

As Reported by the House Ways and Means Committee

130th General Assembly

Regular Session

2013-2014

Sub. S. B. No. 42

Senators Manning, Gardner

Cosponsors: Senators Seitz, Hite, Eklund, Oelslager, Patton, Peterson,

Schaffer, Uecker

Representatives Amstutz, Schuring

—

A B I L L

To amend sections 145.012, 145.09, 145.191, 145.194, 1
145.28, 145.29, 145.295, 145.297, 145.2914, 2
145.2915, 145.31, 145.311, 145.33, 145.35, 3
145.362, 145.363, 145.37, 145.384, 145.391, 4
145.40, 145.43, 145.431, 145.45, 145.46, 145.563, 5
145.58, 145.581, 145.584, 145.63, 145.64, 145.82, 6
145.88, 145.92, 145.95, 171.04, 311.01, 742.53, 7
742.63, 3307.04, 3307.35, 3307.39, 3307.41, 8
3307.56, 3307.563, 3307.57, 3307.58, 3307.62, 9
3307.66, 3307.70, 3307.71, 3307.711, 3307.73, 10
3309.01, 3309.11, 3309.26, 3309.261, 3309.28, 11
3309.301, 3309.35, 3309.381, 3309.42, 3309.45, 12
3309.49, 3309.51, 3309.55, 3309.56, 3309.57, 13
3309.571, 3309.691, 3309.82, 5505.03, 5505.04, 14
5505.12, 5505.14, 5505.15, 5505.16, 5505.17, 15
5505.174, 5505.18, 5505.33, 5505.34, and 5505.59; 16
to enact sections 4113.75 and 5505.112 and new 17
sections 145.402, 3307.561, and 3309.43; and to 18
repeal sections 145.402, 3307.561, and 3309.43 of 19
the Revised Code to revise the law governing 20
Ohio's public retirement systems, to allow a 21

private sector employer to automatically deduct 22
from an employee's compensation contributions to 23
an employee retirement plan or program, and to 24
change the optional qualifications to be eligible 25
for the office of sheriff 26

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

Section 1. That sections 145.012, 145.09, 145.191, 145.194, 27
145.28, 145.29, 145.295, 145.297, 145.2914, 145.2915, 145.31, 28
145.311, 145.33, 145.35, 145.362, 145.363, 145.37, 145.384, 29
145.391, 145.40, 145.43, 145.431, 145.45, 145.46, 145.563, 145.58, 30
145.581, 145.584, 145.63, 145.64, 145.82, 145.88, 145.92, 145.95, 31
171.04, 311.01, 742.53, 742.63, 3307.04, 3307.35, 3307.39, 32
3307.41, 3307.56, 3307.563, 3307.57, 3307.58, 3307.62, 3307.66, 33
3307.70, 3307.71, 3307.711, 3307.73, 3309.01, 3309.11, 3309.26, 34
3309.261, 3309.28, 3309.301, 3309.35, 3309.381, 3309.42, 3309.45, 35
3309.49, 3309.51, 3309.55, 3309.56, 3309.57, 3309.571, 3309.691, 36
3309.82, 5505.03, 5505.04, 5505.12, 5505.14, 5505.15, 5505.16, 37
5505.17, 5505.174, 5505.18, 5505.33, 5505.34, and 5505.59 be 38
amended and sections 4113.75 and 5505.112 and new sections 39
145.402, 3307.561, and 3309.43 of the Revised Code be enacted as 40
follows: 41

Sec. 145.012. (A) "Public employee," as defined in division 42
(A) of section 145.01 of the Revised Code, does not include any 43
person: 44

(1) Who is employed by a private, temporary-help service and 45
performs services under the direction of a public employer or is 46
employed on a contractual basis as an independent contractor under 47
a personal service contract with a public employer; 48

(2) Who is an emergency employee serving on a temporary basis 49

in case of fire, snow, earthquake, flood, or other similar 50
emergency; 51

(3) Who is employed in a program established pursuant to the 52
"Job Training Partnership Act," 96 Stat. 1322 (1982), 29 U.S.C.A. 53
1501; 54

(4) Who is an appointed member of either the motor vehicle 55
salvage dealers board or the motor vehicle dealer's board whose 56
rate and method of payment are determined pursuant to division (J) 57
of section 124.15 of the Revised Code; 58

(5) Who is employed as an election worker and paid less than 59
~~five~~ six hundred dollars per calendar year for that service; 60

(6) Who is employed as a firefighter in a position requiring 61
satisfactory completion of a firefighter training course approved 62
under former section 3303.07 or section 4765.55 of the Revised 63
Code or conducted under section 3737.33 of the Revised Code except 64
for the following: 65

(a) Any firefighter who has elected under section 145.013 of 66
the Revised Code to remain a contributing member of the public 67
employees retirement system; 68

(b) Any firefighter who was eligible to transfer from the 69
public employees retirement system to the Ohio police and fire 70
pension fund under section 742.51 or 742.515 of the Revised Code 71
and did not elect to transfer; 72

(c) Any firefighter who has elected under section 742.516 of 73
the Revised Code to transfer from the Ohio police and fire pension 74
fund to the public employees retirement system. 75

(7) Who is a member of the board of health of a city or 76
general health district, which pursuant to sections 3709.051 and 77
3709.07 of the Revised Code includes a combined health district, 78
and whose compensation for attendance at meetings of the board is 79

set forth in division (B) of section 3709.02 or division (B) of	80
section 3709.05 of the Revised Code, as appropriate;	81
(8) Who participates in an alternative retirement plan	82
established under Chapter 3305. of the Revised Code;	83
(9) Who is a member of the board of directors of a sanitary	84
district established under Chapter 6115. of the Revised Code;	85
(10) Who is a member of the unemployment compensation	86
advisory council;	87
(11) Who is an employee, officer, or governor-appointed	88
member of the board of directors of the nonprofit corporation	89
formed under section 187.01 of the Revised Code;	90
(12) Who is employed by the nonprofit entity established to	91
provide advocacy services and a client assistance program for	92
people with disabilities under Section 319.20 of Am. Sub. H.B. 153	93
of the 129th general assembly and whose employment begins on or	94
after October 1, 2012.	95
(B) No inmate of a correctional institution operated by the	96
department of rehabilitation and correction, no patient in a	97
hospital for the mentally ill or criminally insane operated by the	98
department of mental health and addiction services, no resident in	99
an institution for the mentally retarded operated by the	100
department of developmental disabilities, no resident admitted as	101
a patient of a veterans' home operated under Chapter 5907. of the	102
Revised Code, and no resident of a county home shall be considered	103
as a public employee for the purpose of establishing membership or	104
calculating service credit or benefits under this chapter. Nothing	105
in this division shall be construed to affect any service credit	106
attained by any person who was a public employee before becoming	107
an inmate, patient, or resident at any institution listed in this	108
division, or the payment of any benefit for which such a person or	109
such a person's beneficiaries otherwise would be eligible.	110

Sec. 145.09. The public employees retirement board shall 111
elect from its membership a chairperson,~~and. The board~~ shall 112
appoint an executive director who shall serve as secretary to the 113
board, an actuary, and other employees as necessary for the 114
transaction of the business of the public employees retirement 115
system. The compensation of all persons so appointed shall be 116
fixed by the board. Such persons appointed by the board are not 117
employees of the state and are not subject to Chapter 124. of the 118
Revised Code. 119

If the board provides health care coverage to employees of 120
the retirement system, it may permit employees of the Ohio public 121
employees deferred compensation board to participate. 122

Effective ninety days after September 15, 2004, the board may 123
not employ a state retirement system investment officer, as 124
defined in section 1707.01 of the Revised Code, who does not hold 125
a valid state retirement system investment officer license issued 126
by the division of securities in the department of commerce. 127

Every expense voucher of an employee, officer, or board 128
member of the public employees retirement system shall itemize all 129
purchases and expenditures. 130

The board shall perform other functions as required for the 131
proper execution of this chapter, and may adopt rules in 132
accordance with section 111.15 of the Revised Code for the proper 133
administration and management of this chapter. 134

The board may take all appropriate action to avoid payment by 135
the system or its members of federal or state income taxes on 136
contributions to the system or amounts earned on such 137
contributions. 138

Notice of proposed rules shall be given to interested parties 139
and rules adopted by the board shall be published and otherwise 140

made available. When it files a rule with the joint committee on 141
agency rule review pursuant to section 111.15 of the Revised Code, 142
the board shall submit to the Ohio retirement study council a copy 143
of the full text of the rule, and if applicable, a copy of the 144
rule summary and fiscal analysis required by division (B) of 145
section 127.18 of the Revised Code. 146

The board may sue and be sued, plead and be impleaded, 147
contract and be contracted with. All of its business shall be 148
transacted, all of its funds invested, all warrants for money 149
drawn and payments made, and all of its cash and securities and 150
other property shall be held in the name of the board, or in the 151
name of its nominee, provided that nominees are authorized by 152
retirement board resolution for the purpose of facilitating the 153
ownership and transfer of investments. 154

If the Ohio retirement study council establishes a uniform 155
format for any report the board is required to submit to the 156
council, the board shall submit the report in that format. 157

Sec. 145.191. (A) Except as provided in division (F) of this 158
section, a public employees retirement system member or 159
contributor who, as of December 31, 2002, has less than five years 160
of total service credit is eligible to make an election under this 161
section. A member or contributor who is employed in more than one 162
position subject to this chapter is eligible to make only one 163
election. The election applies to all positions subject to this 164
chapter. 165

Not later than June 30, 2003, an eligible member or 166
contributor may elect to participate in a PERS defined 167
contribution plan. Unless a form evidencing an election is 168
received by the system on or before that date, a member or 169
contributor to whom this section applies is deemed to have elected 170
to continue participating in the PERS defined benefit plan. 171

(B) An election under this section shall be made in writing 172
on a form provided by the system and filed with the system. 173

(C) On the request of a member or contributor who made an 174
election under this section, the system shall credit to the plan 175
elected the accumulated contributions standing to the credit of 176
the member or contributor in the employees' savings fund and 177
cancel all service credit and eligibility for any payment, 178
benefit, or right under the PERS defined benefit plan. 179

(D) For each member or contributor who elected under this 180
section to participate in a PERS defined contribution plan and 181
made a request under division (C) of this section, any additional 182
deposits that were made by the member or contributor prior to 183
April 6, 2007, under the version of division (C) of section 145.23 184
of the Revised Code as it existed immediately prior to that date 185
shall be credited to the defined contribution plan. 186

(E) An election under this section is effective as of January 187
1, 2003, and, except as provided in section 145.814 of the Revised 188
Code or rules governing the PERS defined benefit plan, is 189
irrevocable on receipt by the system. 190

(F) An election may not be made under this section by a 191
member or contributor who is either of the following: 192

(1) A PERS retirant who is a member under division ~~(D)~~(C) of 193
section 145.38 of the Revised Code; 194

(2) A PERS law enforcement officer or a PERS public safety 195
officer. 196

Sec. 145.194. (A) A member participating in a PERS defined 197
contribution plan ~~at the time of commencing employment as who~~ 198
becomes a PERS law enforcement officer or PERS public safety 199
officer shall cease making contributions to ~~that~~ a PERS defined 200
contribution plan. During employment as a PERS law enforcement 201

officer or a PERS public safety officer and any concurrent 202
employment in a position subject to this chapter, the member shall 203
contribute only to the PERS defined benefit plan. 204

(B) A member described in division (A) of this section with 205
contributions standing to the member's credit in a PERS defined 206
contribution plan may elect to have those contributions deposited 207
and credited in the PERS defined benefit plan in accordance with 208
section 145.814 of the Revised Code and rules governing the PERS 209
defined benefit plan. 210

Sec. 145.28. (A)~~(1)~~ As used in this section, "paying system" 211
and "transferring system" have the same meanings as in section 212
145.37 of the Revised Code. 213

~~(B)~~(1) Except as provided in division ~~(A)~~(B)(2) of this 214
section, a member of the public employees retirement system with 215
at least eighteen months of contributing service in the system, 216
the state teachers retirement system, or the school employees 217
retirement system who exempted self from membership in one or more 218
of the systems pursuant to section 145.03 or 3309.23 of the 219
Revised Code, or former section 3307.25 or 3309.25 of the Revised 220
Code, or was exempt under section 3307.24 of the Revised Code, may 221
purchase credit for each year or portion of a year of service for 222
which the member was exempted. 223

(2) A member may not purchase credit under this section for 224
exempted service if the service was exempted from contribution 225
under section 145.03 of the Revised Code and subject to the tax on 226
wages imposed by the "Federal Insurance Contributions Act," 68A 227
Stat. 415 (1954), 26 U.S.C.A. 3101, as amended. 228

~~(B)~~(C) Credit shall be purchased under this section in 229
accordance with section 145.29 of the Revised Code. 230

~~(C)~~(D) Credit purchasable under this section shall not exceed 231

one year of service for any twelve-month period. If the period of 232
service for which credit is purchasable under this section is 233
concurrent with a period of service that will be used to calculate 234
a retirement benefit from this system, the state teachers 235
retirement system, or school employees retirement system, the 236
amount of the credit shall be adjusted in accordance with rules 237
adopted by the public employees retirement board. 238

A member who is also a member of the state teachers 239
retirement system or the school employees retirement system shall 240
purchase credit for any service for which the member exempted self 241
under section 145.03 or 3309.23 of the Revised Code, or former 242
section 3307.25 or 3309.25 of the Revised Code, or was exempt 243
under section 3307.24 of the Revised Code, from the retirement 244
system in which the member has the greatest number of years of 245
service credit. If the member receives benefits under section 246
145.37 of the Revised Code, the ~~retirement system that determines~~ 247
~~and pays the benefit~~ is the paying system under that section shall 248
receive from the ~~other~~ system or systems that are transferring 249
systems the amounts paid by the member for purchase of credit for 250
exempt service plus interest at the actuarial assumption rate of 251
the transferring system ~~paying that amount~~. The interest shall be 252
for the period beginning on the date of the member's last payment 253
for purchase of the credit and ending on the date of the member's 254
retirement. 255

~~(D) If a member dies or withdraws from service, any payment 256
made by the member under this section shall be considered as 257
accumulated contributions of the member. 258~~

(E) The retirement board shall adopt rules to implement this 259
section. 260

Sec. 145.29. (A) A member of the public employees retirement 261
system who elects to purchase or otherwise obtain service credit 262

under section 145.28, 145.291, 145.292, 145.293, or 145.299 or 263
division (G) of section 145.47 of the Revised Code shall do both 264
of the following: 265

(1) Submit a request to the public employees retirement board 266
in a manner or form approved by the board; 267

(2) For each year, or portion of a year, of credit purchased 268
or otherwise obtained, pay to the employees' savings fund an 269
amount specified by the board that is equal to one hundred per 270
cent of the additional liability resulting from purchasing or 271
obtaining that year or portion of a year of credit as determined 272
by an actuary employed by the board. 273

(B) Subject to board rules, a member may choose to purchase 274
or otherwise obtain in any one payment only part of any service 275
credit listed in division (A) of this section. 276

(C) If a member dies or withdraws from service, any payment 277
made by the member to purchase or obtain any service credit listed 278
in division (A) of this section shall be considered as accumulated 279
contributions of the member. 280

Sec. 145.295. (A) As used in this section and section 281
145.2913 of the Revised Code: 282

(1) "Uniform retirement system" or "uniform system" means the 283
Ohio police and fire pension fund or state highway patrol 284
retirement system. 285

(2) "Military service credit" means credit purchased or 286
obtained under this chapter or Chapter 742. or 5505. of the 287
Revised Code for service in the armed forces of the United States. 288

(B) A member of the public employees retirement system who 289
has contributions on deposit with, but is no longer contributing 290
to, a uniform retirement system shall, in computing years of 291

service, be given full credit for service credit earned under 292
Chapter 742. or 5505. of the Revised Code or for military service 293
credit if a transfer to the public employees retirement system is 294
made under this division. At the request of the member a transfer 295
shall be made if all of the following conditions are met: 296

(1) The member's service credit in the public employees 297
retirement system is greater than the amount of credit that would 298
be transferred under this division. 299

(2) The member is eligible, or with the credit will be 300
eligible, for a retirement or disability benefit. 301

~~(2)~~(3) The member agrees to retire or accept a disability 302
benefit not later than ninety days after receiving notice from the 303
public employees retirement system that the credit has been 304
obtained. 305

~~(3)~~(4) For each year of service the uniform system transfers 306
to the public employees retirement system the sum of the 307
following: 308

(a) An amount equal to the member's accumulated contributions 309
to the uniform system making the transfer and any payments by the 310
member for military service credit; 311

(b) An amount equal to the lesser of the employer's 312
contributions to the uniform system or the appropriate employer 313
contribution under section 145.48 or 145.49 of the Revised Code; 314

(c) Interest, determined as provided in division (H) of this 315
section, on the amounts specified in divisions (B)~~(3)~~(4)(a) and 316
(b) of this section for the period from the last day of the year 317
for which the service credit in the uniform system was earned or 318
in which the military service credit was purchased or obtained to 319
the date the transfer is made. 320

(C) A member of the public employees retirement system who 321

has at least eighteen months of contributing service credit with 322
the public employees retirement system, who is a former member of 323
a uniform retirement system, and who has received a refund of the 324
member's accumulated contributions to that uniform system may 325
obtain credit for service credit earned under Chapter 742. or 326
5505. of the Revised Code or for military service credit if all of 327
the following conditions are met: 328

(1) The member's service credit in the public employees 329
retirement system is greater than the amount of credit that would 330
be transferred under this division. 331

(2) The member is eligible, or with the credit will be 332
eligible, for a retirement or disability benefit. 333

~~(2)~~(3) The member agrees to retire or accept a disability 334
benefit not later than ninety days after receiving notice from the 335
public employees retirement system that the credit has been 336
obtained. 337

~~(3)~~(4) For each year of service, the public employees 338
retirement system receives the sum of the following: 339

(a) An amount, which shall be paid by the member, equal to 340
the amount refunded by the uniform system to the member for that 341
year for accumulated contributions and payments for military 342
service credit, with interest at a rate established by the public 343
employees retirement board on that amount from the date of the 344
refund to the date of the payment; 345

(b) Interest, which shall be transferred by the uniform 346
system, on the amount refunded to the member that is attributable 347
to the year of service from the last day of the year for which the 348
service credit was earned or in which payment was made for 349
military service credit to the date the refund was made; 350

(c) An amount, which shall be transferred by the uniform 351
system, equal to the lesser of the employer's contributions to the 352

uniform system or the appropriate employer contribution under 353
section 145.48 or 145.49 of the Revised Code, with interest on 354
that amount from the last day of the year for which the service 355
credit was earned or in which payment was made for military 356
service credit to the date of the transfer. 357

On receipt of payment from the member, the public employees 358
retirement system shall notify the uniform system, which, on 359
receipt of the notice, shall make the transfer required by this 360
division. Interest shall be determined as provided in division (H) 361
of this section. 362

(D) A member of the public employees retirement system who 363
purchased credit under former division (A)(1) of this section, as 364
it existed before August 25, 1995, for service as a member of a 365
uniform retirement system may elect to have the amount the member 366
paid for this service credit refunded to the member under this 367
division if the member agrees to repurchase this service credit 368
pursuant to division (C) of this section. 369

(E) Service credit purchased or otherwise obtained under this 370
section shall be considered the equivalent of Ohio service credit. 371

The public employees retirement system shall withdraw the 372
credit and refund all amounts paid or transferred under this 373
section if either of the following occurs: 374

(1) The member fails to retire or accept a disability benefit 375
not later than ninety days after receiving notice from the public 376
employees retirement system that credit has been obtained. 377

(2) The member's application for a disability benefit is 378
denied. 379

A member may choose to purchase only part of the credit the 380
member is eligible to purchase under division (C) of this section, 381
subject to rules of the public employees retirement board. A 382
member is ineligible to purchase or otherwise obtain credit under 383

this section for service to be used in calculation of any 384
retirement benefit currently being paid or payable to the member 385
in the future under any other retirement program or for service 386
credit that may be transferred under section 145.2913 of the 387
Revised Code. 388

(F) If a member of the public employees retirement system who 389
is not a current contributor elects to receive credit under 390
section 742.21 or 5505.40 of the Revised Code for service for 391
which the member contributed to the system or made payment for 392
military service credit, the system shall transfer to the Ohio 393
police and fire pension fund or the state highway patrol 394
retirement system, as applicable, the amount specified in division 395
(D) of section 742.21 or division (B)(2) of section 5505.40 of the 396
Revised Code. 397

(G) A member of the public employees retirement system who 398
earned service credit in the public employees retirement system 399
for full-time service as a township or municipal police officer 400
and received service credit in the Ohio police and fire pension 401
fund under section 742.511 or 742.512 of the Revised Code for such 402
service may elect to have the credit restored as public employees 403
retirement system service credit by paying the public employees 404
retirement system an amount equal to the accumulated contributions 405
paid by the member to the Ohio police and fire pension fund under 406
section 742.511 or 742.512 of the Revised Code. When such an 407
election is made, the Ohio police and fire pension fund shall 408
transfer to the public employees retirement system the amount 409
previously transferred under section 742.511 or 742.512 of the 410
Revised Code from the public employees retirement system to the 411
Ohio police and fire pension fund. 412

(H) Interest charged under this section shall be calculated 413
separately for each year of service credit. Unless otherwise 414
specified in this section, it shall be calculated at the lesser of 415

the actuarial assumption rate for that year of the public 416
employees retirement system or of the uniform retirement system in 417
which the credit was earned. The interest shall be compounded 418
annually. 419

(I) At the request of the public employees retirement system, 420
the uniform retirement system shall certify to the public 421
employees retirement system a copy of the records of the service 422
and contributions of a public employees retirement system member 423
who seeks service credit under this section. 424

Sec. 145.297. (A) As used in this section, "employing unit" 425
means: 426

(1) A municipal corporation, agency of a municipal 427
corporation designated by the legislative authority, park 428
district, conservancy district, sanitary district, health 429
district, township, department of a township designated by the 430
board of township trustees, metropolitan housing authority, public 431
library, county law library, union cemetery, joint hospital, or 432
other political subdivision or unit of local government. 433

(2) With respect to state employees, any entity of the state 434
including any department, agency, institution of higher education, 435
board, bureau, commission, council, office, or administrative body 436
or any part of such entity that is designated by the entity as an 437
employing unit. 438

(3)(a) With respect to employees of a board of alcohol, drug 439
addiction, and mental health services, that board. 440

(b) With respect to employees of a county board of 441
developmental disabilities, that board. 442

(c) With respect to other county employees, the county or any 443
county agency designated by the board of county commissioners. 444

(4) In the case of an employee whose employing unit is in 445

question, the employing unit is the unit through whose payroll the 446
employee is paid. 447

(B) An employing unit may establish a retirement incentive 448
plan for its eligible employees. In the case of a county or county 449
agency, decisions on whether to establish a retirement incentive 450
plan for any employees other than employees of a board of alcohol, 451
drug addiction, and mental health services or county board of 452
developmental disabilities and on the terms of the plan shall be 453
made by the board of county commissioners. In the case of a 454
municipal corporation or an agency of a municipal corporation, 455
decisions on whether to establish a retirement incentive plan and 456
on the terms of the plan shall be made by the legislative 457
authority. 458

All terms of a retirement incentive plan shall be in writing. 459

A retirement incentive plan shall provide for purchase by the 460
employing unit of service credit for eligible employees who elect 461
to participate in the plan and for payment by the employing unit 462
of the entire cost of the service credit purchased. 463

Every retirement incentive plan shall remain in effect for at 464
least one year. The employing unit shall give employees at least 465
thirty days' notice before terminating the plan. 466

Every retirement incentive plan shall include provisions for 467
the timely and impartial resolution of grievances and disputes 468
arising under the plan. 469

No employing unit shall have more than one retirement 470
incentive plan in effect at any time. 471

(C) Any classified or unclassified employee of the employing 472
unit who is a member of the public employees retirement system 473
shall be eligible to participate in the retirement incentive plan 474
established by the employee's employing unit if the employee meets 475
the following criteria: 476

(1) The employee is not any of the following:	477
(a) An elected official;	478
(b) A member of a board or commission;	479
(c) A person elected to serve a term of fixed length;	480
(d) A person appointed to serve a term of fixed length, other	481
than a person appointed and employed by the person's employing	482
unit.	483
(2) The employee is or will be eligible to retire under	484
section 145.33, 145.332 , or 145.37 of the Revised Code on or	485
before the date of termination of the retirement incentive plan.	486
Service credit to be purchased for the employee under the	487
retirement incentive plan shall be included in making such	488
determination.	489
(3) The employee agrees to retire under section 145.33, 145.332 ,	490
or 145.37 of the Revised Code within ninety days after	491
receiving notice from the public employees retirement system that	492
service credit has been purchased for the employee under this	493
section.	494
Participation in the plan shall be available to all eligible	495
employees except that the employing unit may limit the number of	496
participants in the plan to a specified percentage of its	497
employees who are members of the public employees retirement	498
system on the date the plan goes into effect. The percentage shall	499
not be less than five per cent of such employees. If participation	500
is limited, employees with more total service credit have the	501
right to elect to participate before employees with less total	502
service credit. In the case of employees with the same total	503
service credit, employees with a greater length of service with	504
the employing unit have the right to elect to participate before	505
employees with less service with the employing unit. Employees	506
with less than eighteen months of service with the employing unit	507

have the right to elect to participate only after all other 508
eligible employees have been given the opportunity to elect to 509
participate. For the purpose of determining which employees may 510
participate in a plan, total service credit includes service 511
credit purchased by the employee under this chapter after the date 512
on which the plan is established. 513

A retirement incentive plan that limits participation may 514
provide that an employee who does not notify the employing unit of 515
the employee's decision to participate in the plan within a 516
specified period of time will lose priority to participate in the 517
plan ahead of other employees with less seniority. The time given 518
to an employee to elect to participate ahead of other employees 519
shall not be less than thirty days after the employee receives 520
written notice that the employee may participate in the plan. 521

(D) A retirement incentive plan shall provide for purchase of 522
the same amount of service credit for each participating employee, 523
except that the employer may not purchase more service credit for 524
any employee than the lesser of the following: 525

(1) Five years of service credit; 526

(2) An amount of service credit equal to one-fifth of the 527
total service credited to the participant under this chapter, 528
exclusive of service credit purchased under this section. 529

For each year of service credit purchased under this section, 530
the employing unit shall pay an amount equal to the additional 531
liability resulting from the purchase of that year of service 532
credit, as determined by an actuary employed by the public 533
employees retirement board. 534

(E) Upon the election by an eligible employee to participate 535
in the retirement incentive plan, the employee and the employing 536
unit shall agree upon a date for payment or contracting for 537
payment in installments to the public employees retirement system 538

of the cost of the service credit to be purchased. The employing 539
unit shall submit to the public employees retirement system a 540
written request for a determination of the cost of the service 541
credit, and within forty-five days after receiving the request, 542
the board shall give the employing unit written notice of the 543
cost. 544

The employing unit shall pay or contract to pay in 545
installments the cost of the service credit to be purchased to the 546
public employees retirement system on the date agreed to by the 547
employee and the employing unit. The payment shall be made in 548
accordance with rules adopted by the public employees retirement 549
board. The rules may provide for payment in installments and for 550
crediting the purchased credit to the employee's account upon the 551
employer's contracting to pay the cost in installments. The board 552
shall notify the member when the member is credited with service 553
purchased under this section. If the employee does not retire 554
within ninety days after receiving notice that the employee has 555
been credited with the purchased service credit, the system shall 556
refund to the employing unit the amount paid for the service 557
credit. 558

No payment made to the public employees retirement system 559
under this section shall affect any payment required by section 560
145.48 of the Revised Code. 561

(F) For the purpose of determining whether the cost of a 562
retirement incentive plan established by a county or county agency 563
under this section is an allowable cost for the purpose of federal 564
funding for any year, the cost shall be considered abnormal or 565
mass severance pay only if fifteen per cent or more of the county 566
or county agency's employees participate in the plan in that year. 567

Nothing in this division shall relieve a county or county 568
agency from seeking federal approval for any early retirement 569
incentive plan that uses federal dollars in accordance with 570

federal law. 571

Sec. 145.2914. (A) The public employees retirement board may 572
adopt rules in accordance with section 145.09 of the Revised Code 573
to establish a program under which service credit earned under 574
section 145.33 of the Revised Code or division (A)(2), 575
(B)~~(2)~~(1)(b), or (C)(2) of section 145.332 of the Revised Code is 576
treated as service credit earned under division (A)(1), (B)(1)(a), 577
or (C)(1) of section 145.332 of the Revised Code if the member 578
elects to do one of the following: 579

(1) Have the amount of service credit earned under section 580
145.33 of the Revised Code or division (A)(2), (B)~~(2)~~(1)(b), or 581
(C)(2) of section 145.332 of the Revised Code reduced so there is 582
no additional liability to the public employees retirement system; 583

(2) Make payment to the public employees retirement system in 584
accordance with the rules. The number of years of service credit 585
earned under section 145.33 of the Revised Code or division 586
(A)(2), (B)~~(2)~~(1)(b), or (C)(2) of section 145.332 of the Revised 587
Code that may be treated as service credit earned under division 588
(A)(1), (B)(1)(a), or (C)(1) of section 145.332 of the Revised 589
Code shall not exceed five. 590

(B) If the board adopts rules under division (A) of this 591
section, all of the following apply to payments made under 592
division (A)(2) of this section: 593

(1) For each year or portion of a year of service credit 594
earned under section 145.33 of the Revised Code or division 595
(A)(2), (B)~~(2)~~(1)(b), or (C)(2) of section 145.332 of the Revised 596
Code that is to be treated as service credit earned under division 597
(A)(1), (B)(1)(a), or (C)(1) of section 145.332 of the Revised 598
Code, the member shall pay to the retirement system an amount 599
specified by the retirement board that is not less than one 600
hundred per cent of the additional liability resulting from the 601

purchase of that year, or portion of a year, of service. 602

(2) Any amounts paid under this section shall be credited to 603
the employees' savings fund. 604

(3) The amounts paid by the member under this section are 605
subject to the limits established by division (n) of section 415 606
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 607
415(n), as amended. 608

(C) A member may make the election authorized by this section 609
if the member is eligible to retire under this chapter or will 610
become eligible to retire as a result of the election. The member 611
shall agree to retire not later than ninety days after making the 612
election under division (A)(1) of this section or receiving notice 613
of the additional liability specified under division (B)(1) of 614
this section. If the member makes the election under division 615
(A)(2) of this section, payment shall be made in full for any 616
credit earned under section 145.33 of the Revised Code or division 617
(A)(2), (B)~~(2)~~(1)(b), or (C)(2) of section 145.332 of the Revised 618
Code that is to be treated as service credit earned under division 619
(A)(1), (B)(1)(a), or (C)(1) of section 145.332 of the Revised 620
Code, but the member may choose to make payment for only part of 621
the credit for which the member is eligible. 622

(D) If the member does not retire not later than ninety days 623
after making the election under division (A)(1) of this section or 624
the payment under division (A)(2) of this section, the system 625
shall refund any payment and shall not treat the credit as service 626
credit earned under division (A)(1), (B)(1)(a), or (C)(1) of 627
section 145.332 of the Revised Code. 628

(E) The board's rules may deal with any other matter 629
necessary to implement this section. 630

Sec. 145.2915. (A) As used in this section, "workers' 631

compensation" means benefits paid under Chapter 4121. or 4123. of 632
the Revised Code. 633

(B) A member of the public employees retirement system may 634
purchase service credit under this section for any period during 635
which the member was out of service with a public employer and 636
receiving workers' compensation if the member returns to 637
employment covered by this chapter. 638

(C) For credit purchased under this section: 639

(1) If the member is employed by one public employer, for 640
each year of credit, the member shall pay to the system for credit 641
to the employees' savings fund an amount equal to the employee 642
contribution required under section 145.47 of the Revised Code 643
that would have been paid had the member not been out of service 644
based on the salary of the member before the member was out of 645
service. To this amount shall be added an amount equal to compound 646
interest at a rate established by the public employees retirement 647
board from the first date the member was out of service to the 648
final date of payment. 649

(2) If the member is employed by more than one public 650
employer, the member is eligible to purchase credit under this 651
section and make payments under division (C)(1)~~(b)~~ of this section 652
only for the position for which the member received workers' 653
compensation. For each year of credit, the member shall pay to the 654
system for credit to the employees' savings fund an amount equal 655
to the employee contribution required under section 145.47 of the 656
Revised Code that would have been paid had the member not been out 657
of service based on the salary of the member earned for the 658
position for which the member received workers' compensation 659
before the member was out of service. To this amount shall be 660
added an amount equal to compound interest at a rate established 661
by the public employees retirement board from the first date the 662

member was out of service to the final date of payment. 663

(D) The member may choose to purchase only part of such 664
credit in any one payment, subject to board rules. 665

(E) If a member makes a payment under division (C) of this 666
section, the employer to which workers' compensation benefits are 667
attributed shall pay to the system for credit to the employers' 668
accumulation fund an amount equal to the employer contribution 669
required under section 145.48 or 145.49 of the Revised Code 670
corresponding to that payment that would have been paid had the 671
member not been out of service based on the salary of the member 672
before the member was out of service. 673

Compound interest at a rate established by the board from the 674
later of the member's date of re-employment or ~~the effective date~~ 675
~~of this section~~ January 7, 2013, to the date of payment shall be 676
added to this amount if the employer pays all or any portion of 677
the amount ~~later than~~ after the end of the earlier of the 678
following: 679

(1) A period of five years or a; 680

(2) A period that is three times the period during which the 681
member was out of service and receiving workers' compensation 682
beginning from. 683

The period described in division (E)(1) or (2) of this 684
section begins with the later of the member's date of 685
re-employment or ~~the effective date of this section~~ January 7, 686
2013. 687

(F) The number of years purchased under this section shall 688
not exceed three. Credit purchased under this section may be 689
combined pursuant to section 145.37 of the Revised Code with 690
credit purchased or obtained under Chapter 3307. or 3309. of the 691
Revised Code for periods the member was out of service and 692
receiving workers' compensation, but not more than a total of 693

three years of credit may be used in determining retirement 694
eligibility or calculating benefits under section 145.37 of the 695
Revised Code. 696

Sec. 145.31. (A)(1) Except as provided in this section, a 697
member or former member of the public employees retirement system 698
with at least eighteen months of contributing service credit in 699
this system, the state teachers retirement system, the school 700
employees retirement system, the Ohio police and fire pension 701
fund, or the state highway patrol retirement system, after the 702
withdrawal of accumulated contributions and cancellation of 703
service credit in this system, may restore such service credit by 704
redepositing the amount withdrawn, with interest on such amount 705
compounded annually at a rate to be determined by the public 706
employees retirement board from the first day of the month of 707
withdrawal to and including the month of redeposit. ~~The~~ 708

(2) The amount redeposited shall be credited as follows: 709

~~(1)~~(a) The amount that equals the amount, if any, included 710
under section 145.401 of the Revised Code in the withdrawal of 711
accumulated contributions under section 145.40 of the Revised Code 712
shall be credited to the employers' accumulation fund. 713

~~(2)~~(b) The remaining amount shall be credited to the member's 714
account in the employees' savings fund. 715

(3) If the accumulated contributions were withdrawn under 716
section 145.402 of the Revised Code, service credit may be 717
restored only if the member or former member accrued eighteen 718
months of contributing service credit after withdrawal of the 719
accumulated contributions. 720

(B) The member may choose to purchase only part of ~~such~~ the 721
credit available under this section in any one payment, subject to 722
board rules. Except for any amount included under section 145.401 723

of the Revised Code in the withdrawal of accumulated contributions 724
under section 145.40 of the Revised Code, the total payment to 725
restore canceled service credit, plus any interest credited 726
thereto, shall be considered as accumulated contributions of the 727
member. If a former member is eligible to buy the service credit 728
as a member of the Ohio police and fire pension fund, state 729
highway patrol retirement system, or the city of Cincinnati 730
retirement system, the former member is ineligible to restore that 731
service credit under this section. 732

(C) Any employee who has been refunded the employee's 733
accumulated contributions to the public employees retirement 734
system solely by reason of membership in a former firemen's relief 735
and pension fund or a former police relief and pension fund may 736
restore membership in the public employees retirement system by 737
redepositing with the system the amount refunded, with interest on 738
such amount compounded annually at a rate to be determined by the 739
board from the month of refund to and including the month of 740
redeposit. The member may choose to purchase only part of such 741
credit in any one payment, subject to board rules. 742

~~(B)~~(D) In lieu of an amount required by division (A) of this 743
section, the board may by rule require deposit of an amount 744
specified in the rule. The amount shall not exceed the additional 745
liability to the retirement system that results from granting the 746
credit. 747

Sec. 145.311. (A) A member of the public employees retirement 748
system who has at least eighteen months of contributing service 749
credit in the system, the Ohio police and fire pension fund, 750
school employees retirement system, state teachers retirement 751
system, or state highway patrol retirement system, and is a former 752
member of or no longer contributing to the school employees 753
retirement system or state teachers retirement system may restore 754

service credit under section 3307.71 or 3309.26 of the Revised Code by making payments pursuant to this section through a payroll deduction plan established under section 145.294 of the Revised Code. A member seeking to restore this service credit shall notify the public employees retirement system on a form approved by the public employees retirement board. After receiving the notice, the public employees retirement system shall request that the former retirement system calculate under section 3307.712 or 3309.262 of the Revised Code the cost to the member to restore service credit for each year or portion of a year of service for which the member seeks to restore the service credit. The amount the former retirement system certifies as the cost of restoring the service credit, plus interest described in division (B) of this section, is the cost to the member of restoring the service credit. On receiving the certification from the former retirement system, the public employees retirement system shall notify the member of the cost.

