall initially be 1084
one per cent of the employee's earnable salary and shall not be 1085
increased to more than two per cent of the employee's earnable 1086
salary. 1087

(B) Notwithstanding section 145.48 of the Revised Code, the 1088
public employees retirement system shall be authorized to 1089
calculate the employer contribution rates separately for those 1090
public employees contributing toward benefits as PERS public 1091
safety officers under ~~division (B)(2)(a)~~ of section 145.33 of the 1092
Revised Code or as PERS law enforcement officers under ~~division~~ 1093
~~(B)(2)(b), (c), or (d)~~ of that section, except that the employer 1094
contribution rate shall not exceed eighteen and one-tenth per cent 1095
of the earnable salaries of those employees. 1096

Sec. 145.58. (A) As used in this section, "ineligible 1097
individual" means all of the following: 1098

(1) A former member receiving benefits pursuant to section 1099
145.32, 145.33, 145.331, 145.34, or 145.46 of the Revised Code for 1100
whom eligibility is established more than five years after June 1101
13, 1981, and who, at the time of establishing eligibility, has 1102
accrued less than ten years' service credit, exclusive of credit 1103
obtained pursuant to section 145.297 or 145.298 of the Revised 1104
Code, credit obtained after January 29, 1981, pursuant to section 1105
145.293 or 145.301 of the Revised Code, and credit obtained after 1106
May 4, 1992, pursuant to section 145.28 of the Revised Code; 1107

(2) The spouse of the former member; 1108

(3) The beneficiary of the former member receiving benefits 1109
pursuant to section 145.46 of the Revised Code. 1110

(B) The public employees retirement board may enter into 1111
agreements with insurance companies, health insuring corporations, 1112
or government agencies authorized to do business in the state for 1113
issuance of a policy or contract of health, medical, hospital, or 1114
surgical benefits, or any combination thereof, for those 1115
individuals receiving age and service retirement or a disability 1116
or survivor benefit subscribing to the plan, or for PERS retirants 1117
employed under section 145.38 of the Revised Code, for coverage of 1118
benefits in accordance with division (D)(2) of section 145.38 of 1119
the Revised Code. Notwithstanding any other provision of this 1120
chapter, the policy or contract may also include coverage for any 1121
eligible individual's spouse and dependent children and for any of 1122
the individual's sponsored dependents as the board determines 1123
appropriate. If all or any portion of the policy or contract 1124
premium is to be paid by any individual receiving age and service 1125
retirement or a disability or survivor benefit, the individual 1126
shall, by written authorization, instruct the board to deduct the 1127
premium agreed to be paid by the individual to the company, 1128
corporation, or agency. 1129

The board may contract for coverage on the basis of part or 1130

all of the cost of the coverage to be paid from appropriate funds 1131
of the public employees retirement system. The cost paid from the 1132
funds of the system shall be included in the employer's 1133
contribution rate provided by sections 145.48 and 145.51 of the 1134
Revised Code. The board may by rule provide coverage to ineligible 1135
individuals if the coverage is provided at no cost to the 1136
retirement system. The board shall not pay or reimburse the cost 1137
for coverage under this section or section 145.325 of the Revised 1138
Code for any ineligible individual. 1139

The board may provide for self-insurance of risk or level of 1140
risk as set forth in the contract with the companies, 1141
corporations, or agencies, and may provide through the 1142
self-insurance method specific benefits as authorized by rules of 1143
the board. 1144

(C) The board shall, beginning the month following receipt of 1145
satisfactory evidence of the payment for coverage, pay monthly to 1146
each recipient of service retirement, or a disability or survivor 1147
benefit under the public employees retirement system who is 1148
eligible for medical insurance coverage under part B of Title 1149
XVIII of "The Social Security Act," 79 Stat. 301 (1965), 42 1150
U.S.C.A. 1395j, as amended, an amount ~~equal to the basic premium~~ 1151
determined by the board for such coverage that is not less than 1152
ninety-six dollars and forty cents, except that the board shall 1153
make no such payment to any ineligible individual or pay an amount 1154
that exceeds the amount paid by the recipient for the coverage. 1155

At the request of the board, the recipient shall certify to 1156
the retirement system the amount paid by the recipient for 1157
coverage described in this division. 1158