(B) For each year or portion of a year of service credit restored under section 3307.71 or 3309.26 of the Revised Code, a member shall pay to the public employees retirement system the amount certified by the former retirement system plus interest at a rate specified by the former retirement system under section 3307.712 or 3309.262 of the Revised Code for the period during which deductions are made under section 145.294 of the Revised Code.

(C) The public employees retirement board shall at least annually ~~notify~~ transmit to the former retirement system ~~that a payment notice and any payments made~~ to restore service credit under section 3307.71 or 3309.26 of the Revised Code ~~has been made. At the time the payment is transferred under division (D) of this section, the~~ The former retirement system shall restore the service credit for the year or portion of a year for which the

payment was made. 787

~~(D) On application for a payment of accumulated contributions 788
or an age and service retirement, disability, or survivor benefit 789
under Chapter 145., 3307., or 3309. of the Revised Code by a 790
member who made payments under this section to restore service 791
credit in a former retirement system, the public employees 792
retirement system shall pay to the former retirement system an 793
amount equal to the total amount paid by the member under this 794
section. 795~~

~~(E) The board shall adopt rules to implement this section. 796~~

Sec. 145.33. (A)(1) Except as provided in section 145.332 of 797
the Revised Code, when a member retires on age and service 798
retirement, the member's total annual single lifetime allowance 799
shall be an amount adjusted in accordance with division (A)(2) or 800
(B) of this section and determined by multiplying the member's 801
total service credit by the following: 802

(a) If the member is eligible for age and service retirement 803
under division (A) or (B) of section 145.32 of the Revised Code, 804
two and two-tenths per cent of the member's final average salary 805
for each of the first thirty years of service plus two and 806
one-half per cent of the member's final average salary for each 807
subsequent year of service; 808

(b) If the member is eligible for age and service retirement 809
under division (C) of section 145.32 of the Revised Code, two and 810
two-tenths per cent of the member's final average salary for each 811
of the first thirty-five years of service plus two and one-half 812
per cent of the member's final average salary for each subsequent 813
year of service. 814

(2)(a) For a member eligible to retire under division (A) of 815
section 145.32 of the Revised Code, the member's allowance under 816

division (A)(1) of this section shall be adjusted by the factors 817
of attained age or years of service to provide the greater amount 818
as determined by the following schedule: 819

Attained Birthday	or	Years of Total Service Credit	Percentage of Base Amount	
58		25	75	823
59		26	80	824
60		27	85	825
61			88	826
		28	90	827
62			91	828
63			94	829
		29	95	830
64			97	831
65		30 or more	100	832

(b) For a member eligible to retire under division (B) or (C) 833
of section 145.32 of the Revised Code, the member's allowance 834
under division (A)(1) of this section shall be reduced by a 835
percentage determined by the board's actuary ~~for each year the~~ 836
~~member retires before whichever of the following occurs first:~~ 837
~~attaining age sixty six, attaining age fifty two with thirty one~~ 838
~~years of total service credit, or earning thirty two years of~~ 839
~~total service credit.~~ 840

~~(c) For a member eligible to retire under division (C) of~~ 841
~~section 145.32 of the Revised Code, the member's allowance under~~ 842
~~division (A)(1) of this section shall be reduced by a percentage~~ 843
~~determined by the board's actuary for each year the member retires~~ 844
~~before whichever of the following occurs first: attaining age~~ 845
~~sixty seven, or attaining age fifty five with thirty two years of~~ 846
~~total service credit based on the number of years the commencement~~ 847
~~of the allowance precedes the member's eligibility for an~~ 848

unreduced allowance. 849

~~(d)~~(c) The actuary may use an actuarially based average 850
percentage reduction for purposes of division (A)(2)(b) ~~or (c)~~ of 851
this section. 852

(3) For a member eligible to retire under division (A) or (B) 853
of section 145.32 of the Revised Code, the right to a benefit 854
shall vest in accordance with the following schedule, based on the 855
member's attained age by September 1, 1976: 856

Attained	Percentage	
Birthday	of	Base Amount
66	102	860
67	104	861
68	106	862
69	108	863
70 or more	110	864

(B) The total annual single lifetime allowance that a member 865
shall receive under this section shall not exceed the lesser of 866
the following: 867

(1) Any limit established under section 145.333 of the 868
Revised Code; 869

(2) One hundred per cent of the member's final average 870
salary; 871

(3) The limit established by section 415 of the "Internal 872
Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as 873
amended. 874

(C) Retirement allowances determined under this section shall 875
be paid as provided in section 145.46 of the Revised Code. 876

Sec. 145.35. (A) As used in this section, ~~"on-duty and~~ 877
sections 145.362 and 145.363 of the Revised Code: 878

(1) "Examining physician" means a physician appointed by the public employees retirement board to conduct a medical examination of a disability benefit applicant or recipient.

(2) "Medical consultant" means a physician appointed by the board to review a member's application for a disability benefit or an appeal of a denial or termination of a benefit.

(3) "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 public employer.

(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 PERS public safety officer, regardless of length of service.

The coverage shall extend only to illness or injury that occurs before the member's contributing service terminates or, in the case of illness or injury that results from contributing service, becomes evident not later than two years after the date the contributing service ends. The coverage shall not extend to disability resulting from elective cosmetic surgery other than reconstructive surgery.

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

Regardless of whether the member actually receives notice of 910
the right to make an election, a member who fails to file a valid 911
election under this section shall be considered to have elected 912
disability coverage under section 145.36 of the Revised Code. To 913
be valid, an election must be made on the form provided by the 914
retirement board, signed by the member, and filed with the board 915
not later than one hundred eighty days after the date the notice 916
was mailed, or, in the case of a form provided at the request of a 917
member, a date specified by rule of the retirement board. Once 918
made, an election is irrevocable, but if the member ceases to be a 919
member of the retirement system, the election is void. If a person 920
who makes an election under this section also makes an election 921
under section 3307.62 or 3309.39 of the Revised Code, the election 922
made for the system that pays a disability benefit to that person 923
shall govern the benefit. 924

Disability coverage shall be provided under section 145.361 925
of the Revised Code for persons who become members after July 29, 926
1992, and for members who elect under this division to be covered 927
under section 145.361 of the Revised Code. 928

The retirement board may adopt rules governing elections made 929
under this division. 930

(C) Application for a disability benefit may be made by a 931
member, by a person acting in the member's behalf, or by the 932
member's employer, provided the member has disability coverage 933
under section 145.36 or 145.361 of the Revised Code and is not 934
receiving a disability benefit under any other Ohio state or 935
municipal retirement program. Application must be made within two 936
years from the date the member's contributing service under the 937
PERS defined benefit plan terminated or the date the member ceased 938
to make contributions to the PERS defined benefit plan under 939
section 145.814 of the Revised Code, unless the ~~retirement board~~ 940
board's medical consultant determines that the member's medical 941

records demonstrate conclusively that at the time the two-year 942
period expired, the member was physically or mentally 943
incapacitated for duty and unable to make an application. 944
Application may not be made by or for any person receiving age and 945
service retirement benefits under section 145.33, 145.331, 946
145.332, or 145.37 or former section 145.34 of the Revised Code or 947
any person who, pursuant to section 145.40 of the Revised Code, 948
has been paid the accumulated contributions standing to the credit 949
of the person's individual account in the employees' savings fund. 950
The application shall be made on a form provided by the retirement 951
board. 952

(D) The benefit payable to any member who is approved for a 953
disability benefit shall become effective on the first day of the 954
month immediately following the later of the following: 955

(1) The last day for which compensation was paid; 956

(2) The attainment of eligibility for a disability benefit. 957

(E) Medical examination of a member who has applied for a 958
disability benefit shall be conducted by a competent disinterested 959
examining physician ~~or physicians selected by the board~~ to 960
determine whether the member is mentally or physically 961
incapacitated for the performance of duty by a disabling condition 962
either permanent or presumed to be permanent. The disability must 963
have occurred since last becoming a member or have increased since 964
last becoming a member to such extent as to make the disability 965
permanent or presumed to be permanent. A disability is presumed to 966
be permanent if it is expected to last for a continuous period of 967
not less than twelve months following the filing of the 968
application. 969

The standard used to determine whether a member is 970
incapacitated for duty is that the member is mentally or 971
physically incapable of performing the duties of the most recent 972

~~public position held by the member held at the time the disabling condition began or of a position with similar duties.~~ 973
974

~~If the A member shall receive a disability benefit under section 145.36 or 145.361 of the Revised Code if all of the following apply:~~ 975
976
977

~~(1) The board's examining physician or physicians determine determines that the member qualifies for a disability benefit, the and the board's medical consultant concurs with the determination;~~ 978
979
980

~~(2) The board concurs with the medical consultant's determination, and the;~~ 981
982

~~(3) The member agrees to medical treatment as specified in division (F) of this section, the member shall receive a disability benefit under section 145.36 or 145.361 of the Revised Code. The.~~ 983
984
985
986

~~A disability benefit described in this division may be commenced prior to the board's concurrence with the determination if the conditions specified in divisions (E)(1) and (3) of this section are met.~~ 987
988
989
990

~~The action of the board shall be final.~~ 991

(F) The public employees retirement board shall adopt rules 992
requiring a disability benefit recipient, as a condition of 993
continuing to receive a disability benefit, to agree in writing to 994
obtain any medical treatment recommended by the board's ~~physician~~ 995
medical consultant and submit medical reports regarding the 996
treatment. If the board determines that a disability benefit 997
recipient is not obtaining the medical treatment or the board does 998
not receive a required medical report, the disability benefit 999
shall be suspended until the treatment is obtained, the report is 1000
received by the board, or the board's ~~physician~~ medical consultant 1001
certifies that the treatment is no longer helpful or advisable. 1002
Should the recipient's failure to obtain treatment or submit a 1003

medical report continue for one year, the recipient's right to the 1004
disability benefit shall be terminated as of the effective date of 1005
the original suspension. 1006

The board shall require the recipient of a disability benefit 1007
who is described in section 145.363 of the Revised Code to comply 1008
with that section. 1009

(G) A disability benefit that has been granted a member but 1010
has not commenced shall not be paid if the member continues in or 1011
returns to employment with the same employer in the same position 1012
or in a position with duties similar to those of the position the 1013
member held at the time the benefit was granted. 1014

(H) In the event an employer files an application for a 1015
disability benefit as a result of a member having been separated 1016
from service because the member is considered to be mentally or 1017
physically incapacitated for the performance of the member's 1018
present duty, and the ~~physician or physicians selected by the~~ 1019
~~board~~ board's medical consultant reports to the board that the 1020
member is physically and mentally capable of performing service 1021
similar to that from which the member was separated and the board 1022
concurs in the report, the board shall so certify to the employer 1023
and the employer shall restore the member to the member's previous 1024
position and salary or to a similar position and salary. 1025

Sec. 145.362. A disability benefit recipient whose 1026
application for a disability benefit was received by the public 1027
employees retirement system before ~~the effective date of this~~ 1028
~~amendment~~ January 7, 2013, shall, regardless of when the 1029
disability occurred, retain membership status and shall be 1030
considered on leave of absence from employment during the first 1031
five years following the effective date of a disability benefit, 1032
notwithstanding any contrary provisions in this chapter. 1033

A disability benefit recipient whose application for a 1034

disability benefit is received by the system on or after ~~the~~ 1035
~~effective date of this amendment~~ January 7, 2013, shall, 1036
regardless of when the disability occurred, retain membership 1037
status and shall be considered on leave of absence from employment 1038
during the first three years following the effective date of a 1039
disability benefit, except that, if the member is receiving 1040
rehabilitative services acceptable to a the board's examining 1041
~~physician or physicians selected by the board~~, the board may 1042
permit the recipient to retain membership status and be considered 1043
on leave of absence from employment for up to five years following 1044
the effective date of a disability benefit. 1045

The public employees retirement board shall require any 1046
disability benefit recipient to undergo an annual medical 1047
examination, except that the board may waive the medical 1048
examination if the board's ~~physician or physicians certify~~ medical 1049
consultant certifies that the recipient's disability is ongoing or 1050
for any other reason specified in rules adopted by the board. If 1051
any disability benefit recipient refuses to submit to a medical 1052
examination, the recipient's disability benefit shall be suspended 1053
until withdrawal of the refusal. Should the refusal continue for 1054
one year, all the recipient's rights in and to the disability 1055
benefit shall be terminated as of the effective date of the 1056
original suspension. 1057

On completion of the examination by ~~an~~ the board's examining 1058
~~physician or physicians selected by the board~~, the physician ~~or~~ 1059
~~physicians~~ shall report to the board's medical consultant and 1060
~~certify to the board~~ whether the disability benefit recipient 1061
meets the applicable standard for termination of a disability 1062
benefit. If the examining physician certifies that the recipient 1063
meets the applicable standard for termination of a disability 1064
benefit and the medical consultant concurs, the medical consultant 1065
shall certify to the board that the recipient meets the applicable 1066

standard for termination. 1067

(A) Regardless of when the disability occurred, if the 1068
recipient's application for a disability benefit was received by 1069
the system before ~~the effective date of this amendment~~ January 7, 1070
2013, or, if on or after that date, the recipient has been 1071
receiving the benefit for less than three years or is receiving 1072
rehabilitative services acceptable to the board's examining 1073
physician ~~or physicians~~ and considered on leave of absence, or, 1074
if, ~~when at the disability occurred~~ time contributing service 1075
terminated, the recipient was a PERS law enforcement officer, the 1076
standard for termination is that the recipient is no longer 1077
physically and mentally incapable of resuming the service from 1078
which the recipient was found disabled. 1079

(B) Regardless of when the disability occurred, if the 1080
recipient's application for a disability benefit is received by 1081
the system on or after ~~the effective date of this amendment~~ 1082
January 7, 2013, the recipient has been receiving the benefit for 1083
three years or longer, the recipient was not a PERS law 1084
enforcement officer ~~when at the disability occurred~~ time 1085
contributing service terminated, and the recipient is not 1086
receiving rehabilitative services acceptable to the board's 1087
examining physician ~~or physicians~~, the standard for termination is 1088
that the recipient is not physically or mentally incapable of 1089
performing the duties of any position that meets all of the 1090
following criteria: 1091

(1) Replaces not less than seventy-five per cent of the 1092
member's final average salary, adjusted each year by the actual 1093
average increase in the consumer price index prepared by the 1094
United States bureau of labor statistics (U.S. city average for 1095
urban wage earners and clerical workers: "all items 1096
1982-1984=100"); 1097

(2) Is reasonably to be found in the member's regional job 1098

market; 1099

(3) Is one that the member is qualified for by experience or 1100
education. 1101

If the board concurs in the report that the disability 1102
benefit recipient meets the applicable standard for termination of 1103
a disability benefit, the payment of the disability benefit shall 1104
be terminated not later than three months after the date of the 1105
board's concurrence or upon employment as a public employee. If 1106
the leave of absence has not expired, the retirement board shall 1107
certify to the disability benefit recipient's last employer before 1108
being found disabled that the recipient is no longer physically 1109
and mentally incapable of resuming service that is the same or 1110
similar to that from which the recipient was found disabled. The 1111
employer shall restore the recipient to the recipient's previous 1112
position and salary or to a position and salary similar thereto, 1113
unless the recipient was dismissed or resigned in lieu of 1114
dismissal for dishonesty, misfeasance, malfeasance, or conviction 1115
of a felony. 1116

Each disability benefit recipient shall file with the board 1117
an annual statement of earnings, current medical information on 1118
the recipient's condition, and any other information required in 1119
rules adopted by the board. The board may waive the requirement 1120
that a disability benefit recipient file an annual statement of 1121
earnings or current medical information if the board's ~~physician~~ 1122
medical consultant certifies that the recipient's disability is 1123
ongoing. 1124

The board shall annually examine the information submitted by 1125
the recipient. If a disability benefit recipient refuses to file 1126
the statement or information, the disability benefit shall be 1127
suspended until the statement and information are filed. If the 1128
refusal continues for one year, the recipient's right to the 1129
disability benefit shall be terminated as of the effective date of 1130

the original suspension. 1131

If a disability benefit recipient is restored to service by, 1132
or elected to an elective office with, an employer covered by this 1133
chapter, the recipient's disability benefit shall cease. 1134

The board may terminate a disability benefit at the request 1135
of the recipient if the board's medical consultant determines that 1136
the recipient is no longer disabled. 1137

If disability retirement under section 145.36 of the Revised 1138
Code is terminated for any reason, the annuity and pension 1139
reserves at that time in the annuity and pension reserve fund 1140
shall be transferred to the employees' savings fund and the 1141
employers' accumulation fund, respectively. If the total 1142
disability benefit paid is less than the amount of the accumulated 1143
contributions of the member transferred to the annuity and pension 1144
reserve fund at the time of the member's disability retirement, 1145
the difference shall be transferred from the annuity and pension 1146
reserve fund to another fund as may be required. In determining 1147
the amount of a member's account following the termination of 1148
disability retirement for any reason, the total amount paid shall 1149
be charged against the member's refundable account. 1150

If a disability allowance paid under section 145.361 of the 1151
Revised Code is terminated for any reason, the reserve on the 1152
allowance at that time in the annuity and pension reserve fund 1153
shall be transferred from that fund to the employers' accumulation 1154
fund. 1155

If a former disability benefit recipient again becomes a 1156
contributor, other than as an other system retirant under section 1157
145.38 of the Revised Code, to this system, the state teachers 1158
retirement system, or the school employees retirement system, and 1159
completes an additional two years of service credit, the former 1160
disability benefit recipient shall be entitled to full service 1161

credit, not exceeding five years' service credit, for the period 1162
as a disability benefit recipient, except that if the board adopts 1163
a rule requiring payment for the service credit it shall be 1164
granted only if the former disability benefit recipient pays an 1165
amount determined under the rule. The rule shall not require 1166
payment of more than the additional liability to the retirement 1167
system resulting from granting the credit. The former recipient 1168
may choose to purchase only part of the credit in any one payment. 1169

If any employer employs any member who is receiving a 1170
disability benefit, the employer shall file notice of employment 1171
with the retirement board, designating the date of employment. In 1172
case the notice is not filed, the total amount of the benefit paid 1173
during the period of employment prior to notice shall be charged 1174
to and paid by the employer. 1175

Sec. 145.363. This section does not apply to a disability 1176
recipient who, ~~when at the disability occurred time contributing~~ 1177
service terminated, was a PERS law enforcement officer. 1178

(A) A recipient of a disability benefit granted under this 1179
chapter whose application for such benefit is received by the 1180
public employees retirement system on or after ~~the effective date~~ 1181
~~of this section~~ January 7, 2013, shall, regardless of when the 1182
disability occurred, apply for social security disability 1183
insurance benefit payments under 42 U.S.C. 423 if the recipient 1184
meets the requirements of divisions (a)(1)(A), (B), and (C) of that 1185
section. The application for a social security disability 1186
insurance benefit shall be made ~~not before the later than of the~~ 1187
ninety-first days day after the recipient is granted a disability 1188
benefit under this chapter or the ninety-first day after the 1189
recipient attains eligibility to apply for a social security 1190
disability insurance benefit, unless the public employees 1191
retirement ~~board~~ board's medical consultant determines from the 1192

member's medical records that the member is physically or mentally 1193
unable to make the application. The recipient shall file with the 1194
system a copy of the completed application ~~with the public~~ 1195
~~employees retirement system~~ or other evidence of application 1196
satisfactory to the board and the system shall accept the copy or 1197
other evidence as evidence of the member's application. If a 1198
recipient fails without just cause to apply for social security 1199
disability insurance benefit payments or to file a copy or other 1200
evidence of the application with the system, the disability 1201
benefit under this chapter shall be suspended until application is 1202
made and a copy or other evidence of the application filed with 1203
the system. If the recipient's failure to file a copy or other 1204
evidence of the application continues for one year, the disability 1205
benefit shall be terminated as of the effective date of the 1206
original suspension. 1207

(B) Regardless of whether the recipient's disability is 1208
ongoing, a recipient of a disability benefit under this chapter 1209
who also receives social security disability insurance benefit 1210
payments shall file an annual statement of earnings under section 1211
145.362 of the Revised Code and include a copy of the social 1212
security disability insurance benefit annual reward letter that 1213
specifies the amount of the social security disability insurance 1214
program benefit. 1215

(C) Except as provided in division (D) of this section, if 1216
any year the total of a disability benefit recipient's benefit 1217
under this chapter and social security disability insurance 1218
benefit payments exceeds the recipient's adjusted final average 1219
salary, the annual benefit under this chapter shall be reduced so 1220
that the annual total equals the recipient's adjusted final 1221
average salary. 1222

The recipient's adjusted final average salary shall be 1223
determined by annually increasing the recipient's final average 1224

salary by the percentage increase in the consumer price index, not 1225
exceeding three per cent, as determined by the United States 1226
bureau of labor statistics (U.S. city average for urban wage 1227
earners and clerical workers: "all items 1982-84=100") for the 1228
twelve-month period ending on the thirtieth day of June of the 1229
immediately preceding calendar year. If the consumer price index 1230
for that period did not increase, no increase shall be made to the 1231
recipient's adjusted final average salary for that period. No 1232
adjustment to a benefit shall exceed the limit established by 1233
section 415 of the "Internal Revenue Code of 1986," 100 Stat. 1234
2085, 26 U.S.C. 415, as amended. 1235

If a disability benefit recipient receives retroactive 1236
payments of social security disability insurance benefits, the 1237
system may reduce future disability benefit payments under this 1238
chapter to recoup any overpayments. 1239

(D) The reductions required by division (C) of this section 1240
do not apply to a recipient of a disability benefit under this 1241
chapter who has not less than five years of service credit for 1242
periods during which the recipient had earnings from other 1243
employment that was subject to the tax imposed by the "Federal 1244
Insurance Contributions Act," 26 U.S.C. 3101. 1245

Sec. 145.37. (A) As used in this section: 1246

(1) "State retirement system" means the public employees 1247
retirement system, school employees retirement system, or state 1248
teachers retirement system. 1249

(2) "Total service credit" means all service credit earned in 1250
the state retirement systems, except credit for service subject to 1251
section 145.38 of the Revised Code. Total service credit shall not 1252
exceed one year of credit for any twelve-month period. 1253

(3) In addition to the meaning given in division (N) of 1254

section 145.01 of the Revised Code, "disability benefit" means 1255
"disability benefit" as defined in sections 3307.01 and 3309.01 of 1256
the Revised Code. 1257

(4) "Paying system" means the state retirement system in 1258
which the member has the greatest service credit, without 1259
adjustment or, if a member who has equal service credit in two or 1260
more retirement systems, the retirement system in which the member 1261
has the greatest total contributions. 1262

(5) "Transferring system" means the state retirement system 1263
transferring a member's contributions and service credit in that 1264
system to the paying system. 1265

(6) "Retention percentage" means five per cent, or a 1266
percentage determined under division (D) of this section, of a 1267
member's earnable salary in the case of a member of the public 1268
employees retirement system or five per cent, or a percentage 1269
determined under division (D) of this section, of a member's 1270
compensation in the case of a member of the state teachers 1271
retirement system or school employees retirement system. 1272

(B) To coordinate and integrate membership in the state 1273
retirement systems, ~~the following provisions apply:~~ 1274

~~(1) Subject to division (B)(2) of this section, at the 1275
election of a member, total contributions and service credit in 1276
all state retirement systems, including amounts paid to restore 1277
service credit under sections 145.311, 3307.711, and 3309.261 of 1278
the Revised Code, shall be used in determining the eligibility and 1279
total retirement or disability benefit payable. When total 1280
contributions and service credit are so combined, the following 1281
provisions apply: 1282~~

~~(a)(1) Age and service retirement shall be effective on the 1283
first day of the month immediately following the later of: 1284~~

~~(i)(a) The last day for which compensation was paid; 1285~~

(ii)(b) The attainment of minimum age or service credit	1286
eligibility for benefits provided under this section;	1287
(iii)(c) Ninety days prior to receipt by the board of the	1288
member's completed application for retirement.	1289
(b)(2) Disability benefits shall be effective on the first	1290
day of the month immediately following the later of the following:	1291
(i)(a) The last day for which compensation was paid;	1292
(ii)(b) The attainment of eligibility for a disability	1293
benefit.	1294
(c) Eligibility for a disability benefit shall be determined	1295
by the (3) The board of the state retirement paying system that	1296
will calculate shall do both of the following:	1297
(a) Determine a member's eligibility for a retirement or	1298
disability benefit;	1299
(b) Calculate and pay the member's retirement or disability	1300
benefit, as provided in division (B)(1)(d) of this section. The	1301
state retirement	1302
(4)(a) Each transferring system calculating and paying the	1303
disability benefit in which the member has service credit shall	1304
certify the determination to the board of each other state	1305
retirement paying system in which the member has service credit	1306
and shall be accepted by that board as sufficient for granting a	1307
disability benefit.	1308
(d) The board of the state retirement system in which the	1309
member had the greatest service credit, without adjustment, shall	1310
calculate and pay the total retirement or disability benefit.	1311
Where the member's credit is equal in two or more state retirement	1312
systems, the system having the largest total contributions of the	1313
member shall calculate and pay the total benefit.	1314
(e) all of the following:	1315

<u>(i) The service credit earned by the member in the</u>	1316
<u>transferring system;</u>	1317
<u>(ii) The beginning and ending dates of the service credit</u>	1318
<u>period covered by the transferring system;</u>	1319
<u>(iii) Any breaks in service by the member, excluding school</u>	1320
<u>breaks;</u>	1321
<u>(iv) If available, a statement listing the member's monthly</u>	1322
<u>contributions and service credit earned, obtained, or purchased in</u>	1323
<u>the transferring system.</u>	1324
<u>(b) The certification under division (B)(4)(a) of this</u>	1325
<u>section may be reviewed by both the transferring system and the</u>	1326
<u>paying system.</u>	1327
<u>(5) In determining the total credit to be used in calculating</u>	1328
<u>a retirement or disability benefit, total combined service credit</u>	1329
<u>shall not exceed credit shall not be reduced below that certified</u>	1330
<u>by the transferring system, except as follows:</u>	1331
<u>(a) Not more than one year of credit may be certified by the</u>	1332
<u>transferring system for any one "year" as defined in the law of</u>	1333
<u>the transferring system making the calculation.</u>	1334
<u>(f)(b) The paying system may reduce any credit certified by</u>	1335
<u>the transferring system that is concurrent with any period of</u>	1336
<u>service credit the member earned from the paying system.</u>	1337
<u>(c) The paying system may reduce any credit certified by the</u>	1338
<u>transferring system if the amount certified, when added to the</u>	1339
<u>paying system's service credit for any one "year" as defined in</u>	1340
<u>the law of the paying system, exceeds one year.</u>	1341
<u>(6)(a) The state retirement paying system calculating and</u>	1342
<u>paying a retirement or disability benefit shall receive from the</u>	1343
<u>other transferring system or systems all of the following for each</u>	1344
<u>year of service:</u>	1345

(i) The amount contributed by the member, or, in the case of service credit purchased by the member, paid by the member, that is attributable to the year of service;

(ii) An amount equal to the lesser of the employer's contributions made on behalf of the member to the ~~retirement~~ transferring system for that year of service less the retention percentage or the amount that would have been contributed by the employer for the service had the member been a member of the public employees retirement system at the time the credit was earned less the retention percentage;

(iii) Interest compounded annually on the amounts specified in divisions (B)~~(1)(f)~~(6)(a)(i) and (ii) of this section at the lesser of the actuarial assumption rate for that year of the ~~retirement paying~~ system ~~determining and paying the benefit~~ or the ~~other retirement~~ transferring system or systems ~~transferring~~ amounts under this section.

(b) If applicable, the public employees retirement system shall pay to the ~~retirement paying~~ system ~~calculating and paying the benefit~~ a portion of the amount paid on behalf of the member by an employer under section 145.483 of the Revised Code. The portion shall be paid from the employers' accumulation fund and shall equal the product obtained by multiplying by two the amount the member would have contributed during the period the employer failed to deduct contributions, as described in section 145.483 of the Revised Code.

~~(g)~~(7) The annuity rates and mortality tables of the ~~state~~ ~~retirement paying~~ system ~~making the calculation and paying the benefit~~ shall be exclusively applicable.

~~(h)~~(8) Deposits made for the purpose of an additional annuity, together with earnings as provided in section 145.62 of the Revised Code, upon the request of the member, shall be

transferred to the ~~state retirement~~ paying system ~~paying the~~ 1377
~~benefit~~. The return upon such deposits shall be that offered by 1378
the ~~state retirement~~ paying system ~~making the calculation and~~ 1379
~~paying the benefit~~. 1380

~~(2)(9)~~ A former member receiving a retirement or disability 1381
benefit under this section, who accepts employment amenable to 1382
coverage in any state retirement system that participated in the 1383
former member's combined benefit, shall be subject to the 1384
applicable provisions of law governing such re-employment. If a 1385
former member should be paid any amount in a retirement benefit, 1386
to which the former member is not entitled under the applicable 1387
provisions of law governing such re-employment, such amount shall 1388
be recovered by the ~~state retirement~~ paying system ~~paying such~~ 1389
~~benefit~~ by utilizing any recovery procedure available under the 1390
~~code provisions of the state retirement system covering such~~ 1391
paying system's re-employment provisions. 1392

(C) A PERS retirant or other system retirant, as defined in 1393
section 145.38 of the Revised Code, is not eligible to receive any 1394
benefit under this section for service subject to section 145.38 1395
of the Revised Code. 1396

(D) The retention percentage used in the calculation under 1397
division (B)(6)(a)(ii) of this section shall be reviewed by the 1398
state retirement systems not less than once every five years after 1399
the effective date of this amendment or on request of any of the 1400
systems. If the retirement systems agree, the retention percentage 1401
may be changed if any system's employer contribution rate 1402
increases or decreases or the systems agree that a change is in 1403
the interest of one or more of the systems. 1404

Sec. 145.384. (A) As used in this section, "PERS retirant" 1405
means a PERS retirant who is not subject to division (C) of 1406
section 145.38 of the Revised Code. For purposes of this section, 1407

"PERS retirant" also includes both of the following: 1408

(1) A member who retired under section 145.383 of the Revised Code; 1409
1410

(2) A retirant whose retirement allowance resumed under section 145.385 of the Revised Code. 1411
1412

(B)(1) An other system retirant or PERS retirant who has made contributions under section 145.38 or 145.383 of the Revised Code or, in the case of a retirant described in division (A)(2) of this section, section 145.47 of the Revised Code may file an application with the public employees retirement system to receive either a benefit, as provided in division (B)(2) of this section, or payment of the retirant's contributions made under those sections, as provided in division (H) of this section. 1413
1414
1415
1416
1417
1418
1419
1420

(2) A benefit under this section shall consist of an annuity having a reserve equal to the amount of the retirant's accumulated contributions for the period of employment, other than the contributions excluded pursuant to division (B)(4)(a) or (b) of section 145.38 of the Revised Code, and an amount of the employer's contributions determined by the board. 1421
1422
1423
1424
1425
1426

(a) Unless, as described in division (I) of this section, the application is accompanied by a statement of the spouse's consent to another form of payment or the board waives the requirement of spousal consent, a PERS retirant or other system retirant who is married at the time of application for a benefit under this section shall receive a monthly annuity under which the actuarial equivalent of the retirant's single life annuity is paid in a lesser amount for life and one-half of the lesser amount continues after the retirant's death to the surviving spouse. 1427
1428
1429
1430
1431
1432
1433
1434
1435

(b) A PERS retirant or other system retirant who is not subject to division (B)(2)(a) of this section shall elect either to receive the benefit as a monthly annuity or a lump sum payment 1436
1437
1438

discounted to the present value using a rate of interest 1439
determined by the board. A retirant who elects to receive a 1440
monthly annuity shall select one of the following as the plan of 1441
payment: 1442

(i) The retirant's single life annuity; 1443

(ii) The actuarial equivalent of the retirant's single life 1444
annuity in an equal or lesser amount for life and continuing after 1445
death to a surviving beneficiary designated at the time the plan 1446
of payment is selected. 1447

If a retirant who is eligible to select a plan of payment 1448
under division (B)(2)(b) of this section fails to do so, the 1449
benefit shall be paid as a monthly annuity under the plan of 1450
payment specified in rules adopted by the public employees 1451
retirement board. 1452

(c) Notwithstanding divisions (B)(2)(a) and (b) of this 1453
section, if a monthly annuity would be less than twenty-five 1454
dollars per month, the retirant shall receive a lump sum payment. 1455

(C)(1) The death of a spouse or other designated beneficiary 1456
under a plan of payment described in division (B)(2) of this 1457
section cancels that plan of payment. The PERS retirant or other 1458
system retirant shall receive the equivalent of the retirant's 1459
single life annuity, as determined by the board, effective the 1460
first day of the month following the date of death. 1461

(2) On divorce, annulment, or marriage dissolution, a PERS 1462
retirant or other system retirant receiving a benefit described in 1463
division (B)(2) of this section under which the beneficiary is the 1464
spouse may, with the written consent of the spouse or pursuant to 1465
an order of the court with jurisdiction over the termination of 1466
the marriage, elect to cancel the plan and receive the equivalent 1467
of the retirant's single life annuity as determined by the board. 1468
The election shall be made on a form provided by the board and 1469

shall be effective the month following its receipt by the board. 1470

(D) Following a marriage or remarriage, a PERS retirant or 1471
other system retirant who is receiving a benefit described in 1472
division (B)(2)(b)(i) of this section may elect a new plan of 1473
payment under division (B)(2)(b) of this section based on the 1474
actuarial equivalent of the retirant's single life annuity as 1475
determined by the board. 1476

If the marriage or remarriage occurs on or after June 6, 1477
2005, the election must be made not later than one year after the 1478
date of the marriage or remarriage. 1479

The plan elected under this division shall be effective on 1480
the date of receipt by the board of an application on a form 1481
approved by the board, but any change in the amount of the benefit 1482
shall commence on the first day of the month following the 1483
effective date of the plan. 1484

(E) A benefit payable under division (B)(2) of this section 1485
shall commence on the latest of the following: 1486

(1) The last day for which compensation for all employment 1487
subject to section 145.38, 145.383, or 145.385 of the Revised Code 1488
was paid; 1489

(2) Attainment by the PERS retirant or other system retirant 1490
of age sixty-five; 1491

(3) If the PERS retirant or other system retirant was 1492
previously employed under section 145.38, 145.383, or 145.385 of 1493
the Revised Code and is receiving or previously received a benefit 1494
under this section, completion of a period of twelve months since 1495
the effective date of the last benefit under this section; 1496

(4) Ninety days prior to receipt by the board of the member's 1497
completed application for retirement; 1498

(5) A date specified by the retirant. 1499

(F)(1) If a PERS retirant or other system retirant dies while employed in employment subject to section 145.38, 145.383, or 145.385 of the Revised Code, a lump sum payment shall be paid to the retirant's beneficiary under division (G) of this section. The lump sum shall be calculated in accordance with division (H) of this section if the retirant was under age sixty-five at the time of death. It shall be calculated in accordance with division (B)(2) of this section if the retirant was age sixty-five or older at the time of death.

(2) If at the time of death a PERS retirant or other system retirant receiving a monthly annuity under division (B)(2)(b)(i) of this section has received less than the retirant would have received as a lump sum payment, the difference between the amount received and the amount that would have been received as a lump sum payment shall be paid to the retirant's beneficiary under division (G) of this section.

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

(G) A PERS retirant or other system retirant employed under section 145.38, 145.383, or 145.385 of the Revised Code may designate one or more persons as beneficiary to receive any benefits payable under division (B)(2)(b) of this section due to death. The designation shall be in writing duly executed on a form provided by the public employees retirement board, signed by the PERS retirant or other system retirant, and filed with the board prior to death. The last designation of a beneficiary revokes all

previous designations. The PERS retirant's or other system 1532
retirant's marriage, divorce, marriage dissolution, legal 1533
separation, withdrawal of account, birth of a child, or adoption 1534
of a child revokes all previous designations. If there is no 1535
designated beneficiary or the beneficiary is not located within 1536
ninety days, the beneficiary ~~is the beneficiary determined under~~ 1537
~~division (D) of section 145.43 of the Revised Code. If shall be~~ 1538
determined in the following order of precedence: 1539

(1) Surviving spouse; 1540

(2) Children, share and share alike; 1541

(3) Parents, share and share alike; 1542

(4) Estate. 1543

If any benefit payable under this section due to the death of 1544
a PERS retirant or other system retirant is not claimed by a 1545
beneficiary within five years after the death, the amount payable 1546
shall be transferred to the income fund and thereafter paid to the 1547
beneficiary or the estate of the PERS retirant or other system 1548
retirant on application to the board. 1549

(H)(1) A PERS retirant or other system retirant who applies 1550
under division (B)(1) of this section for payment of the 1551
retirant's contributions and is unmarried or is married and, 1552
unless the board has waived the requirement of spousal consent, 1553
includes with the application a statement of the spouse's consent 1554
to the payment, shall be paid the contributions made under section 1555
145.38 or 145.383 of the Revised Code or, in the case of a 1556
retirant described in division (A)(2) of this section, section 1557
145.47 of the Revised Code, plus interest as provided in section 1558
145.471 of the Revised Code, if the following conditions are met: 1559

(a) The retirant has not attained sixty-five years of age and 1560
has terminated employment subject to section 145.38, 145.383, or 1561
145.385 of the Revised Code for any cause other than death or the 1562

receipt of a benefit under this section. 1563

(b) Three months have elapsed since the termination of the 1564
retirant's employment subject to section 145.38, 145.383, or 1565
145.385 of the Revised Code, other than employment exempted from 1566
contribution pursuant to section 145.03 of the Revised Code. 1567

(c) The retirant has not returned to public service, other 1568
than service exempted from contribution pursuant to section 145.03 1569
of the Revised Code, during the three-month period. 1570

(2) Payment of a retirant's contributions cancels the 1571
retirant's right to a benefit under division (B)(2) of this 1572
section. 1573

(I) A statement of a spouse's consent under division (B)(2) 1574
of this section to the form of a benefit or under division (H) of 1575
this section to a payment of contributions is valid only if signed 1576
by the spouse and witnessed by a notary public. The board may 1577
waive the requirement of spousal consent if the spouse is 1578
incapacitated or cannot be located, or for any other reason 1579
specified by the board. Consent or waiver is effective only with 1580
regard to the spouse who is the subject of the consent or waiver. 1581

(J) No amount received under this section shall be included 1582
in determining an additional benefit under section 145.323 of the 1583
Revised Code or any other post-retirement benefit increase. 1584

Sec. 145.391. The public employees retirement board may 1585
establish and maintain a qualified governmental excess benefit 1586
arrangement that meets the requirements of division (m) of section 1587
415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 1588
U.S.C.A. 415, as amended, and any regulations adopted thereunder. 1589
If established, the arrangement shall be a separate portion of the 1590
public employees retirement system and be maintained solely for 1591
the purpose of providing to retired members that part of a benefit 1592

otherwise payable under this chapter that exceeds the limits 1593
established by section 415 of the "Internal Revenue Code of 1986," 1594
as amended. If established, the amounts required to fund the 1595
arrangement shall be included in the employer's contribution 1596
required by sections 145.48 and 145.51 of the Revised Code. 1597

Members participating in an arrangement established under 1598
this section shall not be permitted to elect to defer compensation 1599
to the arrangement. Contributions to and benefits paid under an 1600
arrangement shall not be payable from a trust that is part of the 1601
system unless the trust is maintained solely for the purpose of 1602
providing such benefits. 1603

The board shall adopt rules to administer an arrangement 1604
established under this section. 1605

Sec. 145.40. (A)(1) Subject to the provisions of section 1606
145.57 of the Revised Code and except as provided in ~~section~~ 1607
~~145.402 of the Revised Code~~ and division (B) of this section, if a 1608
member elects to become exempt from contribution to the public 1609
employees retirement system pursuant to section 145.03 of the 1610
Revised Code or ceases to be a public employee for any cause other 1611
than death, retirement, receipt of a disability benefit, or 1612
current employment in a position in which the member has elected 1613
to participate in an alternative retirement plan under section 1614
3305.05 or 3305.051 of the Revised Code, upon application the 1615
public employees retirement board shall pay the member the 1616
member's accumulated contributions, plus any applicable amount 1617
calculated under section 145.401 of the Revised Code, provided 1618
that both the following apply: 1619

(a) Three months have elapsed since the member's service 1620
subject to this chapter, other than service exempted from 1621
contribution pursuant to section 145.03 of the Revised Code, was 1622
terminated; 1623

(b) The member has not returned to service subject to this 1624
chapter, other than service exempted from contribution pursuant to 1625
section 145.03 of the Revised Code, during that three-month 1626
period. 1627

The payment of such accumulated contributions shall cancel 1628
the total service credit of such member in the public employees 1629
retirement system. 1630

(2) A member described in division (A)(1) of this section who 1631
is married at the time of application for payment and is eligible 1632
for age and service retirement under section 145.32, 145.33, 1633
145.331, or 145.332 of the Revised Code or would be eligible for 1634
age and service retirement under any of those sections but for a 1635
forfeiture ordered under division (A) or (B) of section 2929.192 1636
of the Revised Code shall submit with the application a written 1637
statement by the member's spouse attesting that the spouse 1638
consents to the payment of the member's accumulated contributions. 1639
Consent shall be valid only if it is signed and witnessed by a 1640
notary public. 1641

The board may waive the requirement of consent if the spouse 1642
is incapacitated or cannot be located, or for any other reason 1643
specified by the board. Consent or waiver is effective only with 1644
regard to the spouse who is the subject of the consent or waiver. 1645

(B) This division applies to any member who is employed in a 1646
position in which the member has made an election under section 1647
3305.05 or 3305.051 of the Revised Code and due to the election 1648
ceases to be a public employee for purposes of that position. 1649

Subject to section 145.57 of the Revised Code, the public 1650
employees retirement system shall do the following: 1651

(1) On receipt of a certified copy of a form evidencing an 1652
election under section 3305.05 or 3305.051 of the Revised Code, 1653
pay to the appropriate provider, in accordance with section 1654

3305.052 of the Revised Code, the amount described in section 1655
3305.052 of the Revised Code; 1656

(2) If a member has accumulated contributions, in addition to 1657
those subject to division (B)(1) of this section, standing to the 1658
credit of the member's individual account and is not otherwise 1659
employed in a position in which the member is considered a public 1660
employee for the purposes of that position, pay, to the provider 1661
the member selected pursuant to section 3305.05 or 3305.051 of the 1662
Revised Code, the member's accumulated contributions. The payment 1663
shall be made on the member's application. 1664

(C) Payment of a member's accumulated contributions under 1665
division (B) of this section cancels the member's total service 1666
credit in the public employees retirement system. A member whose 1667
accumulated contributions are paid to a provider pursuant to 1668
division (B) of this section is forever barred from claiming or 1669
purchasing service credit under the public employees retirement 1670
system for the period of employment attributable to those 1671
contributions. 1672

Sec. 145.402. (A) As used in this section, "other retirement 1673
system" means the state teachers retirement system or the school 1674
employees retirement system. 1675

(B) Except as provided in this section, on application, a 1676
member of the public employees retirement system who is also a 1677
member of one or both of the other retirement systems and has 1678
ceased to be a public employee for the purposes of this chapter 1679
may be paid, in accordance with section 145.40 of the Revised 1680
Code, the member's accumulated contributions to the public 1681
employees retirement system, plus any applicable amount calculated 1682
under section 145.401 of the Revised Code. This payment does not 1683
affect the member's membership in the other retirement systems or 1684
any right the member may have to a benefit or return of 1685

contributions under those systems. 1686

(C) This section does not apply to a member of one of the 1687
other retirement systems whose employment under that system is 1688
with the public employer that was the employer under the public 1689
employees retirement system at the time the member's service 1690
subject to this chapter terminated. 1691

Sec. 145.43. (A) As used in this section and in section 1692
145.45 of the Revised Code: 1693

(1) "Child" means a biological or legally adopted child of a 1694
deceased member. If a court hearing for an interlocutory decree 1695
for adoption was held prior to the member's death, "child" 1696
includes the child who was the subject of the hearing 1697
notwithstanding the fact that the final decree of adoption, 1698
adjudging the surviving spouse as the adoptive parent, is made 1699
subsequent to the member's death. 1700

(2) "Parent" is a parent or legally adoptive parent of a 1701
deceased member. 1702

(3) "Dependent" means a beneficiary who receives one-half of 1703
the beneficiary's support from a member during the twelve months 1704
prior to the member's death. 1705

(4) "Surviving spouse" means an individual who establishes a 1706
valid marriage to a member at the time of the member's death by 1707
marriage certificate or pursuant to division (E) of this section. 1708

(5) "Survivor" means a surviving spouse, child, or parent. 1709

(6) "Accumulated contributions" has the meaning given in 1710
section 145.01 of the Revised Code, except that, notwithstanding 1711
that section, it does not include additional amounts deposited in 1712
the employees' savings fund pursuant to the version of division 1713
(C) of section 145.23 of the Revised Code as it existed 1714
immediately prior to April 6, 2007, or pursuant to section 145.62 1715

of the Revised Code. 1716

(B) Except as provided in division (C)(1) of section 145.45 1717
of the Revised Code, should a member die before age and service 1718
retirement, the member's accumulated contributions and any 1719
applicable amount calculated under section 145.401 of the Revised 1720
Code, shall be paid to the person or persons the member has 1721
designated under section 145.431 of the Revised Code. A member may 1722
designate two or more persons as beneficiaries to be paid the 1723
accumulated account in a lump sum. Subject to rules adopted by the 1724
public employees retirement board, a member who designates two or 1725
more persons as beneficiaries shall specify the percentage of the 1726
lump sum that each beneficiary is to be paid. If the member has 1727
not specified the percentages, the lump sum shall be divided 1728
equally among the beneficiaries. 1729

The last designation of any beneficiary revokes all previous 1730
designations. The member's marriage, divorce, marriage 1731
dissolution, legal separation, or withdrawal of account, or the 1732
birth of the member's child, or adoption of a child, shall 1733
constitute an automatic revocation of the member's previous 1734
designation. If a deceased member was also a member of the school 1735
employees retirement system or the state teachers retirement 1736
system, the beneficiary last established among the systems shall 1737
be the sole beneficiary in all the systems. 1738

If the accumulated contributions of a deceased member are not 1739
claimed by a beneficiary or by the estate of the deceased member 1740
within five years after the death, the contributions shall remain 1741
in the employees' savings fund or may be transferred to the income 1742
fund and thereafter shall be paid to the beneficiary or to the 1743
member's estate upon application to the board. The board shall 1744
formulate and adopt the necessary rules governing all designations 1745
of beneficiaries. 1746

(C) Except as provided in division (C)(1) of section 145.45 1747

of the Revised Code, if a member dies before age and service 1748
retirement and is not survived by a designated beneficiary, the 1749
following shall qualify, with all attendant rights and privileges, 1750
in the following order of precedence, the member's: 1751

(1) Surviving spouse; 1752

(2) Children, share and share alike; 1753

(3) A dependent parent, if that parent takes survivor 1754
benefits under division (B) of section 145.45 of the Revised Code; 1755

(4) Parents, share and share alike; 1756

(5) Estate. 1757

If the beneficiary is deceased or is not located within 1758
ninety days, the beneficiary ceases to qualify for any benefit and 1759
the beneficiary next in order of precedence shall qualify as a 1760
beneficiary. 1761

Any payment made to a beneficiary as determined by the board 1762
shall be a full discharge and release to the board from any future 1763
claims. 1764

(D) Any amount due a retirant or disability benefit recipient 1765
receiving a monthly benefit and unpaid to the retirant or 1766
recipient at death shall be paid to the beneficiary designated 1767
~~under section 145.431 of the Revised Code~~ in writing duly executed 1768
on a form provided by the board, signed by the retirant or 1769
recipient, and filed with the board. If no such designation has 1770
been filed, or if the designated beneficiary is not located within 1771
ninety days, any amounts payable under this chapter due to the 1772
death of the retirant or recipient shall be paid in the following 1773
order of precedence to the retirant's or recipient's: 1774

(1) Surviving spouse; 1775

(2) Children, share and share alike; 1776

(3) Parents, share and share alike; 1777

(4) Estate. 1778

The payment shall be a full discharge and release to the 1779
board from any future claim for the payment. 1780

Any amount due a beneficiary receiving a monthly benefit and 1781
unpaid to the beneficiary at the beneficiary's death shall be paid 1782
to the beneficiary's estate. 1783

(E) If the validity of marriage cannot be established to the 1784
satisfaction of the board for the purpose of disbursing any amount 1785
due under this section or section 145.45 of the Revised Code, the 1786
board may accept a decision rendered by a court having 1787
jurisdiction in the state in which the member was domiciled at the 1788
time of death that the relationship constituted a valid marriage 1789
at the time of death, or the "spouse" would have the same status 1790
as a widow or widower for purposes of sharing the distribution of 1791
the member's intestate personal property. 1792

(F) As used in this division, "recipient" means an individual 1793
who is receiving or may be eligible to receive an allowance or 1794
benefit under this chapter based on the individual's service to a 1795
public employer. 1796

If the death of a member, a recipient, or any individual who 1797
would be eligible to receive an allowance or benefit under this 1798
chapter by virtue of the death of a member or recipient is caused 1799
by one of the following beneficiaries, no amount due under this 1800
chapter to the beneficiary shall be paid to the beneficiary in the 1801
absence of a court order to the contrary filed with the board: 1802

(1) A beneficiary who is convicted of, pleads guilty to, or 1803
is found not guilty by reason of insanity of a violation of or 1804
complicity in the violation of either of the following: 1805

(a) Section 2903.01, 2903.02, or 2903.03 of the Revised Code; 1806

(b) An existing or former law of any other state, the United 1807

States, or a foreign nation that is substantially equivalent to 1808
section 2903.01, 2903.02, or 2903.03 of the Revised Code. 1809

(2) A beneficiary who is indicted for a violation of or 1810
complicity in the violation of the sections or laws described in 1811
division (F)(1)(a) or (b) of this section and is adjudicated 1812
incompetent to stand trial; 1813

(3) A beneficiary who is a juvenile found to be a delinquent 1814
child by reason of committing an act that, if committed by an 1815
adult, would be a violation of or complicity in the violation of 1816
the sections or laws described in division (F)(1)(a) or (b) of 1817
this section. 1818

Sec. 145.431. Designation of a beneficiary for the purposes 1819
of section 145.40 of the Revised Code or ~~payment of benefits or a~~ 1820
return of contributions to the beneficiary of a member 1821
participating in a PERS defined contribution plan shall be made 1822
under this section. A beneficiary shall be designated in writing 1823
duly executed on a form provided by the public employees 1824
retirement board and signed by the member. A designation under 1825
this section is not valid unless received by the board prior to 1826
the member's death. 1827

A beneficiary designation made under this section applies to 1828
the PERS defined benefit plan or PERS defined contribution plan in 1829
which the member participated or, if the member participated in 1830
both the defined benefit plan and one or more defined contribution 1831
plans, to both the defined benefit plan and the defined 1832
contribution plans. 1833

The last designation of any beneficiary revokes all previous 1834
designations. The member's marriage, divorce, marriage 1835
dissolution, legal separation, or withdrawal of account, or the 1836
birth of the member's child, or adoption of a child, shall 1837
constitute an automatic revocation of the member's previous 1838

designation. 1839

Sec. 145.45. Except as provided in division (C)(1) of this 1840
section, in lieu of accepting the payment of the accumulated 1841
account of a member who dies before service retirement, a 1842
beneficiary, as determined in this section or section 145.43 of 1843
the Revised Code, may elect to forfeit the accumulated 1844
contributions and to substitute certain other benefits under 1845
division (A) or (B) of this section. 1846

(A)(1) If a deceased member was eligible for a service 1847
retirement benefit as provided in section 145.33, 145.331, or 1848
145.332 of the Revised Code, a surviving spouse or other sole 1849
dependent beneficiary may elect to receive a monthly benefit 1850
computed as ~~the joint survivor benefit designated as "plan A" in~~ 1851
~~section 145.46 of the Revised Code~~ a joint-life plan under which 1852
the spouse or beneficiary receives one hundred per cent of the 1853
actuarial equivalent of the deceased member's lesser retirement 1854
allowance payable for the member's life, which the member would 1855
have received had the member retired on the last day of the month 1856
of death and had the member at that time selected such 1857
~~joint survivor~~ a plan. Payment shall begin with the month 1858
subsequent to the member's death, except that a surviving spouse 1859
who is less than sixty-five years old may defer receipt of such 1860
benefit. Upon receipt, the benefit shall be calculated based upon 1861
the spouse's age at the time of first payment, and shall accrue 1862
regular interest during the time of deferral. 1863

(2) Beginning on a date selected by the public employees 1864
retirement board, which shall be not later than July 1, 2004, a 1865
surviving spouse or other sole dependent beneficiary may elect, in 1866
lieu of a monthly payment under division (A)(1) of this section, a 1867
plan of payment consisting of both of the following: 1868

(a) A lump sum in an amount the surviving spouse or other 1869

sole dependent beneficiary designates that constitutes a portion 1870
of the allowance that would be payable under division (A)(1) of 1871
this section; 1872

(b) The remainder of that allowance in monthly payments. 1873

The total amount paid as a lump sum and a monthly benefit 1874
shall be the actuarial equivalent of the amount that would have 1875
been paid had the lump sum not been selected. 1876

The lump sum amount designated by the surviving spouse or 1877
other sole dependent beneficiary under division (A)(2)(a) of this 1878
section shall be not less than six times and not more than 1879
thirty-six times the monthly amount that would be payable to the 1880
surviving spouse or other sole dependent beneficiary under 1881
division (A)(1) of this section and shall not result in a monthly 1882
payment that is less than fifty per cent of that monthly amount. 1883

(B) If a deceased member had, except as provided in division 1884
(B)(7) of this section, at least one and one-half years of 1885
contributing service credit, with, except as provided in division 1886
(B)(7) of this section, at least one-quarter year of contributing 1887
service credit within the two and one-half years prior to the date 1888
of death, or was receiving at the time of death a disability 1889
benefit as provided in section 145.36, 145.361, or 145.37 of the 1890
Revised Code, qualified survivors who elect to receive monthly 1891
benefits shall receive the greater of the benefits provided in 1892
division (B)(1)(a) or (b) and (4) of this section as allocated in 1893
accordance with division (B)(5) of this section. 1894

(1)(a) Number		Or	1895
of Qualified		Monthly	1896
survivors	Annual Benefit as a Per	Benefit	1897
affecting	Cent of Decedent's Final	shall not be	1898
the benefit	Average Salary	less than	1899
1	25%	\$250	1900

2	40	400	1901
3	50	500	1902
4	55	500	1903
5 or more	60	500	1904
(b) Years of	Annual Benefit as a Per Cent		1905
Service	of Member's Final Average		1906
	Salary		1907
20	29%		1908
21	33		1909
22	37		1910
23	41		1911
24	45		1912
25	48		1913
26	51		1914
27	54		1915
28	57		1916
29 or more	60		1917

(2) Benefits shall begin as qualified survivors meet 1918
eligibility requirements as follows: 1919

(a) A qualified spouse is the surviving spouse of the 1920
deceased member, who is age sixty-two, or regardless of age meets 1921
one of the following qualifications: 1922

(i) Except as provided in division (B)(7) of this section, 1923
the deceased member had ten or more years of Ohio service credit. 1924

(ii) The spouse is caring for a qualified child. 1925

(iii) The spouse is adjudged physically or mentally 1926
incompetent. 1927

A spouse of a member who died prior to August 27, 1970, whose 1928
eligibility was determined at the member's death, and who is 1929
physically or mentally incompetent on or after August 20, 1976, 1930
shall be paid the monthly benefit which that person would 1931

otherwise receive when qualified by age. 1932

(b) A qualified child is any child of the deceased member who 1933
has never been married and to whom one of the following applies: 1934

(i) Is under age eighteen, or under age twenty-two if the 1935
child is attending an institution of learning or training pursuant 1936
to a program designed to complete in each school year the 1937
equivalent of at least two-thirds of the full-time curriculum 1938
requirements of such institution and as further determined by 1939
board policy; 1940

(ii) Regardless of age, is adjudged physically or mentally 1941
incompetent at the time of the member's death. 1942

(c) A qualified parent is a dependent parent aged sixty-five 1943
or older or regardless of age if physically or mentally 1944
incompetent, a dependent parent whose eligibility was determined 1945
by the member's death prior to August 20, 1976, and who is 1946
physically or mentally incompetent on or after August 20, 1976, 1947
shall be paid the monthly benefit for which that person would 1948
otherwise qualify. 1949

(3) "Physically or mentally incompetent" as used in this 1950
section may be determined by a court of jurisdiction, or by a 1951
physician appointed by the retirement board. Incapability of 1952
making a living because of a physically or mentally disabling 1953
condition shall meet the qualifications of this division. 1954

(4) Benefits to a qualified survivor shall terminate upon 1955
ceasing to meet eligibility requirements as provided in this 1956
division, a first marriage, abandonment, adoption, or during 1957
active military service. Benefits to a deceased member's surviving 1958
spouse that were terminated under a former version of this section 1959
that required termination due to remarriage and were not resumed 1960
prior to September 16, 1998, shall resume on the first day of the 1961
month immediately following receipt by the board of an application 1962

on a form provided by the board. 1963

Upon the death of any subsequent spouse who was a member of 1964
the public employees retirement system, state teachers retirement 1965
system, or school employees retirement system, the surviving 1966
spouse of such member may elect to continue receiving benefits 1967
under this division, or to receive survivor's benefits, based upon 1968
the subsequent spouse's membership in one or more of the systems, 1969
for which such surviving spouse is eligible under this section or 1970
section 3307.66 or 3309.45 of the Revised Code. If the surviving 1971
spouse elects to continue receiving benefits under this division, 1972
such election shall not preclude the payment of benefits under 1973
this division to any other qualified survivor. 1974

Benefits shall begin or resume on the first day of the month 1975
following the attainment of eligibility and shall terminate on the 1976
first day of the month following loss of eligibility. 1977

(5)(a) If a benefit is payable under division (B)(1)(a) of 1978
this section, benefits to a qualified spouse shall be paid in the 1979
amount determined for the first qualifying survivor in division 1980
(B)(1)(a) of this section. All other qualifying survivors shall 1981
share equally in the benefit or remaining portion thereof. 1982

(b) All qualifying survivors shall share equally in a benefit 1983
payable under division (B)(1)(b) of this section, except that if 1984
there is a surviving spouse, the surviving spouse shall receive 1985
not less than the amount determined for the first qualifying 1986
survivor in division (B)(1)(a) of this section. 1987

(6) The beneficiary of a member who is also a member of the 1988
state teachers retirement system or of the school employees 1989
retirement system, must forfeit the member's accumulated 1990
contributions in those systems and in the public employees 1991
retirement system, if the beneficiary takes a survivor benefit. 1992
Such benefit shall be exclusively governed by section 145.37 of 1993

the Revised Code. 1994

(7) The following restrictions do not apply if the deceased 1995
member was contributing toward benefits under section 145.332 of 1996
the Revised Code at the time of death: 1997

(a) That the deceased member have had at least one and 1998
one-half years of contributing service credit, with at least 1999
one-quarter year of contributing service within the two and 2000
one-half years prior to the date of death; 2001

(b) If the deceased member was killed in the line of duty, 2002
that the deceased member have had ten or more years of Ohio 2003
service credit as described in division (B)(2)(a)(i) of this 2004
section. 2005

For the purposes of division (B)(7)(b) of this section, 2006
"killed in the line of duty," means either that death occurred in 2007
the line of duty or that death occurred as a result of injury 2008
sustained in the line of duty. 2009

(C)(1) Regardless of whether the member is survived by a 2010
spouse or designated beneficiary, if the public employees 2011
retirement system receives notice that a deceased member described 2012
in division (A) or (B) of this section has one or more qualified 2013
children, all persons who are qualified survivors under division 2014
(B) of this section shall receive monthly benefits as provided in 2015
division (B) of this section. 2016

If, after determining the monthly benefits to be paid under 2017
division (B) of this section, the system receives notice that 2018
there is a qualified survivor who was not considered when the 2019
determination was made, the system shall, notwithstanding section 2020
145.561 of the Revised Code, recalculate the monthly benefits with 2021
that qualified survivor included, even if the benefits to 2022
qualified survivors already receiving benefits are reduced as a 2023
result. The benefits shall be calculated as if the qualified 2024

survivor who is the subject of the notice became eligible on the 2025
date the notice was received and shall be paid to qualified 2026
survivors effective on the first day of the first month following 2027
the system's receipt of the notice. 2028

If the retirement system did not receive notice that a 2029
deceased member has one or more qualified children prior to making 2030
payment under section 145.43 of the Revised Code to a beneficiary 2031
as determined by the retirement system, the payment is a full 2032
discharge and release of the system from any future claims under 2033
this section or section 145.43 of the Revised Code. 2034

(2) If benefits under division (C)(1) of this section to all 2035
persons, or to all persons other than a surviving spouse or other 2036
sole beneficiary, terminate, there are no children under the age 2037
of twenty-two years, and the surviving spouse or beneficiary 2038
qualifies for benefits under division (A) of this section, the 2039
surviving spouse or beneficiary may elect to receive benefits 2040
under division (A) of this section. The benefits shall be 2041
effective on the first day of the month immediately following the 2042
termination. 2043

(D) The final average salary used in the calculation of a 2044
benefit payable pursuant to division (A) or (B) of this section to 2045
a survivor or beneficiary of a disability benefit recipient shall 2046
be adjusted for each year between the disability benefit's 2047
effective date and the recipient's date of death by the lesser of 2048
three per cent or the actual average percentage increase in the 2049
consumer price index prepared by the United States bureau of labor 2050
statistics (U.S. city average for urban wage earners and clerical 2051
workers: "all items 1982-84=100"). 2052

(E) If the survivor benefits due and paid under this section 2053
are in a total amount less than the member's accumulated account 2054
that was transferred from the public employees' savings fund to 2055
the survivors' benefit fund, then the difference between the total 2056

amount of the benefits paid shall be paid to the beneficiary under 2057
section 145.43 of the Revised Code. 2058

Sec. 145.46. (A) A retirement allowance calculated under 2059
section 145.33, 145.331, or 145.332 of the Revised Code shall be 2060
paid as provided in this section. 2061

Unless the member is required by division (C) of this section 2062
to select a specified plan of payment, a member may elect a plan 2063
of payment as provided in division (B)(1), (2), or (3) of this 2064
section. An election shall be made at the time the member makes 2065
application for retirement and on a form provided by the public 2066
employees retirement board. A plan of payment elected under this 2067
section shall be effective only if approved by the board, which 2068
shall approve it only if it is certified by an actuary engaged by 2069
the board to be the actuarial equivalent of the retirement 2070
allowance calculated under section 145.33, 145.331, or 145.332 of 2071
the Revised Code. 2072

(B) The following plans of payment shall be offered by the 2073
public employees retirement system: 2074

(1) "Joint-life plan," an allowance that consists of the 2075
actuarial equivalent of the member's retirement allowance 2076
determined under section 145.33, 145.331, or 145.332 of the 2077
Revised Code in a lesser amount payable for life and one-half or 2078
some other portion equal to ten per cent or more of the allowance 2079
continuing after death to the member's designated beneficiary for 2080
the beneficiary's life. The beneficiary shall be nominated by 2081
written designation filed with the retirement board. The amount 2082
payable to the beneficiary shall not exceed the amount payable to 2083
the member. 2084

(2) "Single-life plan," the member's retirement allowance 2085
determined under section 145.33, 145.331, or 145.332 of the 2086
Revised Code; 2087

(3) "Multiple-life plan," an allowance that consists of the 2088
actuarial equivalent of the member's retirement allowance 2089
determined under section 145.33, 145.331, or 145.332 of the 2090
Revised Code in a lesser amount payable to the retirant for life 2091
and some portion of the lesser amount continuing after death to 2092
two, three, or four surviving beneficiaries designated at the time 2093
of the member's retirement. Unless required under division (C) of 2094
this section, no portion allocated under this plan of payment 2095
shall be less than ten per cent. The total of the portions 2096
allocated shall not exceed one hundred per cent of the member's 2097
lesser allowance. 2098

(C) A member shall select a plan of payment as follows: 2099

(1) Subject to division (C)(2) of this section, if the member 2100
is married at the time of retirement, the member shall select a 2101
joint-life plan and receive a plan of payment that consists of the 2102
actuarial equivalent of the member's retirement allowance 2103
determined under section 145.33, 145.331, or 145.332 of the 2104
Revised Code in a lesser amount payable for life and one-half of 2105
such allowance continuing after death to the member's surviving 2106
spouse for the life of the spouse. A married member is not 2107
required to select this plan of payment if the member's spouse 2108
consents in writing to the member's election of a plan of payment 2109
other than described in this division or the board waives the 2110
requirement that the spouse consent; 2111

(2) If prior to the effective date of the member's 2112
retirement, the public employees retirement board receives a copy 2113
of a court order issued under section 3105.171 or 3105.65 of the 2114
Revised Code or the laws of another state regarding division of 2115
marital property the board shall accept the member's election of a 2116
plan of payment under this section only if the member complies 2117
with both of the following: 2118

(a) The member elects a plan of payment that is in accordance 2119

with the order. 2120

(b) If the member is married, the member elects a 2121
multiple-life plan and designates the member's current spouse as a 2122
beneficiary under that plan unless that spouse consents in writing 2123
to not being designated a beneficiary under any plan of payment or 2124
the board waives the requirement that the current spouse consent. 2125

(D) An application for retirement shall include an 2126
explanation of all of the following: 2127

(1) That, if the member is married, unless the spouse 2128
consents to another plan of payment or there is a court order 2129
dividing marital property issued under section 3105.171 or 3105.65 2130
of the Revised Code or the laws of another state regarding the 2131
division of marital property that provides for payment in a 2132
specified amount, the member's retirement allowance will be paid 2133
under a joint-life plan and consist of the actuarial equivalent of 2134
the member's retirement allowance in a lesser amount payable for 2135
life and one-half of the allowance continuing after death to the 2136
surviving spouse for the life of the spouse; 2137

(2) A description of the alternative plans of payment, 2138
including all plans described in division (B) of this section, 2139
available with the consent of the spouse; 2140

(3) That the spouse may consent to another plan of payment 2141
and the procedure for giving consent; 2142

(4) That consent is irrevocable once notice of consent is 2143
filed with the board. 2144

Consent shall be valid only if it is signed, in writing, and 2145
witnessed by a notary public. The board may waive the requirement 2146
of consent if the spouse is incapacitated or cannot be located or 2147
for any other reason specified by the board. Consent or waiver is 2148
effective only with regard to the spouse who is the subject of the 2149
consent or waiver. 2150

(E)(1) Beginning on a date selected by the retirement board, 2151
which shall be not later than July 1, 2004, a member may elect to 2152
receive a retirement allowance under a plan of payment consisting 2153
of both a lump sum in an amount the member designates that 2154
constitutes a portion of the member's retirement allowance under a 2155
plan described in division (B) of this section and the remainder 2156
as a monthly allowance under that plan. 2157

The total amount paid as a lump sum and a monthly benefit 2158
shall be the actuarial equivalent of the amount that would have 2159
been paid had the lump sum not been selected. 2160

(2) The lump sum designated by a member shall be not less 2161
than six times and not more than thirty-six times the monthly 2162
amount that would be payable to the member under the plan of 2163
payment elected under division (B) of this section had the lump 2164
sum not been elected and shall not result in a monthly allowance 2165
that is less than fifty per cent of that monthly amount. 2166

(F) If the retirement allowances, as a single life annuity or 2167
payment plan as provided in this section, due and paid are in a 2168
total amount less than (1) the accumulated contributions, and (2) 2169
other deposits made by the member as provided by this chapter, 2170
standing to the credit of the member at the time of retirement, 2171
then the difference between the total amount of the allowances 2172
paid and the accumulated contributions and other deposits shall be 2173
paid to the beneficiary provided under division (D) of section 2174
145.43 of the Revised Code. 2175

(G)(1) The death of a spouse or any designated beneficiary 2176
following retirement shall cancel the portion of the plan of 2177
payment providing continuing lifetime benefits to the deceased 2178
spouse or deceased designated beneficiary. The retirant shall 2179
receive the actuarial equivalent of the retirant's single lifetime 2180
benefit, as determined by the board, based on the number of 2181
remaining beneficiaries, with no change in the amount payable to 2182

any remaining beneficiary. The change shall be effective the month 2183
following the date of death. 2184

(2) On divorce, annulment, or marriage dissolution, a 2185
retirant receiving a retirement allowance under a plan that 2186
provides for continuation of all or part of the allowance after 2187
death for the lifetime of the retirant's surviving spouse may, 2188
with the written consent of the spouse or pursuant to an order of 2189
the court with jurisdiction over the termination of the marriage, 2190
elect to cancel the portion of the plan providing continuing 2191
lifetime benefits to that spouse. The retirant shall receive the 2192
actuarial equivalent of the retirant's single lifetime benefit as 2193
determined by the retirement board based on the number of 2194
remaining beneficiaries, with no change in amount payable to any 2195
remaining beneficiary. The election shall be made on a form 2196
provided by the board and shall be effective the month following 2197
its receipt by the board. 2198

(H)(1) Following a marriage or remarriage, both of the 2199
following apply: 2200

(a) A retirant who is receiving the retirant's retirement 2201
allowance under a single-life plan may elect a new plan of payment 2202
under division (B)(1) ~~or (3)~~ of this section based on the 2203
actuarial equivalent of the retirant's single lifetime benefit as 2204
determined by the board. 2205

(b) A retirant who is receiving a retirement allowance 2206
pursuant to a plan of payment providing for payment to a former 2207
spouse pursuant to a court order described in division (C)(2) of 2208
this section may elect a new plan of payment in the form of a 2209
multiple-life plan based on the actuarial equivalent of the 2210
retirant's single lifetime retirement allowance as determined by 2211
the board if the new plan of payment elected does not reduce the 2212
payment to the former spouse. 2213

(2) If the marriage or remarriage occurs on or after June 6, 2005, the election must be made not later than one year after the date of the marriage or remarriage.