(D) The board shall establish by rule requirements for the 1159
coordination of any coverage, payment, or benefit provided under 1160
this section or section 145.325 of the Revised Code with any 1161
similar coverage, payment, or benefit made available to the same 1162

individual by the Ohio police and fire pension fund, state 1163
teachers retirement system, school employees retirement system, or 1164
state highway patrol retirement system. 1165

(E) The board shall make all other necessary rules pursuant 1166
to the purpose and intent of this section. 1167

Sec. 742.45. (A) The board of trustees of the Ohio police and 1168
fire pension fund may enter into an agreement with insurance 1169
companies, health insuring corporations, or government agencies 1170
authorized to do business in the state for issuance of a policy or 1171
contract of health, medical, hospital, or surgical benefits, or 1172
any combination thereof, for those individuals receiving service 1173
or disability pensions or survivor benefits subscribing to the 1174
plan. Notwithstanding any other provision of this chapter, the 1175
policy or contract may also include coverage for any eligible 1176
individual's spouse and dependent children and for any of the 1177
eligible individual's sponsored dependents as the board considers 1178
appropriate. 1179

If all or any portion of the policy or contract premium is to 1180
be paid by any individual receiving a service, disability, or 1181
survivor pension or benefit, the individual shall, by written 1182
authorization, instruct the board to deduct from the individual's 1183
benefit the premium agreed to be paid by the individual to the 1184
company, corporation, or agency. 1185

The board may contract for coverage on the basis of part or 1186
all of the cost of the coverage to be paid from appropriate funds 1187
of the Ohio police and fire pension fund. The cost paid from the 1188
funds of the Ohio police and fire pension fund shall be included 1189
in the employer's contribution rates provided by sections 742.33 1190
and 742.34 of the Revised Code. 1191

The board may provide for self-insurance of risk or level of 1192
risk as set forth in the contract with the companies, 1193

corporations, or agencies, and may provide through the 1194
self-insurance method specific benefits as authorized by the rules 1195
of the board. 1196

(B) ~~The~~ Except as otherwise provided in this division, the 1197
board shall, beginning the month following receipt of satisfactory 1198
evidence of the payment for coverage, pay monthly to each 1199
recipient of service, disability, or survivor benefits under the 1200
Ohio police and fire pension fund who is eligible for medical 1201
insurance coverage under part B of "The Social Security Amendments 1202
of 1965," 79 Stat. 301, 42 U.S.C.A. 1395j, as amended, an amount 1203
equal to the basic premiums specified by the board or determined 1204
pursuant to a formula established by the board that is not less 1205
than ninety-six dollars and forty cents, for such coverage, except 1206
that the board shall not pay an amount that exceeds the amount 1207
paid by the recipient for the coverage. 1208

The board shall pay not more than one monthly premium under 1209
this division to an eligible benefit recipient even if the 1210
recipient is receiving more than one monthly benefit from the 1211
fund. The board shall not pay a monthly premium under this 1212
division to an eligible benefit recipient who is receiving 1213
reimbursement for the premium from any other source. 1214

(C) The board shall establish by rule requirements for the 1215
coordination of any coverage, payment, or benefit provided under 1216
this section with any similar coverage, payment, or benefit made 1217
available to the same individual by the public employees 1218
retirement system, state teachers retirement system, school 1219
employees retirement system, or state highway patrol retirement 1220
system. 1221

(D) The board shall make all other necessary rules pursuant 1222
to the purpose and intent of this section. 1223

Section 2. That existing sections 145.01, 145.19, 145.191, 1224

145.33, 145.35, 145.49, 145.58, and 742.45 of the Revised Code are 1225
hereby repealed. 1226

Section 3. The intent of the General Assembly in the 1227
amendments made in this act to divisions (WW) and (YY) of section 1228
145.01 and division (E)(3)(m) of section 145.33 of the Revised 1229
Code is to provide that service as a municipal public safety 1230
director earned on or after the effective date of this section 1231
shall not be used in calculation of benefits under divisions (B) 1232
to (E) of section 145.33 of the Revised Code. The amendments are 1233
not intended to prohibit the use of such service for calculation 1234
of benefits under those divisions for service prior to the 1235
effective date of this section. 1236