The plan elected under this division shall become effective on the date of receipt by the board of an application on a form approved by the board, but any change in the amount of the retirement allowance shall commence on the first day of the month following the effective date of the plan.

(I) Any person who, prior to July 24, 1990, selected an optional plan of payment at retirement that provided for a return to the single life benefit after the designated beneficiary's death shall have the retirant's benefit adjusted to the optional plan equivalent without such provision.

(J) A retirant's receipt of the first month's retirement allowance constitutes the retirant's final acceptance of the plan of payment and may be changed only as provided in this chapter.

Sec. 145.563. Notwithstanding section 145.561 of the Revised Code:

(A) The public employees retirement system may adjust an allowance or benefit payable under this chapter if an error occurred in calculation of the allowance or benefit;

(B) If any person who is a member, former member, contributor, former contributor, retirant, beneficiary, or alternate payee, as defined in section 3105.80 of the Revised Code, is paid any benefit or payment by the public employees retirement system, including any payment made to a third party on the person's behalf, to which the person is not entitled, the benefit or payment shall be repaid to the retirement system by the person or third party. ~~If A repayment required by this section may include a penalty or interest on the amount of the benefit or~~

payment, as specified in rules adopted by the public employees 2244
retirement board. The rules shall specify the method for 2245
calculating a penalty or interest and the conditions under which a 2246
penalty or interest may be assessed. 2247

If the person or third party fails to make the repayment, the 2248
retirement system shall withhold the amount or a portion of the 2249
amount due from any benefit or payment due the person or the 2250
person's beneficiary under this chapter, or may collect the amount 2251
in any other manner provided by law. 2252

Sec. 145.58. (A) The public employees retirement board shall 2253
adopt rules establishing eligibility for any coverage provided 2254
under this section. The rules shall base eligibility on years and 2255
types of service credit earned by members. Eligibility 2256
determinations shall be made in accordance with the rules, except 2257
that an individual who, as a result of making a false statement in 2258
an attempt to secure a benefit under this section, is convicted of 2259
violating section 2921.13 of the Revised Code is ineligible for 2260
coverage. 2261

(B) The board may enter into agreements with insurance 2262
companies, health insuring corporations, or government agencies 2263
authorized to do business in the state for issuance of a policy or 2264
contract of health, medical, hospital, or surgical ~~benefits~~ 2265
coverage, or any combination thereof, for eligible individuals 2266
receiving age and service retirement or a disability or survivor 2267
benefit subscribing to the plan, or for PERS retirants employed 2268
under section 145.38 of the Revised Code, for coverage ~~of benefits~~ 2269
in accordance with division ~~(C)~~(D)(2) of section 145.38 of the 2270
Revised Code. Notwithstanding any other provision of this chapter, 2271
the policy or contract may also include coverage for any eligible 2272
individual's spouse and dependent children and for any of the 2273
eligible individual's sponsored dependents as the board determines 2274

appropriate. If all or any portion of the policy or contract 2275
premium is to be paid by any individual receiving age and service 2276
retirement or a disability or survivor benefit, the individual 2277
shall, by written authorization, instruct the board to deduct the 2278
premium agreed to be paid by the individual to the company, 2279
corporation, or agency. 2280

The board may contract for coverage on the basis of part or 2281
all of the cost of the coverage to be paid from appropriate funds 2282
of the public employees retirement system. The cost paid from the 2283
funds of the system shall be included in the employer's 2284
contribution rate provided by sections 145.48 and 145.51 of the 2285
Revised Code. The board may by rule provide coverage to 2286
individuals who are not eligible under the rules adopted under 2287
division (A) of this section if the coverage is provided at no 2288
cost to the retirement system. The board shall not pay or 2289
reimburse the cost for coverage under this section or section 2290
145.584 of the Revised Code for any such individual. 2291

The board may provide for self-insurance of risk or level of 2292
risk as set forth in the contract with the companies, 2293
corporations, or agencies, and may provide through the 2294
self-insurance method specific ~~benefits~~ coverage as authorized by 2295
rules of the board. 2296

(C) The board shall, beginning the month following receipt of 2297
satisfactory evidence of the payment for coverage, pay monthly to 2298
each recipient of service retirement, or a disability or survivor 2299
benefit under the public employees retirement system who is 2300
eligible for coverage under part B of the medicare program 2301
established under Title XVIII of "The Social Security Act 2302
Amendments of 1965," 79 Stat. 301 (1965), 42 U.S.C.A. 1395j, as 2303
amended, an amount determined by the board for such coverage, 2304
except that the board shall make no such payment to any individual 2305
who is not eligible for coverage under the rules adopted under 2306

division (A) of this section or pay an amount that exceeds the 2307
amount paid by the recipient for the coverage. 2308

At the request of the board, the recipient shall certify to 2309
the retirement system the amount paid by the recipient for 2310
coverage described in this division. 2311

(D) The board shall establish by rule requirements for the 2312
coordination of any coverage, or payment, ~~or benefit~~ provided 2313
under this section or section 145.584 of the Revised Code with any 2314
similar coverage, or payment, ~~or benefit~~ made available to the 2315
same individual by the Ohio police and fire pension fund, state 2316
teachers retirement system, school employees retirement system, or 2317
state highway patrol retirement system. 2318

(E) The board shall make all other necessary rules pursuant 2319
to the purpose and intent of this section. 2320

Sec. 145.581. (A) As used in this section: 2321

(1) "Long-term care insurance" has the same meaning as in 2322
section 3923.41 of the Revised Code. 2323

(2) "Retirement systems" means the public employees 2324
retirement system, the Ohio police and fire pension fund, the 2325
state teachers retirement system, the school employees retirement 2326
system, and the state highway patrol retirement system. 2327

(B) The public employees retirement board ~~shall~~ may establish 2328
a long-term care insurance program consisting of the programs 2329
authorized by divisions (C) and (D) of this section. Such program 2330
may be established independently or jointly with one or more of 2331
the other retirement systems. If the program is established 2332
jointly, the board shall adopt rules in accordance with section 2333
111.15 of the Revised Code to establish the terms and conditions 2334
of such joint participation. 2335

(C) The board ~~shall~~ may establish a program under which it 2336

makes long-term care insurance available to any person who 2337
participated in a policy of long-term care insurance for which the 2338
state or a political subdivision contracted under section 124.84 2339
or 124.841 of the Revised Code and is the recipient of a pension, 2340
benefit, or allowance from the system. To implement the program 2341
under this division, the board, subject to division (E) of this 2342
section, may enter into an agreement with the insurance company, 2343
health insuring corporation, or government agency that provided 2344
the insurance. The board shall, under any such agreement, deduct 2345
the full premium charged from the person's benefit, pension, or 2346
allowance notwithstanding any employer agreement to the contrary. 2347

Any long-term care insurance policy entered into under this 2348
division is subject to division (C) of section 124.84 of the 2349
Revised Code. 2350

(D)(1) The board, subject to division (E) of this section, 2351
~~shall~~ may establish a program under which a recipient of a 2352
pension, benefit, or allowance from the system who is not eligible 2353
for such insurance under division (C) of this section may 2354
participate in a contract for long-term care insurance. 2355
Participation may include the recipient's dependents and family 2356
members. 2357

(2) The board ~~shall~~ may adopt rules in accordance with 2358
section 111.15 of the Revised Code governing the program. ~~The~~ Any 2359
rules adopted by the board shall establish methods of payment for 2360
participation under this section, which may include deduction of 2361
the full premium charged from a recipient's pension, benefit, or 2362
allowance, or any other method of payment considered appropriate 2363
by the board. 2364

(E) Prior to entering into any agreement or contract with an 2365
insurance company or health insuring corporation for the purchase 2366
of, or participation in, a long-term care insurance policy under 2367
this section, the board shall request the superintendent of 2368

insurance to certify the financial condition of the company or 2369
corporation. The board shall not enter into the agreement or 2370
contract if, according to that certification, the company or 2371
corporation is insolvent, is determined by the superintendent to 2372
be potentially unable to fulfill its contractual obligations, or 2373
is placed under an order of rehabilitation or conservation by a 2374
court of competent jurisdiction or under an order of supervision 2375
by the superintendent. 2376

Sec. 145.584. (A) Except as otherwise provided in division 2377
(B) of this section, the board of the public employees retirement 2378
system shall make available to each retirant or disability benefit 2379
recipient receiving a monthly allowance or benefit on or after 2380
January 1, 1968, who has attained the age of sixty-five years, and 2381
who is not eligible to receive hospital insurance benefits under 2382
the federal old age, survivors, and disability insurance program 2383
without payment of premiums, hospital one of the following: 2384

(1) Hospital insurance coverage substantially equivalent to 2385
the federal hospital insurance benefits, Social Security 2386
Amendments of 1965, 79 Stat. 291, 42 U.S.C.A. 1395c, as amended; 2387

(2) An amount, determined by the board, to reimburse the 2388
retirant or disability benefit recipient for payment of premiums 2389
for federal hospital insurance benefits described in this 2390
division, which amount shall not exceed the premiums paid. This 2391

This coverage or amount shall also be made available to the 2392
spouse, widow, or widower of such retirant or disability benefit 2393
recipient provided such spouse, widow, or widower has attained age 2394
sixty-five and is not eligible to receive hospital insurance 2395
benefits under the federal old age, survivors, and disability 2396
insurance program without payment of premiums. The widow or 2397
widower of a retirant or disability benefit recipient shall be 2398
eligible for such coverage or amount only if he or she is the 2399

recipient of a monthly allowance or benefit from this system. A 2400
portion of the cost of the premium or amount for the spouse may be 2401
paid from the appropriate funds of the ~~public employees retirement~~ 2402
system. The remainder of the cost shall be paid by the recipient 2403
of the allowance or benefit. 2404

The cost of such coverage or amount, paid from the funds of 2405
the system, shall be included in the employer's rate provided by 2406
section 145.48 of the Revised Code. The retirement board is 2407
authorized to make all necessary rules pursuant to the purpose and 2408
intent of this section, and ~~shall~~ may contract for such coverage 2409
as provided in section 145.58 of the Revised Code. 2410

At the request of the board, the recipient of reimbursement 2411
under this section shall certify to the retirement system the 2412
premium paid for the federal insurance benefits described in 2413
division (A) of this section. Payment of the amount described in 2414
division (A)(2) of this section shall begin for the first month 2415
that the recipient is participating in both the federal hospital 2416
insurance benefits and a health care arrangement offered by the 2417
system. 2418

(B) The board need not make the hospital insurance coverage 2419
or amount described in division (A) of this section available to 2420
any person for whom it is prohibited by section 145.58 of the 2421
Revised Code from paying or reimbursing the premium cost of such 2422
insurance. 2423

Sec. 145.63. (A) Deposits under section 145.62 of the Revised 2424
Code, together with earnings, shall be refunded under whichever of 2425
the following circumstances applies: 2426

(1) On withdrawal of accumulated contributions as provided in 2427
sections 145.40 and 145.43 of the Revised Code or payment of a 2428
lump sum under section 145.384 of the Revised Code; 2429

(2) On the death of a contributor prior to retirement;	2430
(3) In the case of a contributor participating in the PERS defined benefit plan, on application of the contributor prior to attaining eligibility for age and service retirement;	2431 2432 2433
(4) In the case of a contributor under section 145.38 or 145.383 of the Revised Code, on application of the contributor prior to attaining eligibility for a benefit under section 145.384 of the Revised Code;	2434 2435 2436 2437
(5) In the case of a contributor who has attained eligibility for an age and service retirement benefit or a benefit under section 145.384 of the Revised Code and is not married, on application;	2438 2439 2440 2441
(6) In the case of a contributor who has attained eligibility for an age and service retirement benefit or a benefit under section 145.384 of the Revised Code and is married, on application if the application is accompanied by a statement of the spouse's consent to the refund or the public employees retirement board waives the requirement that the spouse consent;	2442 2443 2444 2445 2446 2447
(7) In the case of a contributor who has attained eligibility for an age and service retirement benefit as a consequence of section 145.37 of the Revised Code and will receive a retirement or disability benefit from the state teachers retirement system or school employees retirement system but has not requested a transfer of funds to the other retirement system under division (B) (1)(g) (8) of section 145.37 of the Revised Code, at the time the public employees retirement system pays to the other retirement system the amount required under division (B) (1)(e) (6) of that section;	2448 2449 2450 2451 2452 2453 2454 2455 2456 2457
<u>(8) In the case of a disability benefit recipient under section 145.36 of the Revised Code who is not eligible for an age and service retirement allowance, on the effective date of</u>	2458 2459 2460

disability retirement. 2461

(B) The consent of a spouse to a refund is valid only if it 2462
is in writing, signed, and witnessed by a notary public. 2463

The board may waive the requirement of consent if the spouse 2464
is incapacitated or cannot be located or for any other reason 2465
specified by the board. Consent or waiver is effective only with 2466
regard to the spouse who is the subject of the consent or waiver. 2467

Sec. 145.64. (A) As used in this section, "joint-life plan," 2468
"single-life plan," and "multiple-life plan" have the same 2469
meanings as in division (B) of section 145.46 of the Revised Code. 2470

(B) A contributor who has not received a refund of amounts 2471
deposited under section 145.62 or the version of division (C) of 2472
section 145.23 of the Revised Code as it existed immediately prior 2473
to April 6, 2007, may file an application with the public 2474
employees retirement system for a benefit under this section. 2475
Except as provided in section 145.62 of the Revised Code, the 2476
benefit shall consist of an annuity that shall be paid as 2477
described in division (B) of section 145.46 of the Revised Code. 2478

The application must be filed prior to receipt of an age and 2479
service retirement benefit from the retirement system or, in the 2480
case of a contributor under section 145.38 or 145.383 of the 2481
Revised Code, a benefit under section 145.384 of the Revised Code. 2482
A contributor who fails to file an application for a benefit under 2483
this section prior to receipt of an age and service retirement 2484
benefit or a benefit under section 145.384 of the Revised Code 2485
shall be eligible only for a refund under section 145.63 of the 2486
Revised Code. 2487

(1) Except as provided in division (B)(2) of this section, a 2488
contributor who is married at the time of application for a 2489
benefit under this section shall receive the benefit as a monthly 2490

annuity under a joint-life plan.	2491
(2) A contributor may receive a benefit under this section	2492
under a plan of payment other than a joint-life plan if one of the	2493
following is the case:	2494
(a) The contributor is unmarried;	2495
(b) The benefit application is accompanied by a statement of	2496
the spouse's consent to another plan of payment or the public	2497
employees retirement board waives the requirement that the spouse	2498
consent;	2499
(c) A plan of payment providing for payment in a specified	2500
portion of the benefit continuing after the member's death to a	2501
former spouse is required by a court order issued under section	2502
3105.171 or 3105.65 of the Revised Code or the laws of another	2503
state regarding division of marital property prior to the	2504
effective date of the contributor's benefit application.	2505
(3) If a member is subject to division (B)(2)(c) of this	2506
section and the board has received a copy of the order described	2507
in that division, the board shall accept the member's election of	2508
a plan of payment under this section only if the member complies	2509
with both of the following:	2510
(a) The member elects a plan of payment that is in accordance	2511
with the order described in division (B)(2)(c) of this section.	2512
(b) If the member is married, the member elects a	2513
multiple-life plan and designates the member's current spouse as a	2514
beneficiary under that plan unless that spouse consents in writing	2515
to not being designated a beneficiary or the board waives the	2516
requirement that the current spouse consent.	2517
(4) The contributor shall designate the beneficiary or	2518
beneficiaries under a plan of payment in writing at the time the	2519
plan is selected.	2520

(5) A plan of payment, other than a single-life plan, shall 2521
be effective only if it is certified by an actuary engaged by the 2522
board to be the actuarial equivalent of the contributor's 2523
single-life plan annuity and is approved by the board. 2524

(6) A contributor who is eligible to select a plan of payment 2525
under this section but fails to do so shall receive a monthly 2526
annuity under the plan of payment specified in rules adopted by 2527
the board. 2528

(C) An annuity shall be paid monthly and consist of an amount 2529
determined by the public employees retirement system or the 2530
actuarial equivalent of that amount paid as described in this 2531
section. 2532

Payments shall begin on whichever of the following applies: 2533

(1) Except as provided in this division, the later of the 2534
effective date of the contributor's age and service retirement 2535
allowance or the first day of the month following the latest of: 2536

(a) The last day for which compensation was paid; 2537

(b) The attainment of the member's applicable minimum age or 2538
service credit eligibility as provided in section 145.32 or 2539
145.332 of the Revised Code; 2540

(c) The first day of the month following receipt of an 2541
application for an age and service retirement benefit. 2542

(2) The later of the effective date of a benefit under 2543
section 145.384 of the Revised Code or the first day of the month 2544
following the latest of: 2545

(a) The last day for which compensation for employment 2546
subject to section 145.38 or 145.383 of the Revised Code was paid; 2547

(b) Attainment by the contributor of age sixty-five; 2548

(c) If the contributor was previously employed as described 2549
in division (E)(3) of section 145.384 of the Revised Code, 2550

completion of a period of twelve months since the effective date 2551
of the last benefit under that section; 2552

(d) Receipt of an application for a benefit under section 2553
145.384 of the Revised Code. 2554

(3) The ~~later of the~~ effective date of disability retirement 2555
under section 145.36 of the Revised Code ~~or if the date on which a~~ 2556
~~member receiving disability retirement would have been~~ is eligible 2557
for an age and service retirement allowance on that date. 2558

(4) The first day of the month following the last day for 2559
which a disability allowance is paid under section 145.361 of the 2560
Revised Code. 2561

(D) The consent of a spouse to a plan of payment other than a 2562
joint-life plan is valid only if it is in writing, signed, and 2563
witnessed by a notary public. The board may waive the requirement 2564
of consent if the spouse is incapacitated or cannot be located or 2565
for any other reason specified by the board. Consent or waiver is 2566
effective only with regard to the spouse who is the subject of the 2567
consent or waiver. 2568

(E)(1) The death of a spouse or any designated beneficiary 2569
shall cancel the portion of an annuity providing continuing 2570
lifetime payments to the deceased spouse or deceased designated 2571
beneficiary. The contributor shall receive the actuarial 2572
equivalent of the contributor's remaining annuity, as determined 2573
by the board, based on the number of remaining beneficiaries, with 2574
no change in the amount payable to any remaining beneficiary. If 2575
the retirement system receives notice of the death on or after ~~the~~ 2576
~~effective date of this amendment~~ January 7, 2013, the change shall 2577
be effective the month following the date of death. 2578

(2) On divorce, annulment, or marriage dissolution, a 2579
contributor receiving an annuity under a plan of payment that 2580
provides for continuation of all or part of the annuity after 2581

death for the lifetime of the contributor's surviving spouse may, 2582
with the written consent of the spouse or pursuant to an order of 2583
the court with jurisdiction over the termination of the marriage, 2584
elect to cancel the portion of the plan providing continuing 2585
lifetime payments to that spouse. The contributor shall receive 2586
the actuarial equivalent of the contributor's annuity as 2587
determined by the board based on the number of remaining 2588
beneficiaries, with no change in the amount payable to any 2589
remaining beneficiary. The election shall be made on a form 2590
provided by the board and shall be effective the month following 2591
its receipt by the board. 2592

(F)(1) Following a marriage or remarriage, both of the 2593
following apply: 2594

(a) A contributor who is receiving payments under a 2595
single-life plan may elect a new plan of payment based on the 2596
actuarial equivalent of the contributor's single-life plan annuity 2597
as determined by the board. 2598

(b) A contributor receiving an annuity under this section 2599
pursuant to a plan of payment providing for payment to a former 2600
spouse pursuant to a court order as described in division 2601
(B)(2)(c) of this section may elect a new plan of payment under a 2602
multiple-life plan based on the actuarial equivalent of the 2603
contributor's benefit as determined by the board if the new plan 2604
of payment does not reduce the payment to the former spouse. 2605

(2) An election under division (F)(1) of this section must be 2606
made not later than one year after the date of the marriage or 2607
remarriage. 2608

The plan elected shall become effective on the date of 2609
receipt by the board of an application on a form approved by the 2610
board, but any change in the amount of the annuity payment shall 2611
commence on the first day of the month following the effective 2612

date of the plan. 2613

(G) If at the time of death a contributor receiving a monthly 2614
annuity under a single-life plan has received less than the 2615
retirant's deposits under section 145.62 or the version of 2616
division (C) of section 145.23 of the Revised Code as it existed 2617
immediately prior to April 6, 2007, plus earnings on those 2618
deposits, the difference between the amount received and the 2619
amount of the contributor's deposits plus earnings shall be paid 2620
to the contributor's beneficiary under section 145.65 of the 2621
Revised Code. If any designated beneficiary receiving a monthly 2622
annuity under this section dies and at the time of the 2623
beneficiary's death the amounts paid to the contributor and the 2624
beneficiary are less than the amount of the contributor's deposits 2625
plus earnings on those deposits, the difference between the amount 2626
received by the contributor and the beneficiary and the amount of 2627
the contributor's deposits plus earnings shall be paid to the 2628
beneficiary's estate. 2629

(H) Receipt of the first month's annuity payment constitutes 2630
final acceptance of the plan of payment and may be changed only as 2631
provided in this section. 2632

Sec. 145.82. (A) Except as provided in divisions (B) and (C) 2633
of this section, sections 145.201 to 145.70 of the Revised Code do 2634
not apply to a PERS defined contribution plan, except that a PERS 2635
defined contribution plan may incorporate provisions of those 2636
sections as specified in the plan document. 2637

(B) The following sections of Chapter 145. of the Revised 2638
Code apply to a PERS defined contribution plan: ~~145.195~~ 145.01 to 2639
145.20, 145.22, 145.221, 145.23, 145.25, 145.26, 145.27, 145.296, 2640
145.38, 145.384, 145.391, ~~145.43~~, 145.431, 145.47, 145.48, 2641
145.483, 145.51, 145.52, 145.53, 145.54, 145.55, 145.56, 145.563, 2642
145.57, 145.571, 145.572, ~~145.573, 145.574~~, 145.69, and 145.70 of 2643

the Revised Code. 2644

(C) A PERS defined contribution plan that includes definitely 2645
determinable benefits may incorporate by reference all or part of 2646
sections 145.201 to 145.79 of the Revised Code to allow a member 2647
participating in the plan to purchase service credit or to be 2648
eligible for any of the following: 2649

(1) Retirement, disability, survivor, or death benefits; 2650

(2) Health or long-term care insurance or any other type of 2651
health care benefit; 2652

(3) Additional increases under section 145.323 of the Revised 2653
Code; 2654

(4) A refund of contributions made by or on behalf of a 2655
member. 2656

With respect to the benefits described in division (C)(1) of 2657
this section, the public employees retirement board may establish 2658
eligibility requirements and benefit formulas or amounts that 2659
differ from those of members participating in the PERS defined 2660
benefit plan. With respect to the purchase of service credit by a 2661
member participating in a PERS defined contribution plan, the 2662
board may reduce the cost of the service credit to reflect the 2663
different benefit formula established for the member. 2664

Sec. 145.88. Amounts contributed under sections 145.85 and 2665
145.86 of the Revised Code, and any earnings on those amounts, 2666
shall be deposited and credited in accordance with the PERS 2667
defined contribution plan that is selected by the member. The plan 2668
may include provisions authorizing the public employees retirement 2669
system to do either of the following: 2670

(A) Withhold from the amounts contributed under sections 2671
145.85 and 145.86 of the Revised Code a percentage of earnable 2672
salary or a fixed dollar amount that is determined by an actuary 2673

appointed by the public employees retirement board to be necessary 2674
to administer the plan; 2675

(B) Withhold from the amounts contributed under section 2676
145.86 of the Revised Code a percentage of earnable salary for the 2677
purpose of funding health care insurance coverage or any other 2678
type of health care benefit for a member participating in the 2679
plan. 2680

Sec. 145.92. If a member participating in a PERS defined 2681
contribution plan is married at the time benefits under the plan 2682
are to commence, unless the spouse consents to another plan of 2683
payment or the spouse's consent is waived, the member's benefit 2684
under the plan shall be paid in a lesser amount payable for life 2685
and one-half of that amount continuing after death to the 2686
surviving spouse for the life of the spouse. 2687

Consent is valid only if it is evidenced by a written 2688
document signed by the spouse and the signature is witnessed by a 2689
notary public. A plan may waive the requirement of consent if the 2690
spouse is incapacitated or cannot be located or for any other 2691
reason specified by the plan or in rules adopted by the public 2692
employees retirement board. 2693

A plan shall waive the requirement of consent if a plan of 2694
payment that provides for payment in a specified portion of the 2695
~~retirement allowance~~ benefit continuing after the member's death 2696
to a former spouse is required by a court order issued under 2697
section 3105.171 or 3105.65 of the Revised Code or laws of another 2698
state regarding division of marital property prior to the 2699
effective date of the member's retirement. If a court order 2700
requires this plan of payment, the member shall be required to 2701
annuitize the member's accumulated amounts in accordance with the 2702
order. If the member is married, the plan of payment selected by 2703
the member also shall provide for payment to the member's current 2704

spouse, unless the current spouse consents in writing to not being 2705
designated a beneficiary under the plan of payment or the current 2706
spouse's consent is waived by reason other than the court order. 2707

Consent or waiver is effective only with regard to the spouse 2708
who is the subject of the consent or waiver. 2709

Sec. 145.95. (A) Subject to division (B) of this section and 2710
sections 145.38, 145.56, 145.57, 145.572, 145.573, and 145.574 of 2711
the Revised Code, the right of a member participating in a PERS 2712
defined contribution plan to any payment or benefit accruing from 2713
contributions made by or on behalf of the member under sections 2714
145.85 and 145.86 of the Revised Code shall vest in accordance 2715
with this section. 2716

A member's right to any payment or benefit that is based on 2717
the member's contributions is nonforfeitable. 2718

A member's right to any payment or benefit that is based on 2719
contributions by the member's employer is nonforfeitable as 2720
specified by the plan selected by the member. 2721

(B) This section does not apply to an increase made under 2722
section 145.323 of the Revised Code for a recipient whose benefit 2723
effective date is on or after ~~the effective date of this amendment~~ 2724
January 7, 2013. 2725

Sec. 171.04. The Ohio retirement study council shall: 2726

(A) Make an impartial review from time to time of all laws 2727
governing the administration and financing of the pension and 2728
retirement funds under Chapters 145., 146., 742., 3307., 3309., 2729
and 5505. of the Revised Code and recommend to the general 2730
assembly any changes it may find desirable with respect to the 2731
allowances and benefits, sound financing of the cost of benefits, 2732
the prudent investment of funds, and the improvement of the 2733
language, structure, and organization of the laws; 2734

(B) Make an annual report to the governor and to the general assembly covering its evaluation and recommendations with respect to the operations of the state retirement systems and their funds;

(C) Study all changes in the retirement laws proposed to the general assembly and report to the general assembly on their probable costs, actuarial implications, and desirability as a matter of public policy;

(D) Review semiannually the policies, objectives, and criteria adopted under sections 145.11, 742.11, 3307.15, 3309.15, and 5505.06 of the Revised Code for the operation of the investment programs of the state retirement systems, including a review of asset allocation targets and ranges, risk factors, asset class benchmarks, time horizons, total return objectives, relative volatility, and performance evaluation guidelines. The council shall, not later than thirty days after completing a review, submit to the governor and the general assembly a report summarizing its findings.

(E) Have prepared for each system by an independent actuary, at least once every ten years, an actuarial review of the actuarial valuations and quinquennial actuarial investigations prepared under sections 145.22, 742.14, 3307.20, 3309.21, and 5505.12 of the Revised Code, including a review of the actuarial assumptions and methods, the data underlying the valuations and investigations, and the adequacy of each system's employee and employer contribution rates to amortize its unfunded actuarial pension liability, if any, and to support the payment of benefits authorized by Chapter 145., 742., 3307., 3309., or 5505. of the Revised Code. The council shall submit to the governor and the general assembly a report summarizing ~~the~~ each review.

All costs associated with an actuarial review prepared pursuant to division (E) of this section shall be paid by the retirement system for which the review is prepared.

(F) Have conducted by an independent auditor at least once 2767
every ten years a fiduciary performance audit of each of the state 2768
retirement systems. 2769

All costs associated with an audit conducted pursuant to 2770
division (F) of this section shall be paid by the retirement 2771
system audited. 2772

(G) Provide each member of the council with copies of all 2773
proposed rules submitted to the council pursuant to sections 2774
145.09, 742.10, 3307.04, 3309.04, and 5505.04 of the Revised Code 2775
and submit any recommendations to the joint committee on agency 2776
rule review. 2777

Sec. 311.01. (A) A sheriff shall be elected quadrennially in 2778
each county. A sheriff shall hold office for a term of four years, 2779
beginning on the first Monday of January next after the sheriff's 2780
election. 2781

(B) Except as otherwise provided in this section, no person 2782
is eligible to be a candidate for sheriff, and no person shall be 2783
elected or appointed to the office of sheriff, unless that person 2784
meets all of the following requirements: 2785

(1) The person is a citizen of the United States. 2786

(2) The person has been a resident of the county in which the 2787
person is a candidate for or is appointed to the office of sheriff 2788
for at least one year immediately prior to the qualification date. 2789

(3) The person has the qualifications of an elector as 2790
specified in section 3503.01 of the Revised Code and has complied 2791
with all applicable election laws. 2792

(4) The person has been awarded a high school diploma or a 2793
certificate of high school equivalence issued for achievement of 2794
specified minimum scores on the general educational development 2795
test of the American council on education. 2796

(5) The person has not been convicted of or pleaded guilty to a felony or any offense involving moral turpitude under the laws of this or any other state or the United States, and has not been convicted of or pleaded guilty to an offense that is a misdemeanor of the first degree under the laws of this state or an offense under the laws of any other state or the United States that carries a penalty that is substantially equivalent to the penalty for a misdemeanor of the first degree under the laws of this state.

(6) The person has been fingerprinted and has been the subject of a search of local, state, and national fingerprint files to disclose any criminal record. Such fingerprints shall be taken under the direction of the administrative judge of the court of common pleas who, prior to the applicable qualification date, shall notify the board of elections, board of county commissioners, or county central committee of the proper political party, as applicable, of the judge's findings.

(7) The person has prepared a complete history of the person's places of residence for a period of six years immediately preceding the qualification date and a complete history of the person's places of employment for a period of six years immediately preceding the qualification date, indicating the name and address of each employer and the period of time employed by that employer. The residence and employment histories shall be filed with the administrative judge of the court of common pleas of the county, who shall forward them with the findings under division (B)(6) of this section to the appropriate board of elections, board of county commissioners, or county central committee of the proper political party prior to the applicable qualification date.

(8) The person meets at least one of the following conditions:

(a) ~~Has obtained or held, within the four year period ending~~ 2829
~~immediately prior to the qualification date, Holds a current valid~~ 2830
~~basic~~ peace officer certificate of training issued by the Ohio 2831
peace officer training commission or has been issued a certificate 2832
of training pursuant to section 5503.05 of the Revised Code, ~~and,~~ 2833
~~within the four year period ending immediately prior to the~~ 2834
~~qualification date, has been employed as an appointee pursuant to~~ 2835
~~section 5503.01 of the Revised Code or as a full time peace~~ 2836
~~officer as defined in section 109.71 of the Revised Code~~ 2837
~~performing duties related to the enforcement of statutes,~~ 2838
~~ordinances, or codes;~~ 2839

(b) ~~Has obtained or held, within the three year period ending~~ 2840
~~immediately prior to the qualification date, a valid basic peace~~ 2841
~~officer certificate of training issued by the Ohio peace officer~~ 2842
~~training commission and has been employed for at least the last~~ 2843
~~three years prior to the qualification date as a full time law~~ 2844
~~enforcement officer, as defined in division (A)(11) of section~~ 2845
~~2901.01 of the Revised Code, performing duties related to the~~ 2846
~~enforcement of statutes, ordinances, or codes~~ Has been employed 2847
full-time by a law enforcement agency performing duties related to 2848
the enforcement of statutes, ordinances, or codes for a minimum of 2849
thirteen consecutive pay periods within the four-year period prior 2850
to the qualification date. As used in this division, "full-time" 2851
means a minimum of eighty hours of work in a fourteen-day period. 2852

(9) The person meets at least one of the following 2853
conditions: 2854

(a) Has at least two consecutive years of supervisory 2855
experience as a peace officer ~~at the rank of corporal or above, or~~ 2856
~~has been appointed pursuant to section 5503.01 of the Revised Code~~ 2857
~~and served at the rank of sergeant or above, in the five year~~ 2858
~~period ending immediately prior to the qualification date;~~ 2859

(b) Has completed ~~satisfactorily at least two years of~~ 2860

~~post secondary education or the equivalent in semester or quarter
hours in a bachelor's degree in any field or has an associate
degree in law enforcement or criminal justice from a college or
university authorized to confer degrees by the Ohio board of
regents or the comparable agency of another state in which the
college or university is located or in a school that holds a
certificate of registration issued by the state board of career
colleges and schools under Chapter 3332. of the Revised Code.~~

(C) Persons who meet the requirements of division (B) of this
section, except the requirement of division (B)(2) of this
section, may take all actions otherwise necessary to comply with
division (B) of this section. If, on the applicable qualification
date, no person has met all the requirements of division (B) of
this section, then persons who have complied with and meet the
requirements of division (B) of this section, except the
requirement of division (B)(2) of this section, shall be
considered qualified candidates under division (B) of this
section.

(D) Newly elected sheriffs shall attend a basic training
course conducted by the Ohio peace officer training commission
pursuant to division (A) of section 109.80 of the Revised Code. A
newly elected sheriff shall complete not less than two weeks of
this course before the first Monday in January next after the
sheriff's election. While attending the basic training course, a
newly elected sheriff may, with the approval of the board of
county commissioners, receive compensation, paid for from funds
established by the sheriff's county for this purpose, in the same
manner and amounts as if carrying out the powers and duties of the
office of sheriff.

Appointed sheriffs shall attend the first basic training
course conducted by the Ohio peace officer training commission
pursuant to division (A) of section 109.80 of the Revised Code

within six months following the date of appointment or election to 2893
the office of sheriff. While attending the basic training course, 2894
appointed sheriffs shall receive regular compensation in the same 2895
manner and amounts as if carrying out their regular powers and 2896
duties. 2897

Five days of instruction at the basic training course shall 2898
be considered equal to one week of work. The costs of conducting 2899
the basic training course and the costs of meals, lodging, and 2900
travel of appointed and newly elected sheriffs attending the 2901
course shall be paid from state funds appropriated to the 2902
commission for this purpose. 2903

(E) In each calendar year, each sheriff shall attend and 2904
successfully complete at least sixteen hours of continuing 2905
education approved under division (B) of section 109.80 of the 2906
Revised Code. A sheriff who receives a waiver of the continuing 2907
education requirement from the commission under division (C) of 2908
section 109.80 of the Revised Code because of medical disability 2909
or for other good cause shall complete the requirement at the 2910
earliest time after the disability or cause terminates. 2911

(F)(1) Each person who is a candidate for election to or who 2912
is under consideration for appointment to the office of sheriff 2913
shall swear before the administrative judge of the court of common 2914
pleas as to the truth of any information the person provides to 2915
verify the person's qualifications for the office. A person who 2916
violates this requirement is guilty of falsification under section 2917
2921.13 of the Revised Code. 2918

(2) Each board of elections shall certify whether or not a 2919
candidate for the office of sheriff who has filed a declaration of 2920
candidacy, a statement of candidacy, or a declaration of intent to 2921
be a write-in candidate meets the qualifications specified in 2922
divisions (B) and (C) of this section. 2923

(G) The office of a sheriff who is required to comply with 2924
division (D) or (E) of this section and who fails to successfully 2925
complete the courses pursuant to those divisions is hereby deemed 2926
to be vacant. 2927

(H) As used in this section: 2928

(1) "Qualification date" means the last day on which a 2929
candidate for the office of sheriff can file a declaration of 2930
candidacy, a statement of candidacy, or a declaration of intent to 2931
be a write-in candidate, as applicable, in the case of a primary 2932
election for the office of sheriff; the last day on which a person 2933
may be appointed to fill a vacancy in a party nomination for the 2934
office of sheriff under Chapter 3513. of the Revised Code, in the 2935
case of a vacancy in the office of sheriff; or a date thirty days 2936
after the day on which a vacancy in the office of sheriff occurs, 2937
in the case of an appointment to such a vacancy under section 2938
305.02 of the Revised Code. 2939

(2) "Newly elected sheriff" means a person who did not hold 2940
the office of sheriff of a county on the date the person was 2941
elected sheriff of that county. 2942

Sec. 742.53. (A) As used in this section: 2943

(1) "Long-term care insurance" has the same meaning as in 2944
section 3923.41 of the Revised Code. 2945

(2) "Retirement systems" has the same meaning as in division 2946
(A) of section 145.581 of the Revised Code. 2947

(B) The board of trustees of the Ohio police and fire pension 2948
fund ~~shall~~ may establish a program under which members of the 2949
fund, employers on behalf of members, and persons receiving 2950
service or disability pensions or survivor benefits are permitted 2951
to participate in contracts for long-term care insurance. 2952
Participation may include dependents and family members. If a 2953

participant in a contract for long-term care insurance leaves 2954
employment, the participant and the participant's dependents and 2955
family members may, at their election, continue to participate in 2956
a program established under this section in the same manner as if 2957
the participant had not left employment, except that no part of 2958
the cost of the insurance shall be paid by the participant's 2959
former employer. 2960

Such program may be established independently or jointly with 2961
one or more of the other retirement systems. 2962

(C) The fund may enter into an agreement with insurance 2963
companies, health insuring corporations, or government agencies 2964
authorized to do business in the state for issuance of a long-term 2965
care policy or contract. However, prior to entering into such an 2966
agreement with an insurance company or health insuring 2967
corporation, the fund shall request the superintendent of 2968
insurance to certify the financial condition of the company or 2969
corporation. The fund shall not enter into the agreement if, 2970
according to that certification, the company or corporation is 2971
insolvent, is determined by the superintendent to be potentially 2972
unable to fulfill its contractual obligations, or is placed under 2973
an order of rehabilitation or conservation by a court of competent 2974
jurisdiction or under an order of supervision by the 2975
superintendent. 2976

(D) The board ~~shall~~ may adopt rules in accordance with 2977
section 111.15 of the Revised Code governing the program. ~~The~~ Any 2978
rules adopted by the board shall establish methods of payment for 2979
participation under this section, which may include establishment 2980
of a payroll deduction plan under section 742.56 of the Revised 2981
Code, deduction of the full premium charged from a person's 2982
service or disability pension or survivor benefit, or any other 2983
method of payment considered appropriate by the board. If the 2984
program is established jointly with one or more of the other 2985

retirement systems, the rules also shall establish the terms and 2986
conditions of such joint participation. 2987

Sec. 742.63. The board of trustees of the Ohio police and 2988
fire pension fund shall adopt rules for the management of the Ohio 2989
public safety officers death benefit fund and for disbursements of 2990
benefits as set forth in this section. 2991

(A) As used in this section: 2992

(1) "Member" means all of the following: 2993

(a) A member of the Ohio police and fire pension fund, 2994
including a member of the fund who has elected to participate in 2995
the deferred retirement option plan established under section 2996
742.43 of the Revised Code or a member of or contributor to a 2997
police or firemen's relief and pension fund established under 2998
former Chapter 521. or 741. of the Revised Code; 2999

(b) A member of the state highway patrol retirement system, 3000
including a member who is participating in the deferred retirement 3001
option plan established under section 5505.50 of the Revised Code; 3002

(c) A member of the public employees retirement system who at 3003
the time of the member's death was one of the following: 3004

(i) A county sheriff or deputy sheriff; 3005

(ii) A full-time regular police officer in a municipal 3006
corporation or township; 3007

(iii) A full-time regular firefighter employed by the state, 3008
an instrumentality of the state, a municipal corporation, a 3009
township, a joint fire district, or another political subdivision; 3010

(iv) A full-time park district ranger or patrol trooper; 3011

(v) A full-time law enforcement officer of the department of 3012
natural resources; 3013

(vi) A full-time department of public safety enforcement 3014

agent;	3015
(vii) A full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation;	3016 3017 3018
(viii) A full-time law enforcement officer of a conservancy district;	3019 3020
(ix) A correction officer at an institution under the control of a county, a group of counties, a municipal corporation, or the department of rehabilitation and correction;	3021 3022 3023
(x) A state university law enforcement officer;	3024
(xi) An investigator, as defined in section 109.541 of the Revised Code, or an investigator commissioned as a special agent of the bureau of criminal identification and investigation.	3025 3026 3027
(xii) A drug agent, as defined in section 145.01 of the Revised Code.	3028 3029
(d) A member of a retirement system operated by a municipal corporation who at the time of death was a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of the municipal corporation.	3030 3031 3032 3033
(2) Notwithstanding section 742.01 of the Revised Code, "fire or police department" includes a fire department of the state or an instrumentality of the state or of a municipal corporation, township, joint fire district, or other political subdivision, the state highway patrol, a county sheriff's office, the security force of an institution under the control of the department of rehabilitation and correction, the security force of a jail or workhouse under the control of a county, group of counties, or municipal corporation, the security force of a metropolitan, county, or township park district, the security force of lands under the control of the department of natural resources,	3034 3035 3036 3037 3038 3039 3040 3041 3042 3043 3044

department of public safety enforcement agents, the security force 3045
of parks, waterway lands, or reservoir lands under the control of 3046
a municipal corporation, the security force of a conservancy 3047
district, the police department of a township or municipal 3048
corporation, and the police force of a state university. 3049

(3) "Firefighter or police officer" includes a state highway 3050
patrol trooper, a county sheriff or deputy sheriff, a correction 3051
officer at an institution under the control of a county, a group 3052
of counties, a municipal corporation, or the department of 3053
rehabilitation and correction, a police officer employed by a 3054
township or municipal corporation, a firefighter employed by the 3055
state, an instrumentality of the state, a municipal corporation, a 3056
township, a joint fire district, or another political subdivision, 3057
a full-time park district ranger or patrol trooper, a full-time 3058
law enforcement officer of the department of natural resources, a 3059
full-time department of public safety enforcement agent, a 3060
full-time law enforcement officer of parks, waterway lands, or 3061
reservoir lands under the control of a municipal corporation, a 3062
full-time law enforcement officer of a conservancy district, and a 3063
state university law enforcement officer. 3064

(4) "Correction officer" includes, in addition to any 3065
correction officer, any correction corporal, sergeant, lieutenant, 3066
or captain, and the equivalents of all such persons. 3067

(5) "A park district ranger or patrol trooper" means a peace 3068
officer commissioned to make arrests, execute warrants, and 3069
preserve the peace upon lands under the control of a board of park 3070
commissioners of a metropolitan, county, or township park 3071
district. 3072

(6) "Metropolitan, county, or township park district" means a 3073
park district created under the authority of Chapter 511. or 1545. 3074
of the Revised Code. 3075

(7) "Conservancy district" means a conservancy district	3076
created under the authority of Chapter 6101. of the Revised Code.	3077
(8) "Law enforcement officer" means an officer commissioned	3078
to make arrests, execute warrants, and preserve the peace upon	3079
lands under the control of the governmental entity granting the	3080
commission.	3081
(9) "Department of natural resources law enforcement officer"	3082
includes a forest officer designated pursuant to section 1503.29	3083
of the Revised Code, a preserve officer designated pursuant to	3084
section 1517.10 of the Revised Code, a wildlife officer designated	3085
pursuant to section 1531.13 of the Revised Code, a park officer	3086
designated pursuant to section 1541.10 of the Revised Code, and a	3087
state watercraft officer designated pursuant to section 1547.521	3088
of the Revised Code.	3089
(10) "Retirement eligibility date" means the last day of the	3090
month in which a deceased member would have first become eligible,	3091
had the member lived, for the retirement pension provided under	3092
section 145.332, Chapter 145., 521., or 741., division (C)(1) of	3093
section 742.37, or division (A)(1) of section 5505.17 of the	3094
Revised Code or provided by a retirement system operated by a	3095
municipal corporation.	3096
(11) "Death benefit amount" means an amount equal to the full	3097
monthly salary received by a deceased member prior to death, minus	3098
an amount equal to the benefit received under section 145.45,	3099
742.37, 742.3714, or 5505.17 of the Revised Code or the benefit	3100
received from a retirement system operated by a municipal	3101
corporation, plus any increases in salary that would have been	3102
granted the deceased member.	3103
(12) "Killed in the line of duty" means either of the	3104
following:	3105
(a) Death in the line of duty;	3106

(b) Death from injury sustained in the line of duty, 3107
including heart attack or other fatal injury or illness caused 3108
while in the line of duty. 3109

(B) A spouse of a deceased member shall receive a death 3110
benefit each month equal to the full death benefit amount, 3111
provided that the deceased member was a firefighter or police 3112
officer killed in the line of duty and there are no surviving 3113
children eligible for a benefit under this section. The spouse 3114
shall receive this benefit during the spouse's natural life until 3115
the deceased member's retirement eligibility date, on which date 3116
the benefit provided under this division shall terminate. 3117

(C)(1) If a member killed in the line of duty as a 3118
firefighter or police officer is survived only by a child or 3119
children, the child or children shall receive a benefit each month 3120
equal to the full death benefit amount. If there is more than one 3121
surviving child, the benefit shall be divided equally among these 3122
children. 3123

(2) If the death benefit paid under this division is divided 3124
among two or more surviving children and any of the children 3125
become ineligible to continue receiving a portion of the benefit 3126
as provided in division (H) of this section, the full death 3127
benefit amount shall be paid to the remaining eligible child or 3128
divided among the eligible children so that the benefit paid to 3129
the remaining eligible child or children equals the full death 3130
benefit amount. 3131

(3) Notwithstanding divisions (C)(1) and (2) of this section, 3132
all death benefits paid under this division shall terminate on the 3133
deceased member's retirement eligibility date. 3134

(D) If a member killed in the line of duty as a firefighter 3135
or police officer is survived by both a spouse and a child or 3136
children, the monthly benefit provided shall be as follows: 3137

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

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

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

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

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

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

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

death benefit amount, and the child shall receive an amount each 3169
month equal to one-half of the full death benefit amount. 3170

(d) If a spouse and more than one child each are receiving a 3171
benefit under division (D)(2)(a) of this section and all of the 3172
children become ineligible to receive a benefit as provided in 3173
division (H) of this section, the spouse shall receive the full 3174
death benefit amount. 3175

(3) Notwithstanding divisions (D)(1) and (2) of this section, 3176
death benefits paid under this division to a surviving spouse 3177
shall terminate on the member's retirement eligibility date. Death 3178
benefits paid to a surviving child or children shall terminate on 3179
the deceased member's retirement eligibility date unless earlier 3180
terminated pursuant to division (H) of this section. 3181

(E) If a member, on or after January 1, 1980, is killed in 3182
the line of duty as a firefighter or police officer and is 3183
survived by only a parent or parents dependent upon the member for 3184
support, the parent or parents shall receive an amount each month 3185
equal to the full death benefit amount. If there is more than one 3186
surviving parent dependent upon the deceased member for support, 3187
the death benefit amount shall be divided equally among the 3188
surviving parents. On the death of one of the surviving parents, 3189
the full death benefit amount shall be paid to the other parent. 3190

(F)(1) The following shall receive a monthly death benefit 3191
under this division: 3192

(a) A surviving spouse whose benefits are terminated in 3193
accordance with division (B) or (D)(3) of this section on the 3194
deceased member's retirement eligibility date, or who would 3195
qualify for a benefit under division (B) or (D) of this section 3196
except that the deceased member reached the member's retirement 3197
eligibility date prior to the member's death; 3198

(b) A qualified surviving spouse of a deceased member of or 3199

contributor to a police or firemen's relief and pension fund 3200
established under former Chapter 521. or 741. of the Revised Code 3201
who was a firefighter or police officer killed in the line of 3202
duty. 3203

(2) The monthly death benefit shall be one-half of an amount 3204
equal to the monthly salary received by the deceased member prior 3205
to the member's death, plus any salary increases the deceased 3206
member would have received prior to the member's retirement 3207
eligibility date. The benefit shall terminate on the surviving 3208
spouse's death. A death benefit payable under this division shall 3209
be reduced by an amount equal to any allowance or benefit payable 3210
to the surviving spouse under section 742.3714 of the Revised 3211
Code. 3212

(3) A benefit granted to a surviving spouse under division 3213
(F)(1)(b) of this section shall commence on the first day of the 3214
month immediately following receipt by the board of a completed 3215
application on a form provided by the board and any evidence the 3216
board may require to establish that the deceased spouse was killed 3217
in the line of duty. 3218

(G)(1) If there is not a surviving spouse eligible to receive 3219
a death benefit under division (F) of this section or the 3220
surviving spouse receiving a death benefit under that division 3221
dies, a surviving child or children whose benefits under division 3222
(C) or (D) of this section are or have been terminated pursuant to 3223
division (C)(3) or (D)(3) of this section or who would qualify for 3224
a benefit under division (C) or (D) of this section except that 3225
the deceased member reached the member's retirement eligibility 3226
date prior to the member's death shall receive a monthly death 3227
benefit under this division. The monthly death benefit shall be 3228
one-half of an amount equal to the monthly salary received by the 3229
deceased member prior to the member's death, plus any salary 3230
increases the member would have received prior to the member's 3231

retirement eligibility date. If there is more than one surviving 3232
child, the benefit shall be divided equally among the surviving 3233
children. 3234

(2) If two or more surviving children each are receiving a 3235
benefit under this division and any of those children becomes 3236
ineligible to continue receiving a benefit as provided in division 3237
(H) of this section, the remaining eligible child or children 3238
shall receive an amount equal to one-half of the monthly salary 3239
received by the deceased member prior to death, plus any salary 3240
increases the deceased member would have received prior to the 3241
retirement eligibility date. If there is more than one remaining 3242
eligible child, the benefit shall be divided equally among the 3243
eligible children. 3244

(3) A death benefit, or portion of a death benefit, payable 3245
to a surviving child under this division shall be reduced by an 3246
amount equal to any allowance or benefit payable to that child 3247
under section 742.3714 of the Revised Code, but the reduction in 3248
that child's benefit shall not affect the amount payable to any 3249
other surviving child entitled to a portion of the death benefit. 3250

(H) A death benefit paid to a surviving child under division 3251
(C), (D), or (G) of this section shall terminate on the death of 3252
the child or, unless one of the following is the case, when the 3253
child reaches age eighteen: 3254

(1) The child, because of physical or mental disability, is 3255
unable to provide the child's own support, in which case the death 3256
benefit shall terminate when the disability is removed; 3257

(2) The child is unmarried, under age twenty-two, and a 3258
student in and attending an institution of learning or training 3259
pursuant to a program designed to complete in each school year the 3260
equivalent of at least two-thirds of the full-time curriculum 3261
requirements of the institution, as determined by the trustees of 3262

the fund. 3263

(I) Acceptance of any death benefit under this section does 3264
not prohibit a spouse or child from receiving other benefits 3265
provided under the Ohio police and fire pension fund, the state 3266
highway patrol retirement system, the public employees retirement 3267
system, or a retirement system operated by a municipal 3268
corporation. 3269

(J) No person shall receive a benefit under this section if 3270
any of the following occur: 3271

(1) The person fails to exercise the right to a monthly 3272
survivor benefit under division (A) or (B) of section 145.45, 3273
division (D), (E), or (F) of section 742.37, or division (A)(3), 3274
(4), or ~~(7)~~(6) of section 5505.17 of the Revised Code; to a 3275
monthly survivor benefit from a retirement system operated by a 3276
municipal corporation; or to a retirement allowance under section 3277
742.3714 of the Revised Code. 3278

(2) The member's accumulated contributions under this chapter 3279
or Chapter 145. or 5505. of the Revised Code are refunded unless 3280
the member had been a member of the public employees retirement 3281
system and had fewer than eighteen months of total service credit 3282
at the time of death. 3283

(3) In the case of a full-time park district ranger or patrol 3284
trooper, a full-time law enforcement officer of the department of 3285
natural resources, a full-time law enforcement officer of parks, 3286
waterway lands, or reservoir lands under the control of a 3287
municipal corporation, a full-time law enforcement officer of a 3288
conservancy district, a correction officer at an institution under 3289
the control of a county, group of counties, or municipal 3290
corporation, or a member of a retirement system operated by a 3291
municipal corporation who at the time of the member's death was a 3292
full-time law enforcement officer of parks, waterway lands, or 3293

reservoir lands under the control of the municipal corporation, 3294
the member died prior to April 9, 1981, in the case of a benefit 3295
under division (B), (C), or (D) of this section, or prior to 3296
January 1, 1980, in the case of a benefit under division (E) of 3297
this section. 3298

(4) In the case of a full-time department of public safety 3299
enforcement agent who prior to June 30, 1999, was a liquor control 3300
investigator of the department of public safety, the member died 3301
prior to December 23, 1986; 3302

(5) In the case of a full-time department of public safety 3303
enforcement agent other than an enforcement agent who, prior to 3304
June 30, 1999, was a liquor control investigator, the member died 3305
prior to June 30, 1999. 3306

(K) A surviving spouse whose benefit was terminated prior to 3307
June 30, 1999, due to remarriage shall receive a benefit under 3308
division (B), (D), or (F) of this section beginning on the first 3309
day of the month following receipt by the board of an application 3310
on a form provided by the board. The benefit amount shall be 3311
determined as of that date. 3312

(1) If the benefit will begin prior to the deceased member's 3313
retirement eligibility date, it shall be paid under division (B) 3314
or (D) of this section and shall terminate as provided in those 3315
divisions. A benefit paid to a surviving spouse under division (D) 3316
of this section shall be determined in accordance with that 3317
division, even if benefits paid to surviving children are reduced 3318
as a result. 3319

(2) If the benefit will begin on or after the deceased 3320
member's retirement eligibility date, it shall be paid under 3321
division (F) of this section and shall terminate as provided in 3322
that division. A benefit paid to a surviving spouse under division 3323
(F) of this section shall be determined in accordance with that 3324

division, even if benefits paid to surviving children are 3325
terminated as a result. 3326

Sec. 3307.04. The general administration and the management 3327
of the state teachers retirement system is hereby vested in the 3328
state teachers retirement board, which shall adopt rules necessary 3329
for the fulfillment of its duties and responsibilities under 3330
Chapter 3307. of the Revised Code. The board shall adopt policies 3331
for the operation of the system, and the investment of funds as 3332
provided by section 3307.15 of the Revised Code, and may authorize 3333
its administrative officers, or committees composed of board 3334
members, to act for the board in accord with such policies ~~and~~ 3335
~~subject to subsequent approval by the board.~~ 3336

The board may take all appropriate action to avoid payment by 3337
the system or its members of federal or state income taxes on 3338
contributions to the system or amounts earned on such 3339
contributions and to comply with any plan qualification 3340
requirements, including those on distributions, established under 3341
Title 26 of the United States Code. 3342

The attorney general shall prescribe procedures for the 3343
adoption of rules authorized under this chapter, consistent with 3344
the provision of section 111.15 of the Revised Code under which 3345
all rules shall be filed in order to be effective. Such procedures 3346
shall establish methods by which notice of proposed rules is given 3347
to interested parties and rules adopted by the board published and 3348
otherwise made available. When it files a rule with the joint 3349
committee on agency rule review pursuant to section 111.15 of the 3350
Revised Code, the board shall submit to the Ohio retirement study 3351
council a copy of the full text of the rule, and if applicable, a 3352
copy of the rule summary and fiscal analysis required by division 3353
(B) of section 127.18 of the Revised Code. 3354

All rules adopted pursuant to this chapter, prior to August 3355

20, 1976, shall be published and made available to interested 3356
parties by January 1, 1977. 3357

Sec. 3307.35. (A) As used in this section and section 3358
3307.352 of the Revised Code, "other system retirant" means ~~both~~ 3359
either of the following: 3360

(1) A member or former member of the public employees 3361
retirement system, Ohio police and fire pension fund, school 3362
employees retirement system, state highway patrol retirement 3363
system, or Cincinnati retirement system who is receiving from a 3364
system of which the retirant is a member or former member age and 3365
service or commuted age and service retirement, a benefit, 3366
allowance, or distribution under a plan established under section 3367
145.81 or 3309.81 of the Revised Code, or a disability benefit; 3368

(2) A person who is participating or has participated in an 3369
alternative retirement plan established under Chapter 3305. of the 3370
Revised Code and is receiving a benefit, allowance, or 3371
distribution under the plan. 3372

(B) Subject to this section and section 3307.353 of the 3373
Revised Code, a superannuate or other system retirant may be 3374
employed as a teacher. 3375

(C) A superannuate or other system retirant employed in 3376
accordance with this section shall contribute to the state 3377
teachers retirement system in accordance with section 3307.26 of 3378
the Revised Code and the employer shall contribute in accordance 3379
with sections 3307.28 and 3307.31 of the Revised Code. Such 3380
contributions shall be received as specified in section 3307.14 of 3381
the Revised Code. A superannuate or other system retirant employed 3382
as a teacher is not a member of the state teachers retirement 3383
system, does not have any of the rights, privileges, or 3384
obligations of membership, except as provided in this section, and 3385
is not eligible to receive health, medical, hospital, or surgical 3386

benefits under section 3307.39 of the Revised Code for employment 3387
subject to this section. 3388

(D) The employer that employs a superannuate or other system 3389
retirant shall notify the state teachers retirement board of the 3390
employment not later than the end of the month in which the 3391
employment commences. Any overpayment of benefits to a 3392
superannuate by the retirement system resulting from an employer's 3393
failure to give timely notice may be charged to the employer and 3394
may be certified and deducted as provided in section 3307.31 of 3395
the Revised Code. 3396

(E) On receipt of notice from an employer that a person who 3397
is an other system retirant has been employed, the state teachers 3398
retirement system shall notify the state retirement system of 3399
which the other system retirant was a member of such employment. 3400

(F) A superannuate or other system retirant who has received 3401
an allowance or benefit for less than two months when employment 3402
subject to this section or section 3305.05 of the Revised Code 3403
commences shall forfeit the allowance or benefit for any month the 3404
superannuate or retirant is employed prior to the expiration of 3405
such period. The allowance or benefit forfeited each month shall 3406
be equal to the monthly amount the superannuate or other system 3407
retirant is eligible to receive under a single lifetime benefit 3408
plan of payment described in division (A) of section 3307.60 of 3409
the Revised Code. Contributions shall be made to the retirement 3410
system from the first day of such employment, but service and 3411
contributions for that period shall not be used in the calculation 3412
of any benefit payable to the superannuate or other system 3413
retirant, and those contributions shall be refunded on the 3414
superannuate's or retirant's death or termination of the 3415
employment. Contributions made on compensation earned after the 3416
expiration of such period shall be used in calculation of the 3417
benefit or payment due under section 3307.352 of the Revised Code. 3418

For purposes of this division, "employment" does not include 3419
uncompensated volunteer work if the duties of the uncompensated 3420
volunteer work are the same as or substantially equivalent to the 3421
superannuate's or other system retirant's duties with the employer 3422
by which the superannuate or retirant was employed at the time of 3423
retirement. 3424

(G) On receipt of notice from the Ohio police and fire 3425
pension fund, public employees retirement system, or school 3426
employees retirement system of the re-employment of a 3427
superannuate, the state teachers retirement system shall not pay, 3428
or if paid shall recover, the amount to be forfeited by the 3429
superannuate in accordance with section 145.38, 742.26, or 3430
3309.341 of the Revised Code. 3431

(H) If the disability benefit of an other system retirant 3432
employed under this section is terminated, the retirant shall 3433
become a member of the state teachers retirement system, effective 3434
on the first day of the month next following the termination, with 3435
all the rights, privileges, and obligations of membership. If the 3436
retirant, after the termination of the retirant's disability 3437
benefit, earns two years of service credit under this retirement 3438
system or under the public employees retirement system, Ohio 3439
police and fire pension fund, school employees retirement system, 3440
or state highway patrol retirement system, the retirant's prior 3441
contributions as an other system retirant under this section shall 3442
be included in the retirant's total service credit, as defined in 3443
section 3307.50 of the Revised Code, as a state teachers 3444
retirement system member, and the retirant shall forfeit all 3445
rights and benefits of this section. Not more than one year of 3446
credit may be given for any period of twelve months. 3447

(I) This section does not affect the receipt of benefits by 3448
or eligibility for benefits of any person who on August 20, 1976, 3449
was receiving a disability benefit or service retirement pension 3450

or allowance from a state or municipal retirement system in Ohio 3451
and was a member of any other state or municipal retirement system 3452
of this state. 3453

(J) The state teachers retirement board may make the 3454
necessary rules to carry into effect this section and to prevent 3455
the abuse of the rights and privileges thereunder. 3456

Sec. 3307.39. (A) The state teachers retirement board may 3457
enter into an agreement with insurance companies, health insuring 3458
corporations, or government agencies authorized to do business in 3459
the state for issuance of a policy or contract of health, medical, 3460
hospital, or surgical ~~benefits~~ coverage, or any combination 3461
thereof, for those individuals receiving, under the STRS defined 3462
benefit plan, service retirement or a disability or survivor 3463
benefit who subscribe to the plan. Notwithstanding any other 3464
provision of this chapter, the policy or contract may also include 3465
coverage for any eligible individual's spouse and dependent 3466
children and for any of the individual's sponsored dependents as 3467
the board considers appropriate. If all or any portion of the 3468
policy or contract premium is to be paid by any individual 3469
receiving service retirement or a disability or survivor benefit, 3470
the individual shall, by written authorization, instruct the board 3471
to deduct the premium agreed to be paid by the individual to the 3472
companies, corporations, or agencies. 3473

The board may contract for coverage on the basis of part or 3474
all of the cost of the coverage to be paid from appropriate funds 3475
of the state teachers retirement system. The cost paid from the 3476
funds of the system shall be included in the employer's 3477
contribution rate provided by section 3307.28 of the Revised Code. 3478

The board may enter into an agreement under this division for 3479
coverage of recipients of benefits under an STRS defined 3480
contribution plan if the plan selected includes health, medical, 3481

hospital, or surgical ~~benefits~~ coverage, or any combination 3482
thereof. The board may contract for coverage on the basis that the 3483
cost of the coverage will be paid by the recipient or by the plan 3484
to which the recipient contributed under this chapter. The board 3485
may offer to recipients plans that provide for different levels of 3486
coverage or for prepayment of the cost of coverage. 3487

The board may provide for self-insurance of risk or level of 3488
risk as set forth in the contract with the companies, 3489
corporations, or agencies, and may provide through the 3490
self-insurance method specific ~~benefits~~ coverage as authorized by 3491
the rules of the board. 3492

(B) The board may make a monthly payment to each recipient of 3493
service retirement, or a disability or survivor benefit under the 3494
STRS defined benefit plan who is enrolled in coverage under part B 3495
of the medicare program established under Title XVIII of "The 3496
Social Security Amendments of 1965," 79 Stat. 301 (1965), 42 3497
U.S.C.A. 1395j, as amended, and may make a monthly payment to a 3498
recipient of benefits under an STRS defined contribution plan who 3499
is eligible for that insurance coverage if the monthly payments 3500
are funded through the plan selected by the recipient. The payment 3501
shall be the greater of the following: 3502

(1) Twenty-nine dollars and ninety cents; 3503

(2) An amount determined by the board, which shall not exceed 3504
ninety per cent of the basic premium for the coverage⁷, except 3505
that the amount shall not exceed the amount paid by the recipient. 3506

At the request of the board, the recipient shall certify the 3507
amount paid by the recipient for coverage described in this 3508
division. 3509

The board shall make all payments under this division 3510
beginning the month following receipt of satisfactory evidence of 3511
the payment for the coverage. 3512

(C) The board shall establish by rule requirements for the 3513
coordination of any coverage, or payment, ~~or benefit~~ provided 3514
under this section with any similar coverage, or payment, ~~or~~ 3515
~~benefit~~ made available to the same individual by the public 3516
employees retirement system, Ohio police and fire pension fund, 3517
school employees retirement system, or state highway patrol 3518
retirement system. 3519

(D) The board shall make all other necessary rules pursuant 3520
to the purpose and intent of this section. 3521

Sec. 3307.41. The right of an individual to a pension, an 3522
annuity, or a retirement allowance itself, the right of an 3523
individual to any optional benefit, or any other right or benefit 3524
accrued or accruing to any individual under this chapter, the 3525
various funds created by section 3307.14 of the Revised Code, and 3526
all moneys, investments, and income from moneys or investments are 3527
exempt from any state tax, except the tax imposed by section 3528
5747.02 of the Revised Code, and are exempt from any county, 3529
municipal, or other local tax, except income taxes imposed 3530
pursuant to section 5748.02, 5748.08, or 5748.09 of the Revised 3531
Code, and, except as provided in sections 3105.171, 3105.65, 3532
3115.32, ~~3119.80, 3119.81, 3121.02, 3121.03, 3123.06~~, 3307.37, 3533
3307.372, and 3307.373 and Chapters 3119., 3121., 3123., and 3125. 3534
of the Revised Code, shall not be subject to execution, 3535
garnishment, attachment, the operation of bankruptcy or insolvency 3536
laws, or any other process of law whatsoever, and shall be 3537
unassignable except as specifically provided in this chapter ~~or~~ 3538
and sections 3105.171, 3105.65, and 3115.32, ~~3119.80, 3119.81,~~ 3539
~~3121.02, 3121.03, and 3123.06~~ and Chapters 3119., 3121., 3123., 3540
and 3125. of the Revised Code. 3541

Sec. 3307.56. (A)(1) Subject to ~~sections~~ section 3307.37 and 3542
~~3307.561~~ of the Revised Code and except as provided in division 3543

(B)(2) of this section, a member participating in the STRS defined benefit plan who ceases to be a teacher for any cause other than death, retirement, receipt of a disability benefit, or current employment in a position in which the member has elected to participate in an alternative retirement plan under section 3305.05 or 3305.051 of the Revised Code, upon application, shall be paid the accumulated contributions standing to the credit of the member's individual account in the teachers' savings fund plus an amount calculated in accordance with section 3307.563 of the Revised Code. If the member or the member's legal representative cannot be found within ten years after the member ceased making contributions pursuant to section 3307.26 of the Revised Code, the accumulated contributions may be transferred to the guarantee fund and thereafter paid to the member, to the member's beneficiaries, or to the member's estate, upon proper application.

(2) A member described in division (A)(1) of this section who is married at the time of application for payment and is eligible for age and service retirement under section 3307.58 or 3307.59 of the Revised Code or would be eligible for age and service retirement under either of those sections but for a forfeiture ordered under division (A) or (B) of section 2929.192 of the Revised Code shall submit with the application a written statement by the member's spouse attesting that the spouse consents to the payment of the member's accumulated contributions. Consent shall be valid only if it is signed and witnessed by a notary public. If the statement is not submitted under this division, the application shall be considered an application for service retirement and shall be subject to division (G)(1) of section 3307.60 of the Revised Code.

The state teachers retirement board may waive the requirement of consent if the spouse is incapacitated or cannot be located, or for any other reason specified by the board. Consent or waiver is

effective only with regard to the spouse who is the subject of the 3576
consent or waiver. 3577

(B) This division applies to any member who is employed in a 3578
position in which the member has elected under section 3305.05 or 3579
3305.051 of the Revised Code to participate in an alternative 3580
retirement plan and due to the election ceases to be a teacher for 3581
the purposes of that position. 3582

Subject to ~~sections~~ section 3307.37 and ~~3307.561~~ of the 3583
Revised Code, the state teachers retirement system shall do the 3584
following: 3585

(1) On receipt of a certified copy of an election under 3586
section 3305.05 or 3305.051 of the Revised Code, pay, in 3587
accordance with section 3305.052 of the Revised Code, the amount 3588
described in that section to the appropriate provider; 3589

(2) If a member has accumulated contributions, in addition to 3590
those subject to division (B)(1) of this section, standing to the 3591
credit of a member's individual account and is not otherwise in a 3592
position in which the member is considered a teacher for the 3593
purposes of that position, pay, to the provider the member 3594
selected pursuant to section 3305.05 or 3305.051 of the Revised 3595
Code, the accumulated contributions standing to the credit of the 3596
member's individual account in the teachers' saving fund plus an 3597
amount calculated in accordance with section 3307.563 of the 3598
Revised Code. The payment shall be made on the member's 3599
application. 3600

(C) Payment of a member's accumulated contributions under 3601
division (B) of this section cancels the member's total service 3602
credit in the state teachers retirement system. A member whose 3603
accumulated contributions are paid to a provider pursuant to 3604
division (B) of this section is forever barred from claiming or 3605
purchasing service credit under the state teachers retirement 3606

system for the period of employment attributable to those 3607
contributions. 3608

Sec. 3307.561. (A) As used in this section, "other retirement 3609
system" means the public employees retirement system or the school 3610
employees retirement system. 3611

(B) Except as provided in division (C) of this section, on 3612
application, a member of the state teachers retirement system who 3613
is also a member of one or both of the other retirement systems 3614
and has ceased to be a teacher for purposes of this chapter may be 3615
paid, in accordance with section 3307.56 of the Revised Code, the 3616
member's accumulated contributions to the state teachers 3617
retirement system, plus any applicable amount calculated under 3618
section 3307.563 of the Revised Code. This payment does not affect 3619
the member's membership in the other retirement systems or any 3620
right the member may have to a benefit or return of contributions 3621
under those systems. 3622

(C) This section does not apply to a member of one of the 3623
other retirement systems whose employment under that system is 3624
with the public employer that was the employer under the state 3625
teachers retirement system at the time the member's service 3626
subject to this chapter terminated. 3627

Sec. 3307.563. For the purposes of this section, "service 3628
credit" includes only service credit obtained pursuant to sections 3629
3307.53, 3307.71, 3307.712, 3307.72, and 3307.77 of the Revised 3630
Code. 3631

(A) The state teachers retirement system shall add to a 3632
member's accumulated contributions to be paid under section 3633
3307.56 or 3307.562 of the Revised Code an amount paid from the 3634
employers' trust fund equal to one of the following: 3635

(1) If the member has less than three full years of service 3636

credit, an amount equal to interest on the member's accumulated 3637
contributions, compounded annually, at a rate not greater than 3638
four per cent established by the board; 3639

(2) If the member has three or more full years of service 3640
credit, but less than five full years, an amount equal to interest 3641
on the member's accumulated contributions, compounded annually, at 3642
a rate not greater than six per cent established by the board; 3643

(3) If the member has five or more full years of service 3644
credit, the sum of the following amounts: 3645

(a) An amount equal to interest on the member's accumulated 3646
contributions, compounded annually, at a rate not greater than six 3647
per cent established by the board; 3648

(b) An amount equal to fifty per cent of the sum of the 3649
member's contributions under section 3307.26, any contributions 3650
restored under ~~section~~ sections 3307.71 and 3307.712 of the 3651
Revised Code to the extent that the amount paid to restore the 3652
credit included amounts received by the member under division 3653
(A)(3)(b) of this section, and contributions deducted or paid 3654
under ~~division (C)~~ of section 3307.77 of the Revised Code plus 3655
interest on that amount at a rate not greater than six per cent 3656
established by the board. 3657

Interest for each year included in the calculation under this 3658
section shall be calculated from the first day of the following 3659
year to the last day of the month preceding payment under section 3660
3307.56 or 3307.562 of the Revised Code. 3661

(B) Notwithstanding sections 3307.56 and 3307.562 of the 3662
Revised Code, neither a member who returned to contributing 3663
service after receiving disability benefits nor the beneficiaries, 3664
survivors, or estate of a deceased member who was granted 3665
disability benefits prior to death is eligible for the payment of 3666
any amount calculated under this section. 3667

Sec. 3307.57. To coordinate and integrate membership in the state retirement systems, the following provisions apply:

(A) As used in this section:

(1) "Retirement systems" means the public employees retirement system, state teachers retirement system, and school employees retirement system.

(2) In addition to the meaning given in section 3307.50 of the Revised Code, "disability benefit" means "disability benefit" as defined in sections 145.01 and 3309.01 of the Revised Code;

(3) "Actuarial assumption rate" means the investment rate of return assumed for projecting assets in the STRS defined benefit plan.

(4) "Total service credit" means the total credit in all retirement systems, except that such credit shall not exceed one year for any period of twelve months.

(5) "Paying system" means the state retirement system in which the member has the greatest service credit, without adjustment or, if the member has equal service credit in two or more retirement systems, the retirement system in which the member has the greatest total contributions.

(6) "Transferring system" means the state retirement system transferring a member's contributions and service credit in that system to the paying system.

(7) "Retention percentage" means five per cent, or a percentage determined under division (D) of this section, of a member's earnable salary in the case of a member of the public employees retirement system or five per cent, or a percentage determined under division (D) of this section, of a member's compensation in the case of a member of the state teachers retirement system or school employees retirement system.

(B) At the option of a member participating in the STRS defined benefit plan, total contributions and service credit in all retirement systems, including amounts paid to restore service credit under sections 145.311, 3307.711, and 3309.261 of the Revised Code, shall be used in determining ~~the eligibility for~~ benefits. If total contributions and service credit are combined, the following provisions apply:

(1) Service retirement or a disability benefit is effective on the first day of the month next following the later of:

(a) The last day for which compensation was paid;

(b) The attainment of minimum age or service credit for benefits provided under this section.

~~(2) "Total service credit" includes the total credit in all retirement systems except that such credit shall not exceed one year for any period of twelve months.~~

~~(3) Eligibility for a disability benefit shall be determined by the The board of the state retirement paying system that will calculate shall do both of the following:~~

~~(a) Determine a member's eligibility for a retirement or disability benefit;~~

~~(b) Calculate and pay the member's retirement or disability benefit, as provided in division (B)(4) of this section. The state retirement~~

~~(3)(a) Each transferring system calculating and paying the disability benefit in which the member has service credit shall certify the determination to the board of each other state retirement paying system in which the member has service credit and shall be accepted by that board as sufficient for granting a disability benefit.~~

~~(4) The board of the state retirement system in which the~~

~~member had the greatest service credit, without adjustment, shall~~ 3728
~~calculate and pay the total benefit. If the member's credit is~~ 3729
~~equal in two or more retirement systems, the system having the~~ 3730
~~member's largest total contributions shall calculate and pay the~~ 3731
~~total benefit.~~ 3732

~~(5) all of the following:~~ 3733

~~(i) The service credit earned by the member in the~~ 3734
~~transferring system;~~ 3735

~~(ii) The beginning and ending dates of the service credit~~ 3736
~~period covered by the transferring system;~~ 3737

~~(iii) Any breaks in service by the member, excluding school~~ 3738
~~breaks;~~ 3739

~~(iv) If available, a statement listing the member's monthly~~ 3740
~~contributions and service credit earned, obtained, or purchased in~~ 3741
~~the transferring system.~~ 3742

~~(b) The certification under division (B)(3)(a) of this~~ 3743
~~section may be reviewed by both the transferring system and paying~~ 3744
~~system.~~ 3745

~~(4) In determining the total credit to be used in calculating~~ 3746
~~a retirement or disability benefit, credit shall not be reduced~~ 3747
~~below that certified by the transferring system ~~or systems~~~~ 3748
~~transferring credit, except that such total combined service~~ 3749
~~credit shall not exceed as follows:~~ 3750

~~(a) Not more than one year of credit may be certified by the~~ 3751
~~transferring system for any one "year" as defined in the statute~~ 3752
~~law governing the transferring system making the calculation.~~ 3753

~~(b) The paying system may reduce any credit certified by the~~ 3754
~~transferring system that is concurrent with any period of service~~ 3755
~~credit the member earned from the paying system.~~ 3756

~~(c) The paying system may reduce any credit certified by the~~ 3757

transferring system if the amount certified, when added to the 3758
paying system's service credit for any one "year" as defined in 3759
the law of the paying system, exceeds one year. 3760

~~(6)(5)(a)~~ The ~~retirement~~ paying system ~~calculating and paying~~ 3761
the ~~benefit~~ shall receive from the ~~other~~ transferring system or 3762
systems all of the following for each year of service: 3763

(i) The amount contributed by the member, or, in the case of 3764
service credit purchased by the member, paid by the member, that 3765
is attributable to the year of service; 3766

(ii) An amount equal to the lesser of the employer's 3767
contributions made on behalf of the member to the ~~retirement~~ 3768
transferring system for that year of service less the retention 3769
percentage or the amount that would have been contributed by the 3770
employer for the service had the member been a member of the state 3771
teachers retirement system at the time the credit was earned less 3772
the retention percentage; 3773

(iii) If applicable, an amount equal to the amount paid on 3774
behalf of the member by an employer under section 145.483 of the 3775
Revised Code; 3776

(iv) Interest compounded annually on the amounts specified in 3777
divisions (B)~~(6)(5)(a)(i)~~, (ii), and (iii) of this section at the 3778
lesser of the actuarial assumption rate for that year of the ~~state~~ 3779
~~teachers retirement~~ paying system or the ~~other retirement~~ 3780
transferring system or systems ~~transferring amounts under this~~ 3781
~~section.~~ 3782

~~(b)(6)~~ The annuity rates and mortality tables of the 3783
~~retirement~~ paying system ~~making the calculation and paying the~~ 3784
~~benefit~~ shall be applicable. 3785

~~(e)(7)~~ Deposits made for the purchase of additional income, 3786
with guaranteed interest, upon the member's request, shall be 3787
transferred to the ~~retirement~~ paying system ~~paying the regular~~ 3788

benefit. The return upon such deposits shall be that offered by 3789
the ~~retirement paying~~ system making the calculation and paying the 3790
~~regular benefit.~~ 3791

(C) A person receiving a benefit under this section, who 3792
accepts employment amenable to coverage in any retirement system 3793
that participated in the person's combined benefit, shall be 3794
subject to the applicable provisions of law governing such 3795
re-employment. 3796

If a retirant should be paid any amount to which the retirant 3797
is not entitled under the applicable provisions of law governing 3798
such re-employment, such amount shall be recouped by the 3799
~~retirement paying~~ system ~~paying such benefit~~ by utilizing any 3800
recovery procedure available under the ~~law of the retirement~~ 3801
~~system covering such paying system's~~ re-employment provisions. 3802

(D) The retention percentage used in the calculation under 3803
division (B)(5)(a)(ii) of this section shall be reviewed by the 3804
state retirement systems not less than once every five years 3805
beginning after the effective date of this amendment or on request 3806
of any of the systems. If the retirement systems agree, the 3807
retention percentage may be changed if any of the system's 3808
employer contribution rate increases or decreases or the systems 3809
agree that a change is in the interest of one or more of the 3810
systems. 3811

Sec. 3307.58. (A) As used in this section, "qualifying 3812
service credit" means credit earned under section 3307.53 or for 3813
which contributions were made under section 145.47 or 3309.47 of 3814
the Revised Code; credit restored under section 145.31, 3307.71, 3815
or 3309.26 of the Revised Code; credit purchased under section 3816
145.302, 3307.752, or 3309.022, or division (D) of section 5505.16 3817
of the Revised Code, or obtained under section 742.521 of the 3818
Revised Code; and credit obtained under section 3307.761, 3819

3307.763, or 3307.765 of the Revised Code. 3820

(B) Any member participating in the STRS defined benefit plan 3821
who has attained the applicable combination of age and service 3822
credit shall be granted service retirement after filing with the 3823
state teachers retirement board a completed application on a form 3824
approved by the board. 3825

(1) Except as provided in division (B)(3) of this section, a 3826
member is eligible to retire under this division if ~~either~~ any of 3827
the following is the case: 3828

(a) The member has five or more years of qualifying service 3829
credit and has attained age sixty-five; 3830

(b) The member is applying for service retirement following 3831
termination of a disability benefit received under section 3307.63 3832
or 3307.631 of the Revised Code and has five or more years of 3833
total service credit; 3834

(c) The member meets one of the following requirements: 3835

(i) Before August 1, 2015, has thirty or more years of 3836
service credit at any age; 3837

(ii) On or after August 1, 2015, but before August 1, 2017, 3838
has thirty-one or more years of service credit at any age; 3839

(iii) On or after August 1, 2017, but before August 1, 2019, 3840
has thirty-two or more years of service credit at any age; 3841

(iv) On or after August 1, 2019, but before August 1, 2021, 3842
has thirty-three or more years of service credit at any age; 3843

(v) On or after August 1, 2021, but before August 1, 2023, 3844
has thirty-four or more years of service credit at any age; 3845

(vi) On or after August 1, 2023, but before August 1, 2026, 3846
has thirty-five or more years of service credit at any age; 3847

(vii) On or after August 1, 2026, has thirty-five or more 3848

years of service credit and has attained age sixty. 3849

(2) Except as provided in division (B)(3) of this section, a 3850
member is eligible to retire under this division if ~~either~~ any of 3851
the following is the case: 3852

(a) The member has five or more years of qualifying service 3853
credit and has attained age sixty; 3854

(b) The member is applying for service retirement following 3855
termination of a disability benefit received under section 3307.63 3856
or 3307.631 of the Revised Code and has five or more years of 3857
total service credit; 3858

(c) The member meets one of the following requirements: 3859

(i) Before August 1, 2015, has twenty-five or more years of 3860
service credit and has attained age fifty-five; 3861

(ii) On or after August 1, 2015, but before August 1, 2017, 3862
has twenty-six or more years of service credit and has attained 3863
age fifty-five or has thirty or more years of service credit at 3864
any age; 3865

(iii) On or after August 1, 2017, but before August 1, 2019, 3866
has twenty-seven or more years of service credit and has attained 3867
age fifty-five or has thirty or more years of service credit at 3868
any age; 3869

(iv) On or after after August 1, 2019, but before August 1, 3870
2021, has twenty-eight or more years of service credit and has 3871
attained age fifty-five or has thirty or more years of service 3872
credit at any age; 3873

(v) On or after August 1, 2021, but before August 1, 2023, 3874
has twenty-nine or more years of service credit and has attained 3875
age fifty-five or has thirty or more years of service credit at 3876
any age; 3877

(vi) On or after August 1, 2023, has thirty or more years of 3878

service credit at any age. 3879

(3) The board may adjust the retirement eligibility 3880
requirements of this section if the board's actuary, in its annual 3881
actuarial valuation required by section 3307.51 of the Revised 3882
Code or in other evaluations conducted under that section, 3883
determines that an adjustment does not materially impair the 3884
fiscal integrity of the retirement system or is necessary to 3885
preserve the fiscal integrity of the system. 3886

(C) Service retirement shall be effective ~~on~~ not earlier than 3887
the first day of the month next following the later of: 3888

(1) The last day for which compensation was paid; or 3889

(2) The attainment of minimum age ~~or~~ and service credit 3890
eligibility for benefits provided under this section. 3891

(D)(1) Except as provided in division (E) of this section, 3892
the annual single lifetime benefit of a member whose retirement 3893
effective date is before August 1, 2013, shall be the greater of 3894
the amounts determined by the member's Ohio service credit 3895
multiplied by one of the following: 3896

(a) Eighty-six dollars; 3897

(b) The sum of the following amounts: 3898

(i) For each of the first thirty years of Ohio service 3899
credit, two and two-tenths per cent of the member's final average 3900
salary or, subject to the limitation described in division 3901
(D)(1)(c) of this section, two and five-tenths per cent of the 3902
member's final average salary if the member has thirty-five or 3903
more years of service credit under section 3307.48, 3307.53, 3904
3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 3905
3307.765, 3307.77, or 3307.771 of the Revised Code, division 3906
(A)(2) or (B) of former section 3307.513 of the Revised Code, 3907
former section 3307.514 of the Revised Code, section 3307.72 of 3908

the Revised Code earned after July 1, 1978, or any combination of
 service credit under those sections;

(ii) For each year or fraction of a year of Ohio service credit in excess of thirty years, two and two-tenths per cent of the member's final average salary or, subject to the limitation described in division (D)(1)(c) of this section, if the member has more than thirty years service credit under section 3307.48, 3307.53, 3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 3307.765, 3307.77, or 3307.771 of the Revised Code, division (A)(2) or (B) of former section 3307.513 of the Revised Code, former section 3307.514 of the Revised Code, section 3307.72 of the Revised Code earned after July 1, 1978, or any combination of service credit under those sections, the per cent of final average salary shown in the following schedule for each corresponding year or fraction of a year of service credit under those sections that is in excess of thirty years:

Year	Per	Year	Per
of	Cent	of	Cent
Service	for that	Service	for that
Credit	Year	Credit	Year
30.01 - 31.00	2.5%	35.01 - 36.00	3.0%
31.01 - 32.00	2.6	36.01 - 37.00	3.1
32.01 - 33.00	2.7	37.01 - 38.00	3.2
33.01 - 34.00	2.8	38.01 - 39.00	3.3
34.01 - 35.00	2.9		

For purposes of this schedule, years of service credit shall be rounded to the nearest one-hundredth of a year.

(c) For purposes of division (D)(1) of this section, a percentage of final average salary in excess of two and two-tenths per cent shall be applied to service credit under section 3307.57 of the Revised Code only if the service credit was established under section 145.30, 145.301, 145.302, 145.47, 145.483, 3309.02,

3309.021, 3309.022, or 3309.47 of the Revised Code or restored 3941
under section 145.31 or 3309.26 of the Revised Code. 3942

(2)(a) Except as provided in division (E) of this section, 3943
the annual single lifetime benefit of a member whose retirement 3944
effective date is on or after August 1, 2013, but before August 1, 3945
2015, shall be the amount determined by the member's Ohio service 3946
credit multiplied by the sum of the following amounts: 3947

(i) For each of the first thirty years of Ohio service 3948
credit, two and two-tenths per cent of the member's final average 3949
salary or, subject to the limitation described in division 3950
(D)(2)(b) of this section, two and five-tenths per cent of the 3951
member's final average salary if the member has thirty-five or 3952
more years of service credit under section 3307.48, 3307.53, 3953
3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 3954
3307.765, 3307.77, or 3307.771 of the Revised Code, division 3955
(A)(2) or (B) of former section 3307.513 of the Revised Code, 3956
former section 3307.514 of the Revised Code, section 3307.72 of 3957
the Revised Code earned after July 1, 1978, or any combination of 3958
service credit under those sections; 3959

(ii) For each year or fraction of a year of Ohio service 3960
credit in excess of thirty years, two and two-tenths per cent of 3961
the member's final average salary or, subject to the limitation 3962
described in division (D)(2)(b) of this section, if the member has 3963
more than thirty years service credit under section 3307.48, 3964
3307.53, 3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 3965
3307.765, 3307.77, or 3307.771 of the Revised Code, division 3966
(A)(2) or (B) of former section 3307.513 of the Revised Code, 3967
former section 3307.514 of the Revised Code, section 3307.72 of 3968
the Revised Code earned after July 1, 1978, or any combination of 3969
service credit under those sections, the per cent of final average 3970
salary shown in the following schedule for each corresponding year 3971
or fraction of a year of service credit under those sections that 3972

is in excess of thirty years:				3973
Year	Per	Year	Per	3974
of	Cent	of	Cent	3975
Service	for that	Service	for that	3976
Credit	Year	Credit	Year	3977
30.01 - 31.00	2.5%	35.01 - 36.00	3.0%	3978
31.01 - 32.00	2.6	36.01 - 37.00	3.1	3979
32.01 - 33.00	2.7	37.01 - 38.00	3.2	3980
33.01 - 34.00	2.8	38.01 - 39.00	3.3	3981
34.01 - 35.00	2.9			3982

For purposes of this schedule, years of service credit shall be rounded to the nearest one-hundredth of a year. 3983
 3984

(b) For purposes of division (D)(2)(a)(ii) of this section, a percentage of final average salary in excess of two and two-tenths per cent shall be applied to service credit under section 3307.57 of the Revised Code only if the service credit was established under section 145.30, 145.301, 145.302, 145.47, 145.483, 3309.02, 3309.021, 3309.022, or 3309.47 of the Revised Code or restored under section 145.31 or 3309.26 of the Revised Code. 3985
 3986
 3987
 3988
 3989
 3990
 3991

(3) Except as provided in division (E) of this section, the annual single lifetime benefit of a member whose retirement effective date is on or after August 1, 2015, shall be the amount determined by the member's service credit multiplied by two and two-tenths per cent of the member's final average salary. 3992
 3993
 3994
 3995
 3996

(E)(1) The annual single lifetime benefit of a member described in division (B)(2) of this section whose service retirement is effective before August 1, 2015, shall be adjusted by the greater per cent shown in the following schedule opposite the member's attained age or Ohio service credit. 3997
 3998
 3999
 4000
 4001

		Years of	Per Cent	4002
Attained	or	Ohio Service	of Base	4003

Age	Credit	Amount	
58	25	75%	4004
59	26	80	4005
60	27	85	4006
61		88	4007
	28	90	4008
62		91	4009
63		94	4010
	29	95	4011
64		97	4012
65	30 or more	100	4013

(2) The annual single lifetime benefit of a member described in division (B)(2) of this section whose service retirement is effective on or after August 1, 2015, shall be reduced by a percentage determined by the board's actuary for each year the member retires before attaining the applicable age and service credit specified in division (B)(1) of this section. The board's actuary may use an actuarially based average percentage reduction for this purpose.

(F) Notwithstanding any other provision of this section, on application, a member who, as of July 1, 2015, has five or more years of Ohio service credit and has attained age sixty, has twenty-five or more years of Ohio service credit and has attained age fifty-five, or has thirty or more years of Ohio service credit shall be granted service retirement according to former section 3307.58 of the Revised Code as in effect immediately prior to ~~the effective date of this amendment~~ January 7, 2013. The member's benefit shall be the greater of the amount the member would have been eligible for had the member retired effective July 1, 2015, or the amount determined under division (D)(3) of this section.

(G) The annual single lifetime benefit determined under division (D) or (E) of this section shall not exceed the lesser of

one hundred per cent of the final average salary or the limit 4036
established by section 415 of the "Internal Revenue Code of 1986," 4037
100 Stat. 2085, 26 U.S.C.A. 415, as amended. 4038

(H) The annual single lifetime benefit of a member whose 4039
retirement effective date is before August 1, 2013, shall be the 4040
greater of the amounts determined under division (D)(1) or (E)(1) 4041
of this section as appropriate or under this division. The benefit 4042
shall not exceed the lesser of the sum of the following amounts or 4043
the limit established by section 415 of the "Internal Revenue Code 4044
of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended: 4045

(1) An annuity with a reserve equal to the member's 4046
accumulated contributions; 4047

(2) A pension equal to the amount in division (H)(1) of this 4048
section; 4049

(3) An additional pension of forty dollars annually 4050
multiplied by the number of years of prior and military service 4051
credit, except years of credit purchased under section 3307.751 or 4052
3307.752 of the Revised Code. 4053

(I) If a member's disability benefit was terminated under 4054
section 3307.48 of the Revised Code and the member's retirement 4055
under this section is effective on the first day of the month 4056
following the last day for which the disability benefit was paid, 4057
the member's annual single lifetime benefit determined under 4058
division (D) or (E) of this section shall be increased by a 4059
percentage equal to the total of any percentage increases the 4060
member received under section 3307.67 of the Revised Code, plus 4061
any additional amount the member received under this chapter while 4062
receiving the disability benefit. The increase shall be based on 4063
the plan of payment selected by the member under section 3307.60 4064
of the Revised Code. However, the benefit used to calculate any 4065
future increases under section 3307.67 of the Revised Code shall 4066

be based on the plan of payment selected by the member, plus any 4067
additional amount added to the benefit determined under this 4068
division that established a new base benefit to the member. 4069

(J) Benefits determined under this section shall be paid as 4070
provided in section 3307.60 of the Revised Code. 4071

Sec. 3307.62. As used in this section, "qualifying service 4072
credit" has the same meaning as in section 3307.58 of the Revised 4073
Code. 4074

(A) The state teachers retirement system shall provide 4075
disability coverage to each member participating in the STRS 4076
defined benefit plan who meets either of the following: 4077

(1) If the member ~~earned~~ had service credit ~~before July 1 on~~ 4078
account on June 30, 2013, has at least five years of qualifying 4079
service credit; 4080

(2) If the member did not ~~earn~~ have any service credit ~~before~~ 4081
July 1 on account on June 30, 2013, has at least ten years of 4082
qualifying service credit. 4083

Not later than October 16, 1992, the state teachers 4084
retirement board shall give each person who is a member on July 4085
29, 1992, the opportunity to elect disability coverage either 4086
under former section 3307.43 of the Revised Code or under former 4087
section 3307.431 of the Revised Code. The board shall mail notice 4088
of the election, accompanied by an explanation of the coverage 4089
under each of the Revised Code sections and a form on which the 4090
election is to be made, to each member at the member's last known 4091
address. The board shall also provide the explanation and form to 4092
any member on the member's request. 4093

Regardless of whether the member actually receives notice of 4094
the right to make an election, a member who fails to file a valid 4095
election under this section shall be considered to have elected 4096

disability coverage under section 3307.63 of the Revised Code. To 4097
be valid, an election must be made on the form provided by the 4098
board, signed by the member, and filed with the board not later 4099
than one hundred eighty days after the date the notice was mailed, 4100
or, in the case of a form provided at the request of a member, a 4101
date specified by rule of the board. Once made, an election is 4102
irrevocable, but if the member ceases to be a member of the 4103
system, the election is void. If a person who makes an election 4104
under this section also makes an election under section 145.35 or 4105
3309.39 of the Revised Code, the election made for the system that 4106
pays a disability benefit to that person shall govern the benefit. 4107

Disability coverage shall be provided under section 3307.631 4108
of the Revised Code for persons who become members after July 29, 4109
1992, and for members who elect under this division to be covered 4110
under section 3307.631 of the Revised Code. 4111

The board may adopt rules governing elections made under this 4112
division. 4113

(B) Application for a disability benefit may be made by a 4114
member, by a person acting in the member's behalf, or by the 4115
member's employer and if the member has disability coverage under 4116
division (A) of this section. 4117

The application for a disability benefit shall be made on a 4118
form approved by the board. The benefit payable to any member 4119
whose application is approved shall become effective on the first 4120
day of the month next following the later of the following: 4121

(1) The last day for which compensation was paid; 4122

(2) The attainment of eligibility date on which the member's 4123
most recent application for a disability benefit was received by 4124
the board. 4125

(C) Medical examination of the member shall be conducted by a 4126
competent, disinterested physician or physicians selected by the 4127

board to determine whether the member is mentally or physically 4128
incapacitated for the performance of duty by a disabling 4129
condition, either permanent or presumed to be permanent for twelve 4130
continuous months following the filing of an application. The 4131
disability must have occurred since last becoming a member, or it 4132
must have increased since last becoming a member to such an extent 4133
as to make the disability permanent or presumably permanent for 4134
twelve continuous months following the filing of an application. 4135

(D) Application for a disability benefit must be made within 4136
a two-year period from the date the member's contributing service 4137
terminated, unless the board determines that the member's medical 4138
records demonstrate conclusively that at the time the period 4139
expired the member was physically or mentally incapacitated and 4140
unable to make application, except that if the member did not ~~earn~~ 4141
have any service credit before July 1 on account on June 30, 2013, 4142
application must be made within a one-year period from the date 4143
contributing service terminated. Application may not be made by 4144
any person receiving service retirement benefits under section 4145
3307.58 or 3307.59 of the Revised Code or any person whose 4146
accumulated contributions standing to the credit of the person's 4147
individual account in the teachers' savings fund have been paid 4148
under section 3307.56 of the Revised Code. 4149

(E) If the physician or physicians determine that the member 4150
qualifies for a disability benefit, the board concurs with the 4151
determination, and the member agrees to medical treatment as 4152
specified in division (G) of this section, the member shall 4153
receive a disability benefit under section 3307.63 or 3307.631 of 4154
the Revised Code. If such physician or physicians determine that 4155
the member does not qualify for a disability benefit, the report 4156
of the examiner or examiners shall be evaluated by a board of 4157
medical review composed of at least three physicians appointed by 4158
the retirement board. 4159

(F) The state teachers retirement board shall render an order 4160
determining whether or not the applicant shall be granted a 4161
disability benefit. Notification to the applicant shall be issued, 4162
and upon the request of an applicant who is denied a disability 4163
benefit, a hearing or appeal relative to such order shall be 4164
conducted in accordance with procedures established by the 4165
retirement board. 4166

(G) The state teachers retirement board shall adopt rules 4167
requiring each disability benefit recipient, as a condition of 4168
continuing to receive a disability benefit, to agree in writing to 4169
obtain any medical treatment recommended by the board's physician 4170
and submit medical reports regarding the treatment. If the board 4171
determines that a disability benefit recipient is not obtaining 4172
the medical treatment or the board does not receive a required 4173
medical report, the disability benefit shall be suspended until 4174
the treatment is obtained, the report is received by the board, or 4175
the board's physician certifies that the treatment is no longer 4176
helpful or advisable. Should the recipient's failure to obtain 4177
treatment or submit a medical report continue for one year, the 4178
recipient's right to the disability benefit shall be terminated as 4179
of the effective date of the original suspension. 4180

(H) If an employer files an application for a disability 4181
benefit as a result of a member having been separated from service 4182
because the member is considered to be incapacitated for the 4183
performance of duty, and the board denies the disability benefit, 4184
the board shall so certify to the employer and the employer shall 4185
restore the member to the member's previous position and salary or 4186
to a similar position and salary. 4187

(I) The recipient of a disability allowance under section 4188
3307.631 of the Revised Code whose allowance terminates under 4189
division (C)(3) of that section due to age is not eligible to do 4190
either of the following: 4191

(1) Retire on disability under section 3307.63 of the Revised Code;	4192 4193
(2) Receive a disability allowance under section 3307.631 of the Revised Code.	4194 4195
Sec. 3307.66. (A) As used in this section:	4196
(1) "Physically or mentally incompetent" means incapable of earning a living because of a physically or mentally disabling condition. Physical or mental incompetency may be determined by a court or by a doctor of medicine or osteopathic medicine appointed by the state teachers retirement board.	4197 4198 4199 4200 4201
(2) "Qualifying service credit" has the same meaning as in section 3307.58 of the Revised Code.	4202 4203
(B) For the purposes of this section:	4204
(1) A qualified spouse is the surviving spouse of a deceased member of the state teachers retirement system participating in the STRS defined benefit plan who is one of the following:	4205 4206 4207
(a) Sixty-two years of age or older or any age if the deceased member had ten or more years of Ohio service credit;	4208 4209
(b) Caring for a qualified child;	4210
(c) Adjudged physically or mentally incompetent at the time of the member's death and has remained continuously incompetent;	4211 4212
(d) Any age if the deceased member was eligible for a service retirement allowance as provided in section 3307.58 of the Revised Code and the surviving spouse elects to receive a benefit under division (C)(1) of this section.	4213 4214 4215 4216
(2) A qualified child is a person who is the child of a deceased member participating in the STRS defined benefit plan to whom both of the following apply:	4217 4218 4219
(a) Never married;	4220

(b) Meets one of the following age-related requirements:	4221
(i) Is under age eighteen;	4222
(ii) Is under age twenty-two if attending an institution of learning or training pursuant to a program designed to complete in each school year the equivalent of at least two-thirds of the full-time curriculum requirements of such institution and as further determined by board policy;	4223 4224 4225 4226 4227
(iii) Is any age if adjudged physically or mentally incompetent, if the person became incompetent prior to attainment of age eighteen or prior to age twenty-two if attending an institution of learning or training described in division (B)(2)(b)(ii) of this section, and has remained continuously incompetent.	4228 4229 4230 4231 4232 4233
(3) A qualified parent is a dependent parent of a deceased member participating in the STRS defined benefit plan who is age sixty-five or older.	4234 4235 4236
(4) A person is a "qualified survivor" if the person qualifies as a surviving spouse, child, or dependent parent.	4237 4238
(C) Except as provided in division (G)(1) of this section, in lieu of accepting the payment of the accumulated account of a member participating in the STRS defined benefit plan who dies before service retirement, a beneficiary, as determined in section 3307.562 of the Revised Code, may elect to forfeit the accumulated account and to substitute benefits under this division.	4239 4240 4241 4242 4243 4244
(1) If a deceased member was eligible for a service retirement allowance as provided in section 3307.58 or 3307.59 of the Revised Code, a surviving spouse or an individual designated as the member's sole beneficiary pursuant to division (B) of section 3307.562 of the Revised Code who was a qualified child or dependent parent of the member or received one-half or more of support from the member during the twelve-month period preceding	4245 4246 4247 4248 4249 4250 4251

the member's death may elect to receive a monthly benefit computed 4252
as the joint-survivor allowance designated as option 1 in section 4253
3307.60 of the Revised Code, which the member would have received 4254
had the member retired on the last day of the month of death and 4255
had the member at that time selected such joint-survivor plan. 4256

(2)(a) A surviving spouse or other qualified survivor may 4257
elect to receive monthly benefits under division (C)(2) of this 4258
section if any of the following apply: 4259

(i) The deceased member ~~earned~~ had service credit ~~before July~~ 4260
~~1 on account on June 30, 2013,~~ and had completed at least one and 4261
one-half years of qualifying service credit, with at least 4262
one-quarter year of qualifying service credit within the two and 4263
one-half years prior to the date of death, or, if the member ~~had~~ 4264
did not earned have service credit ~~before July 1 on account on~~ 4265
June 30, 2013, had completed at least five years of qualifying 4266
service credit and died not later than one year after the date 4267
contributing service terminated. 4268

(ii) The member was receiving at the time of death a 4269
disability benefit as provided in section 3307.63 or 3307.631 of 4270
the Revised Code. 4271

(iii) The member was receiving, within twelve months prior to 4272
the date of death, a disability benefit as provided in section 4273
3307.63 or 3307.631 of the Revised Code and was contributing under 4274
this chapter or Chapter 145. or 3309. of the Revised Code at the 4275
time of death. 4276

(b) The surviving spouse or other qualified survivor shall 4277
elect one of the following methods of calculating benefits elected 4278
under division (C)(2) of this section, which shall, except as 4279
provided in division (G)(1) of this section, remain in effect 4280
without regard to any change in the number of qualified survivors: 4281

Or 4282

(i) Number	Annual benefit as a	Monthly benefit	4283
of qualified	per cent of member's	shall not be	4284
survivors	final average salary	less than	4285
1	25%	\$ 96	4286
2	40	186	4287
3	50	236	4288
4	55	236	4289
5 or more	60	236	4290
		Annual benefit as a	4291
		per cent of member's	4292
(ii) Years of service		final average salary	4293
20		29%	4294
21		33	4295
22		37	4296
23		41	4297
24		45	4298
25		48	4299
26		51	4300
27		54	4301
28		57	4302
29 or more		60	4303
(3)(a) If at the time of death the deceased member was			4304
receiving a disability benefit under section 3307.63 or 3307.631			4305
of the Revised Code, the benefit elected under division (C)(1) or			4306
(2) of this section shall be increased by a percentage equal to			4307
the total of any percentage increases the member received under			4308
section 3307.67 of the Revised Code, plus any additional amount			4309
the member received under this chapter while receiving the			4310
disability benefit. The increase shall be based on the benefit			4311
determined under division (C)(1) or (2) of this section. However,			4312
the benefit used to calculate any future increases under section			4313
3307.67 of the Revised Code shall be the benefit determined under			4314
division (C)(1) or (2) of this section.			4315

(b) If eligibility for a benefit under division (C)(1) or (2) of this section is not established until more than one year after the member's death, the annual benefit shall be increased by a percentage equal to the total of the percentage increases that would have been made under section 3307.67 of the Revised Code, plus any additional amount that would have been paid under this chapter had the benefit begun in the year in which the member died. However, the benefit used to calculate any future increases under section 3307.67 of the Revised Code shall be the benefit determined under division (C)(1) or (2) of this section, plus any additional amounts added to the benefit determined under this division that established a new base benefit to the deceased member.

(D) If a benefit is calculated pursuant to division (C)(2)(b)(i) of this section, benefits to a surviving spouse shall be paid in the amount determined for the first qualifying survivor in division (C)(2)(b)(i) of this section, but shall not be less than one hundred six dollars per month if the deceased member had ten or more years of qualifying service credit. All other qualifying survivors shall share equally in the benefit or remaining portion thereof.

If a benefit is calculated pursuant to division (C)(2)(b)(ii) of this section and is payable to more than one qualified survivor, the benefit shall be apportioned equally among the qualified survivors, except that if there is a surviving spouse, the portion of the benefit allocated to the surviving spouse shall be as follows:

Number of survivors	Spouse's share of total benefit
2	62.5%
3	50.0%
4	45.45%

5 or more 41.67% 4348

(E) A qualified survivor shall file with the board an 4349
application for benefits payable under this section. Payments 4350
shall begin on whichever of the following applies: 4351

(1) If application is received not later than one year after 4352
the date of the member's death, benefits shall begin on the first 4353
day of the month following the date of death. 4354

(2) If application is received later than one year from the 4355
date of death, benefits shall begin on the first day of the month 4356
immediately following receipt of application by the board. 4357

Benefits to a qualified survivor shall terminate upon a first 4358
marriage, abandonment, or adoption. The termination of benefits is 4359
effective on the first day of the month following the day the 4360
person ceases to be a qualified survivor. Benefits to a deceased 4361
member's surviving spouse that were terminated under a former 4362
version of this section that required termination due to 4363
remarriage and were not resumed prior to the effective date of 4364
this amendment shall resume on the first day of the month 4365
immediately following receipt by the board of an application on a 4366
form provided by the board. 4367

Upon the death of any subsequent spouse who was a member of 4368
the public employees retirement system, state teachers retirement 4369
system, or school employees retirement system, the surviving 4370
spouse of such member may elect to continue receiving benefits 4371
under this division, or to receive survivor's benefits, based upon 4372
the subsequent spouse's membership in one or more of the systems, 4373
for which such surviving spouse is eligible under this section or 4374
section 145.45 or 3309.45 of the Revised Code. If the surviving 4375
spouse elects to continue receiving benefits under this division, 4376
such election shall not preclude the payment of benefits under 4377
this division to any other qualified survivor. 4378

(F) The beneficiary of a member who is also a member of the public employees retirement system, or the school employees retirement system, must forfeit the member's accumulated contributions in those systems, if the beneficiary elects to receive a benefit under division (C) of this section. Such benefit shall be exclusively governed by section 3307.57 of the Revised Code.

(G)(1) Regardless of whether the member is survived by a spouse or designated beneficiary, if the state teachers retirement system receives notice that a deceased member described in division (C)(1) or (2) of this section has one or more qualified children, all persons who are qualified survivors under division (C)(2) of this section shall receive monthly benefits as provided in division (C)(2) of this section.

If, after determining the monthly benefits to be paid under division (C)(2) of this section, the system receives notice that there is a qualified survivor who was not considered when the determination was made, the system shall, notwithstanding section 3307.42 of the Revised Code, recalculate the monthly benefits with that qualified survivor included, even if the benefits to qualified survivors already receiving benefits are reduced as a result. The benefits shall be calculated as if the qualified survivor who is the subject of the notice became eligible on the date the notice was received and shall be paid to qualified survivors effective on the first day of the first month following the system's receipt of the notice.

If the system did not receive notice that a deceased member has one or more qualified children prior to making payment under section 3307.562 of the Revised Code to a beneficiary as determined by the system, the payment is a full discharge and release of the system from any future claims under this section or section 3307.562 of the Revised Code.

(2) If benefits under division (C)(2) of this section to all persons, or to all persons other than a surviving spouse or sole beneficiary, terminate, there are no children under the age of twenty-two years, and the surviving spouse or beneficiary qualifies for benefits under division (C)(1) of this section, the surviving spouse or beneficiary may elect to receive benefits under division (C)(1) of this section. The benefit shall be calculated based on the age of the spouse or beneficiary at the time of the member's death and is effective on the first day of the month following receipt by the board of an application for benefits under division (C)(1) of this section.

(H) If the benefits due and paid under division (C) of this section are in a total amount less than the member's accumulated account that was transferred from the teachers' savings fund, school employees retirement fund, and public employees retirement fund, to the survivors' benefit fund, then the difference between the total amount of the benefits paid shall be paid to the beneficiary under section 3307.562 of the Revised Code.

Sec. 3307.70. (A) A member of the state teachers retirement system who elects to purchase service credit described in section 3307.73, 3307.74, 3307.751, 3307.76, 3307.771, or 3307.78 of the Revised Code shall do both of the following:

(1) Submit an application to the state teachers retirement board in a manner or form approved by the board;

(2)(a) If the purchase will be completed not later than December 31, 2013, for each year, or portion of a year, of credit purchased, pay to the ~~employees'~~ teachers' savings fund the amount specified by former section 3307.73, 3307.74, 3307.751, 3307.76, 3307.771, or 3307.78 of the Revised Code as the appropriate section existed immediately before ~~the effective date of this section~~ January 7, 2013.

(b) If the purchase will not be completed until on or after 4442
January 1, 2014, for each year, or portion of a year, of credit 4443
purchased, pay to the ~~employees'~~ teachers' savings fund an amount 4444
specified by the board that is equal to one hundred per cent of 4445
the actuarial liability resulting from the purchase of that year 4446
or portion of a year of credit as determined by an actuary 4447
employed by the board. 4448

(c) If, on ~~the effective date of this amendment~~ January 7, 4449
2013, the purchase is being made through a payroll deduction plan 4450
under section 3307.701 of the Revised Code and at least one 4451
deduction has been made, pay to the ~~employees'~~ teachers' savings 4452
fund the amount specified by former section 3307.73, 3307.74, 4453
3307.751, 3307.76, 3307.771, or 3307.78 of the Revised Code as the 4454
appropriate section existed immediately before ~~the effective date~~ 4455
~~of this section~~ January 7, 2013. 4456

(B)(1) A purchase shall be considered completed for purposes 4457
of division (A)(2)(a) of this section only if the member's 4458
application is received by the retirement system as completed not 4459
later than December 31, 2013, and all payments are received by the 4460
retirement system not later than June 30, 2014. 4461

(2) A member purchasing credit through a payroll deduction 4462
plan under division (A)~~(1)~~(2)(c) of this section may pay in a 4463
single payment the balance of the cost of the credit. 4464

(C) Subject to board rules, a member may choose to purchase 4465
only part of any eligible service credit in any one payment. 4466

(D) The board shall adopt rules establishing criteria for 4467
determining eligibility for purchases of service credit and 4468
procedures for purchases of credit under this section. 4469

Any determination of the board under this section shall be 4470
final. 4471

(E) Service credit purchased under this section shall be 4472

included in the member's total service credit. 4473

If a member dies or withdraws from service, any payment made 4474
by the member under this section shall be considered as 4475
accumulated contributions of the member. 4476

Sec. 3307.71. (A)(1) Except as provided in this section, 4477
section 3305.05, or section 3305.051 of the Revised Code, a member 4478
or former member of the state teachers retirement system 4479
participating in the STRS defined benefit plan who has at least 4480
one and one-half years of contributing service credit in this 4481
system, the public employees retirement system, the school 4482
employees retirement system, the Ohio police and fire pension 4483
fund, or the state highway patrol retirement system after the 4484
withdrawal and cancellation of service credit in this system may 4485
restore all or part of such service credit by repayment of the 4486
amount withdrawn. To this amount shall be added interest at a rate 4487
per annum, compounded annually, to be determined by the state 4488
teachers retirement board. Interest shall be payable from the 4489
first of the month of withdrawal through the month of repayment. ~~A~~ 4490

(2) If the accumulated contributions were withdrawn under 4491
section 3307.561 of the Revised Code, service credit may be 4492
restored only if the member or former member accrued one and 4493
one-half years of service credit after the withdrawal and 4494
cancellation of service credit in this system. 4495

(B) A member may choose to purchase only part of such credit 4496
in any one payment. The cost for restoring partial service shall 4497
be calculated as the proportion that it bears to the total cost at 4498
the time of purchase and is subject to the rules established by 4499
the board. If a former member is eligible to buy the service 4500
credit as a member of the Ohio police and fire pension fund, the 4501
state highway patrol retirement system, or the city of Cincinnati 4502
Retirement System, the former member is ineligible to restore that 4503

service credit under this section. 4504

(C) The total payment to restore canceled service credit 4505
shall be credited as follows: 4506

~~(A)~~(1) The amount that equals contributions made pursuant to 4507
section 3307.26 of the Revised Code, plus any interest on the 4508
contributions paid by the member pursuant to this section, to the 4509
member's account in the teachers' savings fund; 4510

~~(B)~~(2) The amount that equals the amount paid under section 4511
3307.563 of the Revised Code, to the employers trust fund; 4512

~~(C)~~(3) The remainder of the payment to restore canceled 4513
service credit, to the guarantee fund. 4514

Sec. 3307.711. (A) A member of the state teachers retirement 4515
system who has at least eighteen months of contributing service 4516
credit in the system, the police and firemen's disability and 4517
pension fund, public employees retirement system, school employees 4518
retirement system, or state highway patrol retirement system, and 4519
is a former member of or no longer contributing to the public 4520
employees retirement system or school employees retirement system 4521
may restore service credit under section 145.31 or 3309.26 of the 4522
Revised Code by making payments pursuant to this section through a 4523
payroll deduction plan established under section 3307.701 of the 4524
Revised Code. A member seeking to restore this service credit 4525
shall notify the state teachers retirement system on a form 4526
approved by the state teachers retirement board. After receiving 4527
the notice, the state teachers retirement system shall request 4528
that the former retirement system calculate under section 145.312 4529
or 3309.262 of the Revised Code the cost to the member to restore 4530
service credit for each year or portion of a year of service for 4531
which the member seeks to restore the service credit. The amount 4532
the former retirement system certifies as the cost of restoring 4533
the service credit, plus interest described in division (B) of 4534

this section, is the cost to the member of restoring the service credit. On receiving the certification from the former retirement system, the state teachers retirement system shall notify the member of the cost.

(B) For each year or portion of a year of service credit restored under section 145.31 or 3309.26 of the Revised Code, a member shall pay to the state teachers retirement system the amount certified by the former retirement system plus interest at a rate specified by the former retirement system under section 145.312 or 3309.262 of the Revised Code for the period during which deductions are made under section 3307.701 of the Revised Code.

(C) The state teachers retirement board shall at least annually ~~notify~~ transmit to the former retirement system ~~that a payment notice and any payments made to restore service credit under section 145.31 or 3309.26 of the Revised Code has been made. At the time the payment is transferred under division (D) of this section,~~ The former retirement system shall restore the service credit for the year or portion of a year for which the payment was made.

~~(D) On application for a payment of accumulated contributions or an age and service retirement, disability, or survivor benefit under Chapter 145., 3307., or 3309. of the Revised Code by a member who made payments under this section to restore service credit in a former retirement system, the state teachers retirement system shall pay to the former retirement system an amount equal to the total amount paid by the member under this section.~~

~~(E)~~ The board shall adopt rules to implement this section.

Sec. 3307.73. (A)~~(1)~~ As used in this section, "paying system" and "transferring system" have the same meanings as in section

3307.57 of the Revised Code. 4566

(B)(1) Except as provided in division ~~(A)~~(B)(2) of this 4567
section, a member of the state teachers retirement system 4568
participating in the STRS defined benefit plan who has at least 4569
eighteen months of contributing service in the system, the public 4570
employees retirement system, or school employees retirement system 4571
who chose to be exempted from membership in one or more of the 4572
systems pursuant to section 145.03, or 3309.23 of the Revised 4573
Code, or former section 3307.25 or 3309.25 of the Revised Code, or 4574
was exempt under section 3307.24 of the Revised Code, may purchase 4575
credit under section 3307.70 of the Revised Code for each year or 4576
portion of a year of service for which the member was exempted. 4577

(2) A member may not purchase credit for service that was 4578
exempted from contribution under section 3307.24 of the Revised 4579
Code and subject to the tax on wages imposed by the "Federal 4580
Insurance Contributions Act," 68A Stat. 415 (1954), 26 U.S.C.A. 4581
3101, as amended. 4582

~~(B)~~(C) Credit described in this section shall not exceed one 4583
year of service for any twelve-month period. If the period of 4584
service for which credit is purchasable is concurrent with a 4585
period of service that will be used to calculate a retirement 4586
benefit from this system, the public employees retirement system, 4587
or school employees retirement system, the amount of the credit 4588
shall be adjusted in accordance with rules adopted by the board. 4589

~~(C)~~(D) A member who is also a member of the public employees 4590
retirement system or school employees retirement system shall 4591
purchase credit for any service for which the member exempted the 4592
member's self under section 145.03 or 3309.23 of the Revised Code, 4593
or former section 3307.25 or 3309.25 of the Revised Code, or was 4594
exempt under section 3307.24 of the Revised Code, from the 4595
retirement system in which the member has the greatest number of 4596
years of service credit. If the member receives benefits under 4597

section 3307.57 of the Revised Code, the ~~state retirement~~ system 4598
that ~~determines and pays the retirement benefit~~ is the paying 4599
system under that section shall receive from the ~~other~~ system or 4600
systems that are the transferring systems the amounts paid by the 4601
member for purchase of credit for exempt service plus interest at 4602
the actuarial assumption rate of the transferring system ~~paying~~ 4603
~~that amount~~. The interest shall be for the period beginning on the 4604
date of the member's last payment for purchase of the credit and 4605
ending on the date of the member's retirement. 4606

Sec. 3309.01. As used in this chapter: 4607

(A) "Employer" or "public employer" means boards of 4608
education, school districts, joint vocational districts, governing 4609
authorities of community schools established under Chapter 3314. 4610
of the Revised Code, a science, technology, engineering, and 4611
mathematics school established under Chapter 3326. of the Revised 4612
Code, educational institutions, technical colleges, state, 4613
municipal, and community colleges, community college branches, 4614
universities, university branches, other educational institutions, 4615
or other agencies within the state by which an employee is 4616
employed and paid, including any organization using federal funds, 4617
provided the federal funds are disbursed by an employer as 4618
determined by the above. In all cases of doubt, the school 4619
employees retirement board shall determine whether any employer is 4620
an employer as defined in this chapter, and its decision shall be 4621
final. 4622

(B) "Employee" means all of the following: 4623

(1) Any person employed by a public employer in a position 4624
for which the person is not required to have a certificate or 4625
license issued pursuant to sections 3319.22 to 3319.31 of the 4626
Revised Code; 4627

(2) Any person who performs a service common to the normal 4628

daily operation of an educational unit even though the person is 4629
employed and paid by one who has contracted with an employer to 4630
perform the service, and the contracting board or educational unit 4631
shall be the employer for the purposes of administering the 4632
provisions of this chapter; 4633

(3) Any person, not a faculty member, employed in any school 4634
or college or other institution wholly controlled and managed, and 4635
wholly or partly supported by the state or any political 4636
subdivision thereof, the board of trustees, or other managing body 4637
of which shall accept the requirements and obligations of this 4638
chapter. 4639

In all cases of doubt, the school employees retirement board 4640
shall determine whether any person is an employee, as defined in 4641
this division, and its decision is final. 4642

(C) "Prior service" means all service rendered prior to 4643
September 1, 1937: 4644

(1) As an employee as defined in division (B) of this 4645
section; 4646

(2) As an employee in a capacity covered by the public 4647
employees retirement system or the state teachers retirement 4648
system; 4649

(3) As an employee of an institution in another state, 4650
service credit for which was procured by a member under the 4651
provisions of section 3309.31 of the Revised Code. 4652

Prior service, for service as an employee in a capacity 4653
covered by the public employees retirement system or the state 4654
teachers retirement system, shall be granted a member under 4655
qualifications identical to the laws and rules applicable to 4656
service credit in those systems. 4657

Prior service shall not be granted any member for service 4658

rendered in a capacity covered by the public employees retirement 4659
system, the state teachers retirement system, and this system in 4660
the event the service credit has, in the respective systems, been 4661
received, waived by exemption, or forfeited by withdrawal of 4662
contributions, except as provided in this chapter. 4663

If a member who has been granted prior service should, 4664
subsequent to September 16, 1957, and before retirement, establish 4665
three years of contributing service in the public employees 4666
retirement system, or one year in the state teachers retirement 4667
system, then the prior service granted shall become, at 4668
retirement, the liability of the other system, if the prior 4669
service or employment was in a capacity that is covered by that 4670
system. 4671

The provisions of this division shall not cancel any prior 4672
service granted a member by the school employees retirement board 4673
prior to August 1, 1959. 4674

(D) "Total service," "total service credit," or "Ohio service 4675
credit" means all contributing service of a member of the school 4676
employees retirement system, and all prior service, computed as 4677
provided in this chapter, and all service established pursuant to 4678
sections 3309.31, 3309.311, and 3309.33 of the Revised Code. In 4679
addition, "total service" includes any period, not in excess of 4680
three years, during which a member was out of service and 4681
receiving benefits from the state insurance fund, provided the 4682
injury or incapacitation was the direct result of school 4683
employment. 4684

(E) "Member" means any employee, except an SERS retirant or 4685
other system retirant as defined in section 3309.341 of the 4686
Revised Code, who has established membership in the school 4687
employees retirement system. "Member" includes a disability 4688
benefit recipient. 4689

(F) "Contributor" means any person who has an account in the employees' savings fund. When used in the sections listed in division (B) of section 3309.82 of the Revised Code, "contributor" includes any person participating in a plan established under section 3309.81 of the Revised Code.

(G) "Retirant" means any former member who retired and is receiving a service retirement allowance or commuted service retirement allowance as provided in this chapter.

(H) "Beneficiary" or "beneficiaries" means the estate or a person or persons who, as the result of the death of a contributor or retirant, qualifies for or is receiving some right or benefit under this chapter.

(I) "Interest," as specified in division (E) of section 3309.60 of the Revised Code, means interest at the rates for the respective funds and accounts as the school employees retirement board may determine from time to time, except as follows:

(1) The rate of interest credited on employee contributions at retirement shall be four per cent per annum, compounded annually, to and including June 30, 1955; three per cent per annum, compounded annually, from July 1, 1955, to and including June 30, 1963; three and one-quarter per cent per annum, compounded annually, from July 1, 1963, through June 30, 1966; and thereafter, four per cent per annum compounded annually until a change in the amount is recommended by the system's actuary and approved by the retirement board. Subsequent to June 30, 1959, the retirement board shall discontinue the annual crediting of current interest on a contributor's accumulated contributions. Noncrediting of current interest shall not affect the rate of interest at retirement guaranteed under this division.

(2) In determining the reserve value for purposes of computing the amount of the contributor's annuity, the rate of

interest used in the annuity values shall be four per cent per 4721
annum through September 30, 1956; three per cent per annum 4722
compounded annually from October 1, 1956, through June 30, 1963; 4723
three and one-quarter per cent per annum compounded annually from 4724
July 1, 1963, through June 30, 1966; and, thereafter, four per 4725
cent per annum compounded annually until a change in the amount is 4726
recommended by the system's actuary and approved by the retirement 4727
board. In the purchase of out-of-state service credit as provided 4728
in section 3309.31 of the Revised Code, and in the purchase of an 4729
additional annuity, as provided in section 3309.47 of the Revised 4730
Code, interest shall be computed and credited to reserves therefor 4731
at the rate the school employees retirement board shall fix as 4732
regular interest thereon. 4733

(J) "Accumulated contributions" means the sum of all amounts 4734
credited to a contributor's account in the employees' savings fund 4735
together with any regular interest credited thereon at the rates 4736
approved by the retirement board prior to retirement. 4737

(K) "Final average salary" means the sum of the annual 4738
compensation for the three highest years of compensation for which 4739
contributions were made by the member, divided by three. If the 4740
member has a partial year of contributing service in the year in 4741
which the member terminates employment and the partial year is at 4742
a rate of compensation that is higher than the rate of 4743
compensation for any one of the highest three years of annual 4744
earnings, the board shall substitute the compensation earned for 4745
the partial year for the compensation earned for a similar 4746
fractional portion in the lowest of the three high years of annual 4747
compensation before dividing by three. If a member has less than 4748
three years of contributing membership, the final average salary 4749
shall be the total compensation divided by the total number of 4750
years, including any fraction of a year, of contributing service. 4751

(L) "Annuity" means payments for life derived from 4752

contributions made by a contributor and paid from the annuity and 4753
pension reserve fund as provided in this chapter. All annuities 4754
shall be paid in twelve equal monthly installments. 4755

(M)(1) "Pension" means annual payments for life derived from 4756
appropriations made by an employer and paid from the employers' 4757
trust fund or the annuity and pension reserve fund. All pensions 4758
shall be paid in twelve equal monthly installments. 4759

(2) "Disability retirement" means retirement as provided in 4760
section 3309.40 of the Revised Code. 4761

(N) "Retirement allowance" means the pension plus the 4762
annuity. 4763

(O)(1) "Benefit" means a payment, other than a retirement 4764
allowance or the annuity paid under section ~~3309.341~~ 3309.344 of 4765
the Revised Code, payable from the accumulated contributions of 4766
the member or the employer, or both, under this chapter and 4767
includes a disability allowance or disability benefit. 4768

(2) "Disability allowance" means an allowance paid on account 4769
of disability under section 3309.401 of the Revised Code. 4770

(3) "Disability benefit" means a benefit paid as disability 4771
retirement under section 3309.40 of the Revised Code, as a 4772
disability allowance under section 3309.401 of the Revised Code, 4773
or as a disability benefit under section 3309.35 of the Revised 4774
Code. 4775

(P) "Annuity reserve" means the present value, computed upon 4776
the basis of mortality tables adopted by the school employees 4777
retirement board, of all payments to be made on account of any 4778
annuity, or benefit in lieu of any annuity, granted to a retirant. 4779

(Q) "Pension reserve" means the present value, computed upon 4780
the basis of mortality tables adopted by the school employees 4781
retirement board, of all payments to be made on account of any 4782

pension, or benefit in lieu of any pension, granted to a retirant 4783
or a beneficiary. 4784

(R) "Year" means the year beginning the first day of July and 4785
ending with the thirtieth day of June next following. 4786

(S) "Local district pension system" means any school 4787
employees' pension fund created in any school district of the 4788
state prior to September 1, 1937. 4789

(T) "Employer contribution" means the amount paid by an 4790
employer as determined under section 3309.49 of the Revised Code. 4791

(U) "Fiduciary" means a person who does any of the following: 4792

(1) Exercises any discretionary authority or control with 4793
respect to the management of the system, or with respect to the 4794
management or disposition of its assets; 4795

(2) Renders investment advice for a fee, direct or indirect, 4796
with respect to money or property of the system; 4797

(3) Has any discretionary authority or responsibility in the 4798
administration of the system. 4799

(V)(1) Except as otherwise provided in this division, 4800
"compensation" means all salary, wages, and other earnings paid to 4801
a contributor by reason of employment. The salary, wages, and 4802
other earnings shall be determined prior to determination of the 4803
amount required to be contributed to the employees' savings fund 4804
under section 3309.47 of the Revised Code and without regard to 4805
whether any of the salary, wages, or other earnings are treated as 4806
deferred income for federal income tax purposes. 4807

(2) Compensation does not include any of the following: 4808

(a) Payments for accrued but unused sick leave or personal 4809
leave, including payments made under a plan established pursuant 4810
to section 124.39 of the Revised Code or any other plan 4811
established by the employer; 4812

(b) Payments made for accrued but unused vacation leave,	4813
including payments made pursuant to section 124.13 of the Revised	4814
Code or a plan established by the employer;	4815
(c) Payments made for vacation pay covering concurrent	4816
periods for which other salary or compensation is also paid or	4817
during which benefits are paid under this chapter;	4818
(d) Amounts paid by the employer to provide life insurance,	4819
sickness, accident, endowment, health, medical, hospital, dental,	4820
or surgical coverage, or other insurance for the contributor or	4821
the contributor's family, or amounts paid by the employer to the	4822
contributor in lieu of providing the insurance;	4823
(e) Incidental benefits, including lodging, food, laundry,	4824
parking, or services furnished by the employer, use of the	4825
employer's property or equipment, and reimbursement for	4826
job-related expenses authorized by the employer, including moving	4827
and travel expenses and expenses related to professional	4828
development;	4829
(f) Payments made to or on behalf of a contributor that are	4830
in excess of the annual compensation that may be taken into	4831
account by the retirement system under division (a)(17) of section	4832
401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26	4833
U.S.C.A. 401(a)(17), as amended. For a contributor who first	4834
establishes membership before July 1, 1996, the annual	4835
compensation that may be taken into account by the retirement	4836
system shall be determined under division (d)(3) of section 13212	4837
of the "Omnibus Budget Reconciliation Act of 1993," Pub. L. No.	4838
103-66, 107 Stat. 472;	4839
(g) Payments made under division (B), (C), or (E) of section	4840
5923.05 of the Revised Code, Section 4 of Substitute Senate Bill	4841
No. 3 of the 119th general assembly, Section 3 of Amended	4842
Substitute Senate Bill No. 164 of the 124th general assembly, or	4843

Amended Substitute House Bill No. 405 of the 124th general 4844
assembly; 4845

(h) Anything of value received by the contributor that is 4846
based on or attributable to retirement or an agreement to retire, 4847
except that payments made on or before January 1, 1989, that are 4848
based on or attributable to an agreement to retire shall be 4849
included in compensation if both of the following apply: 4850

(i) The payments are made in accordance with contract 4851
provisions that were in effect prior to January 1, 1986. 4852

(ii) The employer pays the retirement system an amount 4853
specified by the retirement board equal to the additional 4854
liability from the payments. 4855

(3) The retirement board shall determine by rule whether any 4856
form of earnings not enumerated in this division is to be included 4857
in compensation, and its decision shall be final. 4858

(W) "Disability benefit recipient" means a member who is 4859
receiving a disability benefit. 4860

(X) "Actuary" means an individual who satisfies all of the 4861
following requirements: 4862

(1) Is a member of the American academy of actuaries; 4863

(2) Is an associate or fellow of the society of actuaries; 4864

(3) Has a minimum of five years' experience in providing 4865
actuarial services to public retirement plans. 4866

Sec. 3309.11. The school employees retirement board shall 4867
elect, from its membership, a ~~chairman~~ chairperson, and shall 4868
employ an executive director who shall serve as secretary ~~and who~~ 4869
~~may be a member of the board.~~ 4870

Sec. 3309.26. (A) The membership of any person in the school 4871

employees retirement system shall terminate if the person 4872
withdraws the person's accumulated contributions, retires on a 4873
retirement allowance as provided in sections 3309.36 and 3309.381 4874
of the Revised Code, or dies, unless otherwise provided in Chapter 4875
3309. of the Revised Code. 4876

(B) A former member with an account in the employees' savings 4877
fund who formerly lost membership shall be reinstated as a member 4878
with all the rights, privileges, and obligations as provided in 4879
Chapter 3309. of the Revised Code. 4880

(C)(1) Except as provided in this section, a member or former 4881
member of the school employees retirement system with at least one 4882
and one-half years of contributing service credit in this system, 4883
the public employees retirement system, the state teachers 4884
retirement system, the Ohio police and fire pension fund, or the 4885
state highway patrol retirement system, subsequent to the 4886
withdrawal of contributions and cancellation of service credit in 4887
this system may restore such service credit by redepositing in the 4888
employees' savings fund the amount withdrawn with interest at a 4889
rate to be determined by the board, compounded annually, from the 4890
first of the month of withdrawal to and including the month of 4891
redeposit. ~~A~~ 4892

(2) If the accumulated contributions were withdrawn under 4893
section 3309.43 of the Revised Code, service credit may be 4894
restored only if the member or former member accrued one and 4895
one-half years of service credit after the withdrawal of the 4896
accumulated contributions. 4897

(D) A member may choose to purchase only part of such credit 4898
in any one payment, subject to board rules. The total payment to 4899
restore cancelled service credit, plus any interest credited 4900
thereto, shall be considered as accumulated contributions of the 4901
member. If a former member is eligible to buy the service credit 4902

as a member of the Ohio police and fire pension fund, the state 4903
highway patrol retirement system, or the city of Cincinnati 4904
retirement system, the former member is ineligible to restore that 4905
service credit under this section. 4906

Sec. 3309.261. (A) A member of the school employees 4907
retirement system who has at least eighteen months of contributing 4908
service credit in the system, the Ohio police and fire pension 4909
fund, public employees retirement system, state teachers 4910
retirement system, or state highway patrol retirement system, and 4911
is a former member of or no longer contributing to the public 4912
employees retirement system or state teachers retirement system 4913
may restore service credit under section 145.31 or 3307.71 of the 4914
Revised Code by making payments pursuant to this section through a 4915
payroll deduction plan established under section 3309.27 of the 4916
Revised Code. A member seeking to restore service credit shall 4917
notify the school employees retirement system on a form approved 4918
by the school employees retirement board. After receiving the 4919
notice, the school employees retirement system shall request that 4920
the former retirement system calculate under section 145.312 or 4921
3307.712 of the Revised Code the cost to the member to restore 4922
service credit for each year or portion of a year of service for 4923
which the member seeks to restore the service credit. The amount 4924
the former retirement system certifies as the cost of restoring 4925
the service credit, plus interest described in division (B) of 4926
this section, is the cost to the member of restoring the service 4927
credit. On receiving the certification from the former retirement 4928
system, the school employees retirement system shall notify the 4929
member of the cost. 4930

(B) For each year or portion of a year of service credit 4931
restored under section 145.31 or 3307.71 of the Revised Code, a 4932
member shall pay to the school employees retirement system the 4933
amount certified by the former retirement system plus interest at 4934

a rate specified by the former retirement system under section 4935
145.312 or 3307.712 of the Revised Code for the period during 4936
which deductions are made under section 3309.27 of the Revised 4937
Code. 4938

(C) The school employees retirement board shall at least 4939
annually ~~notify~~ transmit to the former retirement system ~~that a~~ 4940
~~payment notice and any payments made~~ to restore service credit 4941
under section 145.31 or 3307.71 of the Revised Code ~~has been made.~~ 4942
~~At the time the payment is transferred under division (D) of this~~ 4943
~~section, the~~ The former retirement system shall restore the 4944
service credit for the year or portion of a year for which the 4945
payment was made. 4946

(D) ~~On application for a payment of accumulated contributions~~ 4947
~~or an age and service retirement, disability, or survivor benefit~~ 4948
~~under Chapter 145., 3307., or 3309. of the Revised Code by a~~ 4949
~~member who made payments under this section to restore service~~ 4950
~~credit in a former retirement system, the school employees~~ 4951
~~retirement system shall pay to the former retirement system an~~ 4952
~~amount equal to the total amount paid by the member under this~~ 4953
~~section.~~ 4954

~~(E)~~ The board shall adopt rules to implement this section. 4955

Sec. 3309.28. Not later than thirty days after an employee 4956
begins employment, the employer shall file with the school 4957
employees retirement system a detailed statement of the employee's 4958
personal information and ~~all of the employee's previous service as~~ 4959
~~an employee or such other service as comes under this chapter or~~ 4960
~~Chapter 145., 742., 3307., or 5505. of the Revised Code, and such~~ 4961
other information as the school employees retirement board 4962
requires for the proper operation of the school employees 4963
retirement system. 4964

Sec. 3309.301. (A)~~(1)~~ As used in this section, "paying system" and "transferring system" have the same meanings as in section 3309.35 of the Revised Code. 4965
4966
4967

(B)(1) Except as provided in division ~~(A)~~(B)(2) of this section, a member of the school employees retirement system with at least eighteen months of contributing service in the system, the public employees retirement system, or the state teachers retirement system who exempted self from membership in one or more of the systems pursuant to section 145.03 or 3309.23 of the Revised Code, or former section 3307.25 or 3309.25 of the Revised Code, or was exempt under section 3307.24 of the Revised Code, may purchase credit for each year or portion of a year of service for which the member was exempted. 4968
4969
4970
4971
4972
4973
4974
4975
4976
4977

(2) A member may not purchase credit under this section for service that was exempted from contribution under section 3309.23 of the Revised Code and subject to the tax on wages imposed by the "Federal Insurance Contributions Act," 68A Stat. 415 (1954), 26 U.S.C.A. 3101, as amended. 4978
4979
4980
4981
4982

~~(B)~~(C) Upon receipt of a request from a member eligible to purchase credit under this section and certification of the member's service and compensation from the employer for which the exempt service was performed, the school employees retirement system shall determine the amount of credit the member is eligible to purchase in accordance with divisions ~~(B)~~(C)(1) and (2) of this section. 4983
4984
4985
4986
4987
4988
4989

(1) If the credit to be purchased is for service exempted under section 3309.23 or former section 3309.25 of the Revised Code, determine the amount of credit that would have been earned had the service not been exempt. 4990
4991
4992
4993

(2) If the credit to be purchased is for service exempted under section 145.03 or 3307.24, or former section 3307.25 of the 4994
4995

Revised Code, request certification from the applicable retirement 4996
system that the service was exempt and the amount of service 4997
credit that would have been earned had the service not been 4998
exempt. 4999

~~(C)~~(D) For each year or portion of a year of credit purchased 5000
under this section, a member shall pay to the retirement system an 5001
amount determined by multiplying the member's compensation for the 5002
twelve months of contributing service preceding the month in which 5003
the member applies to purchase the credit by a percentage rate 5004
established by rule of the school employees retirement board 5005
adopted under division ~~(G)~~(H) of this section. 5006

~~(D)~~(E) Subject to board rules, a member may purchase all or 5007
part of the credit the member is eligible to purchase under this 5008
section in one or more payments. If the member purchases the 5009
credit in more than one payment, compound interest at a rate 5010
specified by rule of the board shall be charged on the balance 5011
remaining after the first payment is made. 5012

~~(E)~~(F) Credit purchasable under this section shall not exceed 5013
one year of service for any twelve-month period. If the period of 5014
service for which credit is purchasable under this section is 5015
concurrent with a period of service that will be used to calculate 5016
a retirement benefit from this system, the public employees 5017
retirement system, or the state teachers retirement system, the 5018
amount of the credit shall be adjusted in accordance with rules 5019
adopted by the school employees retirement board. 5020

A member who is also a member of the public employees 5021
retirement system or the state teachers retirement system shall 5022
purchase credit for any service for which the member exempted self 5023
under section 145.03 or 3309.23 of the Revised Code, or former 5024
section 3307.25 or 3309.25 of the Revised Code, or was exempt 5025
under section 3307.24 of the Revised Code, from the retirement 5026
system in which the member has the greatest number of years of 5027

service credit. If the member receives benefits under section 5028
3309.35 of the Revised Code, the state retirement system that 5029
~~determines and pays the retirement benefit~~ is the paying system 5030
under that section shall receive from the ~~other~~ system or systems 5031
that are the transferring systems the amounts paid by the member 5032
for purchase of credit for exempt service plus interest at the 5033
actuarial assumption rate of the transferring system ~~paying that~~ 5034
~~amount~~. The interest shall be for the period beginning on the date 5035
of the member's last payment for purchase of the credit and ending 5036
on the date of the member's retirement. 5037

~~(F)~~(G) If a member dies or withdraws from service, any 5038
payment made by the member under this section shall be considered 5039
as accumulated contributions of the member. 5040

~~(G)~~(H) The retirement board shall adopt rules to implement 5041
this section. 5042

Sec. 3309.35. (A) As used in this section: 5043

(1) "State retirement system" means the public employees 5044
retirement system, state teachers retirement system, or school 5045
employees retirement system. 5046

(2) "Total service credit" means all service credit earned in 5047
all state retirement systems, except credit for service subject to 5048
section 3309.341 of the Revised Code. Total service credit shall 5049
not exceed one year of credit for any twelve-month period. 5050

(3) In addition to the meaning given in division (O) of 5051
section 3309.01 of the Revised Code, "disability benefit" means 5052
"disability benefit" as defined in sections 145.01 and 3307.01 of 5053
the Revised Code. 5054

(4) "Paying system" means the state retirement system in 5055
which the member has the greatest service credit, without 5056
adjustment or, if a member who has equal service credit in two or 5057

more retirement systems, the retirement system in which the member 5058
has the greatest total contributions. 5059

(5) "Transferring system" means the state retirement system 5060
transferring a member's contributions and service credit in that 5061
system to the paying system. 5062

(6) "Retention percentage" means five per cent, or a 5063
percentage determined under division (E) of this section, of a 5064
member's earnable salary in the case of a member of the public 5065
employees retirement system or five per cent, or a percentage 5066
determined under division (E) of this section, of a member's 5067
compensation in the case of a member of the state teachers 5068
retirement system or school employees retirement system. 5069

(B) To coordinate and integrate membership in the state 5070
retirement systems, at the option of a member, total contributions 5071
and service credit in all state retirement systems, including 5072
amounts paid to restore service credit under sections 145.311, 5073
3307.711, and 3309.261 of the Revised Code, shall be used in 5074
determining the eligibility and total retirement or disability 5075
benefit payable. When total contributions and service credit are 5076
so combined, the following provisions apply: 5077

(1) Service and commuted service retirement or a disability 5078
benefit is effective no sooner than the first day of the month 5079
next following the last day of employment for which compensation 5080
was paid. If the application is filed after that date, the board 5081
may retire the member on the first day of the month next following 5082
the last day of employment for which compensation was paid. 5083

(2) ~~Eligibility for a disability benefit shall be determined~~ 5084
~~by the~~ The board of the state retirement paying system that will 5085
calculate shall do both of the following: 5086

(a) Determine a member's eligibility for a retirement or 5087
disability benefit; 5088

~~(b) Calculate and pay the member's retirement or disability benefit, as provided in division (B)(3) of this section. The state retirement~~ 5089
5090
5091

~~(3)(a) Each transferring system calculating and paying the disability benefit in which the member has service credit shall certify the determination to the board of each other state retirement paying system in which the member has service credit and shall be accepted by that board as sufficient for granting a disability benefit.~~ 5092
5093
5094
5095
5096
5097

~~(3) The board of the state retirement system in which the member had the greatest service credit, without adjustment, shall calculate and pay the total retirement or disability benefit. Where the member's credit is equal in two or more state retirement systems, the system having the largest total contributions of the member shall calculate and pay the total benefit all of the following:~~ 5098
5099
5100
5101
5102
5103
5104

~~(i) The service credit earned by the member in the transferring system;~~ 5105
5106

~~(ii) The beginning and ending dates of the service credit period covered by the transferring system;~~ 5107
5108

~~(iii) Any breaks in service by the member, excluding school breaks;~~ 5109
5110

~~(iv) If available, a statement listing the member's monthly contributions and service credit earned, obtained, or purchased in the transferring system.~~ 5111
5112
5113

~~(b) The certification under division (B)(3)(a) of this section may be reviewed by both the transferring system and paying system.~~ 5114
5115
5116

~~(4) In determining the total credit to be used in calculating a retirement allowance or disability benefit, credit shall not be~~ 5117
5118

reduced below that certified by the system or systems transferring 5119
credit, except that ~~such total combined service credit shall not~~ 5120
~~exceed as follows:~~ 5121

(a) Not more than one year of credit may be certified by the 5122
transferring system for any one "year" as defined in the law of 5123
the transferring system ~~making the calculation.~~ 5124

(b) The paying system may reduce any credit certified by the 5125
transferring system that is concurrent with any period of service 5126
credit the member earned from the paying system. 5127

(c) The paying system may reduce any credit certified by the 5128
transferring system if the amount certified, when added to the 5129
paying system's service credit for any one "year" as defined in 5130
the law of the paying system, exceeds one year. 5131

(5)(a) The ~~state retirement~~ paying system ~~calculating and~~ 5132
~~paying a retirement or disability benefit~~ shall receive from the 5133
other transferring system or systems all of the following for each 5134
year of service: 5135

(i) The amount contributed by the member, or, in the case of 5136
service credit purchased by the member, paid by the member, that 5137
is attributable to the year of service; 5138

(ii) An amount equal to the lesser of the employer's 5139
contributions made on behalf of the member to the ~~retirement~~ 5140
transferring system for that year of service less the retention 5141
percentage or the amount that would have been contributed by the 5142
employer for the service had the member been a member of the 5143
school employees retirement system at the time the credit was 5144
earned less the retention percentage; 5145

(iii) If applicable, an amount equal to the amount paid on 5146
behalf of the member by an employer under section 145.483 of the 5147
Revised Code; 5148

(iv) Interest compounded annually on the amounts specified in 5149
divisions (B)(5)(a)(i), (ii), and (iii) of this section at the 5150
lesser of the actuarial assumption rate for that year of the 5151
~~school employees retirement paying~~ system or the ~~other retirement~~ 5152
~~transferring~~ system or systems ~~transferring amounts under this~~ 5153
~~section.~~ 5154

(b) The annuity rates and mortality tables of the ~~state~~ 5155
~~retirement paying~~ system ~~making the calculation and paying the~~ 5156
~~benefit~~ shall be exclusively applicable. 5157

(c) Deposits made for the purchase of an additional annuity, 5158
and including guaranteed interest, upon the request of the member, 5159
shall be transferred to the ~~state retirement paying~~ system ~~paying~~ 5160
~~the retirement or disability benefit.~~ The return upon such 5161
deposits shall be that offered by the ~~state retirement paying~~ 5162
system ~~making the calculation and paying the retirement or~~ 5163
~~disability benefit.~~ 5164

(C) A former member receiving a retirement or disability 5165
benefit under this section, who accepts employment amenable to 5166
coverage in any state retirement system that participated in the 5167
member's combined benefit, shall be subject to the applicable 5168
provisions of law governing such re-employment. If a former member 5169
should be paid any amount in a retirement allowance, to which the 5170
former member is not entitled under the applicable provisions of 5171
law governing such re-employment, such amount shall be recovered 5172
by the ~~state retirement paying~~ system ~~paying such allowance~~ by 5173
utilizing any recovery procedure available under the ~~code~~ 5174
~~provisions of the state retirement system covering such paying~~ 5175
~~system's~~ re-employment provisions. 5176

(D) An SERS retirant or other system retirant, as defined in 5177
section 3309.341 of the Revised Code, is not eligible to receive 5178
any benefit under this section for service subject to section 5179
3309.341 of the Revised Code. 5180

(E) The retention percentage used in the calculation under 5181
division (B)(5)(a)(ii) of this section shall be reviewed by the 5182
state retirement systems not less than once every five years 5183
beginning after the effective date of this amendment or on request 5184
of any of the systems. If the retirement systems agree, the 5185
retention percentage may be changed if any of the system's 5186
employer contribution rate increases or decreases or the systems 5187
agree that a change is in the interest of one or more of the 5188
systems. 5189

Sec. 3309.381. (A) A recipient of a disability allowance 5190
under section 3309.401 of the Revised Code who is subject to 5191
division (C)(3) of that section may make application for 5192
retirement under this section. Retirement shall be effective on 5193
the first day of the first month following the last day for which 5194
the disability allowance is paid. 5195

(B) The annual allowance payable under this section shall 5196
consist of the sum of the amounts determined under divisions 5197
(B)(1) and (2) of this section: 5198

(1) The greater of the following: 5199

(a) An allowance calculated as ~~provided in section 3309.36 of~~ 5200
~~the Revised Code follows~~, excluding any period during which the 5201
applicant received a disability benefit under section 3309.401 of 5202
the Revised Code: 5203

(i) For an applicant who would be eligible to retire under 5204
division (A)(1) of section 3309.34 of the Revised Code, the 5205
allowance shall be calculated under divisions (B)(1)(a) and (B)(2) 5206
of section 3309.36 of the Revised Code; 5207

(ii) For an applicant who would be eligible to retire under 5208
division (A)(2) of section 3309.34 of the Revised Code, the 5209
allowance shall be calculated under divisions (B)(1)(b) and (B)(3) 5210

of section 3309.36 of the Revised Code. 5211

(b) An allowance calculated by multiplying the applicant's 5212
total service credit, including service credit for the last 5213
continuous period during which the applicant received a disability 5214
benefit under section 3309.401 of the Revised Code, by two and 5215
two-tenths per cent of the applicant's final average salary, 5216
except that the allowance shall not exceed forty-five per cent of 5217
the applicant's final average salary. 5218

(2) An amount equal to the additional allowance the recipient 5219
would receive under section 3309.374 of the Revised Code, plus any 5220
other additional amount the recipient would receive under this 5221
chapter, had the recipient retired under section 3309.36 of the 5222
Revised Code effective on the effective date of the recipient's 5223
most recent continuous period of receipt of a disability benefit 5224
under section 3309.401 of the Revised Code. 5225

(C) The allowance calculated under division (B) of this 5226
section, exclusive of any amount added under division (B)(2) of 5227
this section based on section 3309.374 of the Revised Code, shall 5228
be the base for all future additional allowances under section 5229
3309.374 of the Revised Code. 5230

The anniversary date for future additional allowances under 5231
section 3309.374 of the Revised Code shall be the effective date 5232
of the recipient's most recent continuous period of receipt of a 5233
disability benefit under section 3309.401 of the Revised Code. 5234

(D) The retirement allowance determined under this section 5235
shall be paid as provided in section 3309.46 of the Revised Code. 5236

Sec. 3309.42. (A)(1) Subject to ~~sections 3309.43 and~~ section 5237
3309.67 of the Revised Code and except as provided in division (B) 5238
of this section, a member who elects to become exempt from 5239
contribution to the school employees retirement system pursuant to 5240

section 3309.23 of the Revised Code, or ceases to be an employee 5241
for any cause other than death, retirement, receipt of a 5242
disability benefit, or current employment in a position in which 5243
the member has elected to participate in an alternative retirement 5244
plan pursuant to section 3305.05 or 3305.051 of the Revised Code, 5245
shall be paid the accumulated contributions standing to the credit 5246
of the member's individual account in the employees' savings fund 5247
upon application and subject to such rules as are established by 5248
the school employees retirement board and provided three months 5249
have elapsed since employment, other than employment exempt from 5250
contribution under division (C) of section 3309.23 of the Revised 5251
Code, ceased. 5252

(2) A member described in division (A)(1) of this section who 5253
is married at the time of application for payment and would be 5254
eligible for age and service retirement under section 3309.34, 5255
3309.36, or 3309.40 of the Revised Code but for a forfeiture 5256
ordered under division (A) or (B) of section 2929.192 of the 5257
Revised Code shall submit with the application a written statement 5258
by the member's spouse attesting that the spouse consents to the 5259
payment of the member's accumulated contributions. Consent shall 5260
be valid only if it is signed and witnessed by a notary public. 5261
The board may waive the requirement of consent if the spouse is 5262
incapacitated or cannot be located, or for any other reason 5263
specified by the board. Consent or waiver is effective only with 5264
regard to the spouse who is the subject of the consent or waiver. 5265

(B) This division applies to any member who is employed in a 5266
position in which the member has elected under section 3305.05 or 5267
3305.051 of the Revised Code to participate in an alternative 5268
retirement plan and due to the election ceases to be an employee 5269
for purposes of that position. 5270

Subject to ~~sections 3309.43 and~~ section 3309.67 of the 5271

Revised Code, the school employees retirement system shall do the 5272
following: 5273

(1) On receipt of an election under section 3305.05 or 5274
3305.051 of the Revised Code, pay, in accordance with section 5275
3305.052 of the Revised Code, the amount described in that section 5276
to the appropriate provider; 5277

(2) If a member has accumulated contributions, in addition to 5278
those subject to division (B)(1) of this section, standing to the 5279
credit of the member's individual account and is not otherwise in 5280
a position in which the member is considered an employee for the 5281
purposes of that position, pay, to the provider the member 5282
selected pursuant to section 3305.05 or 3305.051 of the Revised 5283
Code, the accumulated contributions standing to the credit of the 5284
member's individual account in the employees' saving fund. The 5285
payment shall be made on the member's application. 5286

(C) Payment of a member's accumulated contributions under 5287
this section cancels the member's total service credit in the 5288
school employees retirement system. A member whose accumulated 5289
contributions are paid to a provider pursuant to division (B) of 5290
this section is forever barred from claiming or purchasing service 5291
credit under the school employees retirement system for the period 5292
of employment attributable to those contributions. 5293

Sec. 3309.43. (A) As used in this section, "other retirement 5294
system" means the public employees retirement system or the state 5295
teachers retirement system. 5296

(B) Except as provided in division (C) of this section, on 5297
application, a member of the school employees retirement system 5298
who is also a member of one or both of the other retirement 5299
systems and has ceased to be an employee under this chapter may be 5300
paid, in accordance with section 3309.42 of the Revised Code, the 5301
member's accumulated contributions to the school employees 5302

retirement system. This payment does not affect the member's 5303
membership in the other retirement systems or any right the member 5304
may have to a benefit or return of contributions under those 5305
systems. 5306

(C) This section does not apply to a member of one of the 5307
other retirement systems whose employment under that system is 5308
with the public employer that was the employer under the school 5309
employees retirement system at the time the member's service 5310
subject to this chapter terminated. 5311

Sec. 3309.45. Except as provided in division (C)(1) of this 5312
section, in lieu of accepting the payment of the accumulated 5313
account of a member who dies before service retirement, the 5314
beneficiary, as determined in section 3309.44 of the Revised Code, 5315
may elect to forfeit the accumulated account and to substitute 5316
certain other benefits either under division (A) or (B) of this 5317
section. 5318

(A)(1) If a deceased member was eligible for a service 5319
retirement allowance as provided in section 3309.36 or 3309.381 of 5320
the Revised Code, a surviving spouse or other sole dependent 5321
beneficiary may elect to receive a monthly benefit computed as the 5322
joint-survivor allowance designated as "plan D" in section 3309.46 5323
of the Revised Code, which the member would have received had the 5324
member retired on the last day of the month of death and had the 5325
member at that time selected such joint-survivor plan. Payment 5326
shall begin with the month subsequent to the member's death. 5327

(2) Beginning on a date selected by the school employees 5328
retirement board, which shall be not later than July 1, 2004, a 5329
surviving spouse or other sole dependent beneficiary may elect, in 5330
lieu of a monthly payment under division (A)(1) of this section, a 5331
plan of payment consisting of both of the following: 5332

(a) A lump sum in an amount the surviving spouse or other 5333

sole dependent beneficiary designates that constitutes a portion 5334
of the allowance that would be payable under division (A)(1) of 5335
this section; 5336

(b) The remainder of that allowance in monthly payments. 5337

The total amount paid as a lump sum and a monthly benefit 5338
shall be the actuarial equivalent of the amount that would have 5339
been paid had the lump sum not been selected. 5340

The lump sum amount designated by the surviving spouse or 5341
other sole dependent beneficiary under division (A)(2)(a) of this 5342
section shall be not less than six times and not more than 5343
thirty-six times the monthly amount that would be payable to the 5344
surviving spouse or other sole dependent beneficiary under 5345
division (A)(1) of this section and shall not result in a monthly 5346
benefit that is less than fifty per cent of that monthly amount. 5347

(B) If the deceased member had completed at least one and 5348
one-half years of credit for Ohio service, with at least 5349
one-quarter year of Ohio contributing service credit within the 5350
two and one-half years prior to the date of death, or was 5351
receiving at the time of death a disability benefit as provided in 5352
section 3309.40 or 3309.401 of the Revised Code, qualified 5353
survivors who elect to receive monthly benefits shall receive the 5354
greater of the benefits provided in division (B)(1)(a) or (b) as 5355
allocated in accordance with division (B)(5) of this section. 5356

(1)(a) Number		Or	5357
of Qualified		Monthly	5358
survivors	Annual Benefit as a Per	Benefit	5359
affecting	Cent of Decedent's Final	shall not be	5360
the benefit	Average Salary	less than	5361
1	25%	\$96	5362
2	40	186	5363
3	50	236	5364

4	55	236	5365
5 or more	60	236	5366
(b) Years of Service	Annual Benefit as a Per Cent of		5367
	Member's Final Average Salary		
20	29%		5368
21	33		5369
22	37		5370
23	41		5371
24	45		5372
25	48		5373
26	51		5374
27	54		5375
28	57		5376
29 or more	60		5377

(2) Benefits shall begin as qualified survivors meet 5378
eligibility requirements as follows: 5379

(a) A qualified spouse is the surviving spouse of the 5380
deceased member who is age sixty-two, or regardless of age if the 5381
deceased member had ten or more years of Ohio service credit, or 5382
regardless of age if caring for a surviving child, or regardless 5383
of age if adjudged physically or mentally incompetent. 5384

(b) A qualified child whose benefit began before ~~the~~ 5385
~~effective date of this amendment~~ January 7, 2013, is any child of 5386
the deceased member who has never been married and to whom one of 5387
the following applies: 5388

(i) Is under age eighteen, or under age twenty-two if the 5389
child is attending an institution of learning or training pursuant 5390
to a program designed to complete in each school year the 5391
equivalent of at least two-thirds of the full-time curriculum 5392
requirements of such institution and as further determined by 5393
board policy; 5394

(ii) Regardless of age, is adjudged physically or mentally 5395

incompetent if the incompetence existed prior to the member's 5396
death and prior to the child attaining age eighteen, or age 5397
twenty-two if attending an institution described in division 5398
(B)(2)(b)(i) of this section. 5399

(c) A qualified child whose benefit begins on or after ~~the~~ 5400
~~effective date of this amendment~~ January 7, 2013, is any child of 5401
the deceased member who has never been married and to whom one of 5402
the following applies: 5403

(i) Is under age nineteen; 5404

(ii) Regardless of age, is adjudged physically or mentally 5405
incompetent if the incompetence existed prior to the member's 5406
death and prior to the child attaining age nineteen. 5407

(d) A qualified parent is a dependent parent aged sixty-five 5408
or older. 5409

(3) "Physically or mentally incompetent" as used in this 5410
section may be determined by a court of jurisdiction, or by a 5411
physician appointed by the retirement board. Incapability of 5412
earning a living because of a physically or mentally disabling 5413
condition shall meet the qualifications of this division. 5414

(4) Benefits to a qualified survivor shall terminate upon a 5415
first marriage, abandonment, adoption, or during active military 5416
service. Benefits to a deceased member's surviving spouse that 5417
were terminated under a former version of this section that 5418
required termination due to remarriage and were not resumed prior 5419
to September 16, 1998, shall resume on the first day of the month 5420
immediately following receipt by the board of an application on a 5421
form provided by the board. 5422

Upon the death of any subsequent spouse who was a member of 5423
the public employees retirement system, state teachers retirement 5424
system, or school employees retirement system, the surviving 5425
spouse of such member may elect to continue receiving benefits 5426

under this division, or to receive survivor's benefits, based upon 5427
the subsequent spouse's membership in one or more of the systems, 5428
for which such surviving spouse is eligible under this section or 5429
section 145.45 or 3307.66 of the Revised Code. If the surviving 5430
spouse elects to continue receiving benefits under this division, 5431
such election shall not preclude the payment of benefits under 5432
this division to any other qualified survivor. 5433

Benefits shall begin or resume on the first day of the month 5434
following the attainment of eligibility and shall terminate on the 5435
first day of the month following loss of eligibility. 5436

(5)(a) If a benefit is payable under division (B)(1)(a) of 5437
this section, benefits to a qualified spouse shall be paid in the 5438
amount determined for the first qualifying survivor in division 5439
(B)(1)(a) of this section, but shall not be less than one hundred 5440
six dollars per month if the deceased member had ten or more years 5441
of Ohio service credit. All other qualifying survivors shall share 5442
equally in the benefit or remaining portion thereof. 5443

(b) All qualifying survivors shall share equally in a benefit 5444
payable under division (B)(1)(b) of this section, except that if 5445
there is a surviving spouse, the surviving spouse shall receive no 5446
less than the greater of the amount determined for the first 5447
qualifying survivor in division (B)(1)(a) of this section or one 5448
hundred six dollars per month. 5449

(6) The beneficiary of a member who is also a member of the 5450
public employees retirement system, or of the state teachers 5451
retirement system, must forfeit the member's accumulated 5452
contributions in those systems, if the beneficiary takes a 5453
survivor benefit. Such benefit shall be exclusively governed by 5454
section 3309.35 of the Revised Code. 5455

(C)(1) Regardless of whether the member is survived by a 5456
spouse or designated beneficiary, if the school employees 5457

retirement system receives notice that a deceased member described 5458
in division (A) or (B) of this section has one or more qualified 5459
children, all persons who are qualified survivors under division 5460
(B) of this section shall receive monthly benefits as provided in 5461
division (B) of this section. 5462

If, after determining the monthly benefits to be paid under 5463
division (B) of this section, the system receives notice that 5464
there is a qualified survivor who was not considered when the 5465
determination was made, the system shall, notwithstanding section 5466
3309.661 of the Revised Code, recalculate the monthly benefits 5467
with that qualified survivor included, even if the benefits to 5468
qualified survivors already receiving benefits are reduced as a 5469
result. The benefits shall be calculated as if the qualified 5470
survivor who is the subject of the notice became eligible on the 5471
date the notice was received and shall be paid to qualified 5472
survivors effective on the first day of the first month following 5473
the system's receipt of the notice. 5474

If the retirement system did not receive notice that a 5475
deceased member has one or more qualified children prior to making 5476
payment under section 3309.44 of the Revised Code to a beneficiary 5477
as determined by the retirement system, the payment is a full 5478
discharge and release of the system from any future claims under 5479
this section or section 3309.44 of the Revised Code. 5480

(2) If benefits under division (C)(1) of this section to all 5481
persons, or to all persons other than a surviving spouse or other 5482
sole beneficiary, terminate, there are no qualified children ~~under~~ 5483
~~the age of twenty two years~~, and the surviving spouse or 5484
beneficiary qualifies for benefits under division (A) of this 5485
section, the surviving spouse or beneficiary may elect to receive 5486
benefits under division (A) of this section. Benefits shall be 5487
effective on the first day of the month following receipt by the 5488
board of an application for benefits under division (A) of this 5489

section. 5490

(D) The final average salary used in the calculation of a 5491
benefit payable pursuant to division (A) or (B) of this section to 5492
a survivor or beneficiary of a disability benefit recipient shall 5493
be adjusted for each year between the disability benefit's 5494
effective date and the recipient's date of death by the lesser of 5495
three per cent or the actual average percentage increase in the 5496
consumer price index prepared by the United States bureau of labor 5497
statistics (U.S. City Average for Urban Wage Earners and Clerical 5498
Workers: "All Items 1982-84=100"). 5499

(E) If the survivor benefits due and paid under this section 5500
are in a total amount less than the member's accumulated account 5501
that was transferred from the employees' savings fund, the state 5502
teachers retirement fund, and the public employees retirement fund 5503
to the survivors' benefit fund, then the difference between the 5504
total amount of the benefits paid shall be paid to the beneficiary 5505
under section 3309.44 of the Revised Code. 5506

Sec. 3309.49. Each employer shall pay ~~annually~~ to the school 5507
employees retirement system at such times as required by the 5508
school employees retirement board under section 3309.51 of the 5509
Revised Code an amount ~~certified by the secretary~~ that shall be a 5510
certain per cent of the earnable compensation of all employees, 5511
and shall be known as the "employer contribution." The rate per 5512
cent of such contribution shall be fixed by the actuary on the 5513
basis of the actuary's evaluation of the liabilities of the school 5514
employees retirement system, but shall not exceed fourteen per 5515
cent, and shall be approved by the school employees retirement 5516
board. The school employees retirement board may raise the rate 5517
per cent of the contribution to fourteen per cent of the earnable 5518
compensation of all employees. In making such evaluation, the 5519
actuary shall use, as the actuarial assumptions, regular interest 5520

and such mortality and other tables as are adopted by the school 5521
employees retirement board. The actuary shall compute the 5522
percentage of such earnable compensation, to be known as the 5523
"employer rate," required annually to fund the liability for all 5524
allowances, annuities, pensions and other benefits, and any 5525
deficiencies in the various funds, provided for in this chapter, 5526
after deducting therefrom the annuity and other benefits provided 5527
by the contributor's accumulated contributions and deposits or 5528
other applicable moneys. 5529

Sec. 3309.51. (A) Each employer shall pay into the employers' 5530
trust fund, ~~in~~ monthly or ~~less frequent installments~~ at such times 5531
as the school employees retirement board requires, an amount 5532
certified by the school employees retirement board, which shall be 5533
as required by Chapter 3309. of the Revised Code. 5534

Payments by school district boards of education to the 5535
employers' trust fund of the school employees retirement system 5536
may be made from the amounts allocated under Chapter 3317. of the 5537
Revised Code prior to their distribution to the individual school 5538
districts. The amount due from each school district may be 5539
certified by the secretary of the system to the superintendent of 5540
public instruction monthly, or at such times as is determined by 5541
the school employees retirement board. 5542

Payments by governing authorities of community schools to the 5543
employers' trust fund of the school employees retirement system 5544
shall be made from the amounts allocated under section 3314.08 of 5545
the Revised Code prior to their distribution to the individual 5546
community schools. The amount due from each community school shall 5547
be certified by the secretary of the system to the superintendent 5548
of public instruction monthly, or at such times as determined by 5549
the school employees retirement board. 5550

Payments by a science, technology, engineering, and 5551
mathematics school to the employers' trust fund of the school 5552
employees retirement system shall be made from the amounts 5553
allocated under section 3326.33 of the Revised Code prior to their 5554
distribution to the school. The amount due from a science, 5555
technology, engineering, and mathematics school shall be certified 5556
by the secretary of the school employees retirement system to the 5557
superintendent of public instruction monthly, or at such times as 5558
determined by the school employees retirement board. 5559

(B) The superintendent shall deduct from the amount allocated 5560
to each community school under section 3314.08 of the Revised 5561
Code, to each school district under Chapter 3317. of the Revised 5562
Code, or to each science, technology, engineering, and mathematics 5563
school under section 3326.33 of the Revised Code the entire 5564
amounts due to the school employees retirement system from such 5565
school or school district upon the certification to the 5566
superintendent by the secretary thereof. 5567

(C) Where an employer fails or has failed or refuses to make 5568
payments to the employers' trust fund, as provided for under 5569
Chapter 3309. of the Revised Code, or fails to pay any penalty 5570
imposed under section 3309.571 of the Revised Code the secretary 5571
of the school employees retirement system may certify to the state 5572
superintendent of public instruction, monthly or at such times as 5573
is determined by the school employees retirement board, the amount 5574
due from such employer, and the superintendent shall deduct from 5575
the amount allocated to the employer under section 3314.08 or 5576
3326.33 or Chapter 3317. of the Revised Code, as applicable, the 5577
entire amounts due to the system from the employer upon the 5578
certification to the superintendent by the secretary of the school 5579
employees retirement system. 5580

(D) The superintendent shall certify to the director of 5581
budget and management the amounts thus due the system for payment. 5582

Sec. 3309.55. Each employer shall on the first day of each 5583
calendar month, or at such ~~less frequent~~ intervals as the school 5584
employees retirement board approves, notify the board of ~~the~~ 5585
~~employment of new employees,~~ removals, and withdrawals, ~~and~~ 5586
~~changes in compensation~~ of employees that have occurred during the 5587
month preceding or the period since the period covered by the last 5588
notification. ~~At least once a year each employer shall submit to~~ 5589
~~the board a complete listing of all employees not contributing to~~ 5590
~~the school employees retirement system.~~ Each employer shall keep 5591
such records and shall furnish such information and assistance to 5592
the school employees retirement board as it requires in the 5593
discharge of its duties. 5594

Sec. 3309.56. Each employer shall cause to be deducted, on 5595
each payroll of a contributor for each payroll period, the 5596
contribution payable by such contributor. ~~Each employer shall~~ 5597
~~certify to the treasurer of said employer on each payroll a~~ 5598
~~statement as voucher for the amount so deducted and for the amount~~ 5599
~~of the contribution payable by the employer.~~ Each employer shall 5600
send a duplicate of such statement to the secretary of report that 5601
lists such contributions deducted by contributor to the school 5602
employees retirement system at such time and in such manner as 5603
required by the school employees retirement board. 5604

Sec. 3309.57. ~~The treasurer of each~~ Each employer on receipt 5605
~~from the employer of the voucher for deductions from the~~ 5606
~~compensation of employees and for the contributions of the~~ 5607
~~employer~~ shall transmit monthly or at such times as the school 5608
employees retirement board designates the ~~amounts specified in~~ 5609
~~such voucher to the secretary of the board~~ contributions required 5610
under this chapter. ~~The secretary of the board~~ school employees 5611
retirement system after making a record of all such receipts shall 5612

pay them to the treasurer of state for use according to this 5613
chapter. 5614

Sec. 3309.571. The school employees retirement system shall 5615
impose the following penalties, which may be collected in the same 5616
manner as described in division (B) of section 3309.51 of the 5617
Revised Code: 5618

(A) For a failure to transmit contributions withheld from 5619
employees not later than the date specified under rules adopted by 5620
the school employees retirement board, one hundred dollars per day 5621
for each day the employer fails to transmit the contributions; 5622

(B) For a failure to transmit any amount due the employer's 5623
trust fund not later than the date specified under rules adopted 5624
by the board, one hundred dollars per day for each day the 5625
employer fails to transmit the amounts; 5626

(C) Except for a statement required by section 3309.28 of the 5627
Revised Code, for a failure to submit, ~~complete, or correct any a~~ 5628
payroll ~~information report~~ report or other report required under this 5629
chapter not later than the date specified under rules adopted by 5630
the board, one hundred dollars per day for each day the employer 5631
fails to submit, ~~complete, or correct the information or report,~~ 5632
except that the penalty shall not exceed one thousand five hundred 5633
dollars; 5634

(D) For a failure to submit a record in the form of a 5635
statement required by section 3309.28 of the Revised Code, fifty 5636
dollars per record for each month the record is not filed, except 5637
that the penalty shall not exceed three hundred dollars. 5638

Sec. 3309.691. The school employees retirement board ~~shall~~ 5639
may establish a program under which members of the retirement 5640
system, employers on behalf of members, and persons receiving 5641

service, disability, or survivor benefits are permitted to 5642
participate in contracts for long-term health care insurance. 5643
Participation may include dependents and family members. If a 5644
participant in a contract for long-term care insurance leaves 5645
employment, the participant and the participant's dependents and 5646
family members may, at their election, continue to participate in 5647
a program established under this section in the same manner as if 5648
the participant had not left employment, except that no part of 5649
the cost of the insurance shall be paid by the participant's 5650
former employer. 5651

Such program may be established independently or jointly with 5652
one or more of the other retirement systems. For purposes of this 5653
section, "retirement systems" has the same meaning as in division 5654
(A) of section 145.581 of the Revised Code. 5655

The board may enter into an agreement with insurance 5656
companies, health insuring corporations, or government agencies 5657
authorized to do business in the state for issuance of a long-term 5658
care insurance policy or contract. However, prior to entering into 5659
such an agreement with an insurance company or health insuring 5660
corporation, the board shall request the superintendent of 5661
insurance to certify the financial condition of the company or 5662
corporation. The board shall not enter into the agreement if, 5663
according to that certification, the company or corporation is 5664
insolvent, is determined by the superintendent to be potentially 5665
unable to fulfill its contractual obligations, or is placed under 5666
an order of rehabilitation or conservation by a court of competent 5667
jurisdiction or under an order of supervision by the 5668
superintendent. 5669

The board ~~shall~~ may adopt rules in accordance with section 5670
111.15 of the Revised Code governing the program. ~~The~~ Any rules 5671
adopted by the board shall establish methods of payment for 5672
participation under this section, which may include establishment 5673

of a payroll deduction plan under section 3309.27 of the Revised Code, deduction of the full premium charged from a person's service, disability, or survivor benefit, or any other method of payment considered appropriate by the board. If the program is established jointly with one or more of the other retirement systems, the rules also shall establish the terms and conditions of such joint participation.

Sec. 3309.82. (A) Except as provided in division (B) of this section, sections 3309.02, 3309.021, and 3309.022 and sections 3309.18 to 3309.70 of the Revised Code do not apply to a plan established under section 3309.81 of the Revised Code, except that a plan may incorporate provisions of those sections as specified in the plan document.

(B) The following sections of Chapter 3309. of the Revised Code apply to a plan established under section 3309.81 of the Revised Code: sections 3309.19, 3309.21, 3309.22, 3309.23, 3309.24, 3309.25, 3309.251, 3309.252, 3309.253, 3309.28, 3309.29, 3309.341, 3309.3712, 3309.47, 3309.471, 3309.49, 3309.51, ~~3309.53,~~ ~~3309.54,~~ 3309.55, 3309.56, 3309.57, 3309.571, 3309.58, 3309.59, 3309.60, 3309.61, 3309.62, 3309.66, 3309.661, 3309.67, 3309.672, 3309.673, 3309.68, and 3309.70 of the Revised Code.

Sec. 4113.75. (A) As used in this section:

(1) "Employee" and "employer" have the same meanings as in section 4113.51 of the Revised Code except that "employer" does not include the state, any municipal corporation, county, township, school district, or other political subdivision, or any agency or instrumentality of any of those entities.

(2) "Employee retirement plan" means an employee retirement plan described in section 401(k) or 403(b) of the Internal Revenue Code or a payroll deduction individual retirement account plan

described in section 408 or 408A of the Internal Revenue Code. 5704

(3) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1 et seq., as amended. 5705
5706

(B)(1) Notwithstanding section 4113.15 of the Revised Code, an employer may create and implement a program for automatically withholding a specified percentage of employees' wages to be contributed on behalf of the employees to an employee retirement plan. The program shall allow an employee to affirmatively elect not to participate in the program and not have wages withheld under the program. 5707
5708
5709
5710
5711
5712
5713

(2) The employer shall provide each participating employee with all of the following: 5714
5715

(a) Notice of the percentage of the employee's wages that will be withheld and contributed on behalf of the employee to an employee retirement plan unless the employee affirmatively elects not to participate in the plan; 5716
5717
5718
5719

(b) At least one opportunity each calendar quarter to select investments for the employee's contributions between investment alternatives available under the plan; 5720
5721
5722

(c) A description of every investment alternative available for employee investment direction under the plan; 5723
5724

(d) Notice of the default investment decisions that will be made in the absence of the employee's direction; 5725
5726

(e) A brief description of available procedures that allow an employee to change investments; 5727
5728

(f) A report, at least once a year, of the actual default investments made of contributions attributable to the employee. 5729
5730

(3) An employer that creates or implements a program described in division (B) of this section shall provide its participating employees with reasonable opportunities to 5731
5732
5733

affirmatively elect not to participate in the program and not have 5734
wages withheld under the program. An affirmative election not to 5735
participate in a program shall be effective as soon after the 5736
employer receives the election as is administratively feasible. 5737

Sec. 5505.03. (A) The funds created by this section are the 5738
"employees' savings fund," "employer's accumulation fund," 5739
"pension reserve fund," "survivors' benefit fund," "income fund," 5740
and "expense fund." When reference is made to any of such funds, 5741
such reference is made to each as a separate legal entity; 5742
provided that the moneys in the funds may be intermingled for 5743
deposit and investment purposes. 5744

(B) The employees' savings fund is the fund in which shall be 5745
accumulated the contributions deducted from the salaries of 5746
members, except as provided in division (B)(1)(b) of section 5747
5505.54 of the Revised Code. Any refunds of accumulated 5748
contributions, as provided in the plan, shall be paid from such 5749
fund. Upon a member's retirement, the accumulated contributions 5750
standing to the member's credit in the fund shall be transferred 5751
to the pension reserve fund ~~if the member's retirement occurs on~~ 5752
~~or after January 1, 1966, or to the employer's accumulation fund~~ 5753
~~if the member's retirement occurred prior to January 1, 1966.~~ If a 5754
pension is payable on account of the death of a member, the 5755
accumulated contributions standing to the member's credit in the 5756
employees' savings fund shall be transferred to the survivors' 5757
benefit fund ~~if the member's death occurs after January 1, 1966,~~ 5758
~~or to the employer's accumulation fund if the member's death~~ 5759
~~occurs prior to January 1, 1966.~~ 5760

(C)(1) The employer's accumulation fund is the fund in which 5761
shall be accumulated the state's contribution to the state highway 5762
patrol retirement system and the amounts contributed under 5763
division (B)(1)(b) of section 5505.54 of the Revised Code. Upon a 5764

member's retirement ~~after January 1, 1966,~~ the difference between 5765
the member's pension reserve and the member's accumulated 5766
contributions shall be transferred to the pension reserve fund. If 5767
a pension is payable on account of a member's death occurring 5768
~~after January 1, 1966,~~ the difference between the pension reserve 5769
for that pension and the member's accumulated contributions shall 5770
be transferred to the survivors' benefit fund. 5771

~~(2) All pensions allowed and payable prior to January 1, 5772
1966, shall be continued according to the provisions of the plan 5773
in force the day preceding January 1, 1966, unless otherwise 5774
provided for in this chapter and shall be paid from the employer's 5775
accumulation fund. 5776~~

(D) The pension reserve fund is the fund from which shall be 5777
paid all pensions on account of members ~~who retire on or after~~ 5778
~~January 1, 1966.~~ If a disability retirant returns to the employ of 5779
the state highway patrol, the disability retirant's pension 5780
reserve at that time shall be transferred to the employees' 5781
savings fund and the employer's accumulation fund in the same 5782
proportion as the pension reserve was originally transferred to 5783
the pension reserve fund. 5784

(E) The survivors' benefit fund is the fund from which shall 5785
be paid all pensions, payable under section 5505.17 of the Revised 5786
Code, ~~on account of members who die on or after January 1, 1966.~~ 5787

(F)(1) The income fund is the fund to which shall be credited 5788
all interest, dividends, distributions, and other income derived 5789
from deposits and investments of moneys of the retirement system, 5790
all gifts and bequests to the system, all transfers from the 5791
employees' savings fund because of lack of claimant, and any other 5792
moneys the disposition of which is not otherwise provided for in 5793
the plan. 5794

(2) If the balance in the income fund exceeds the 5795

requirements of the fund, the state highway patrol retirement 5796
board may transfer amounts from the income fund to meet special 5797
requirements of the various other funds of the retirement system. 5798

(G) The expense fund is the fund from which the expense of 5799
the administration of this chapter shall be paid, exclusive of 5800
amounts payable as retirement allowances and as other benefits. 5801
The state highway patrol retirement board shall estimate annually 5802
the amount to be provided in the expense fund and such amount 5803
shall be transferred from the income fund. If such amount is 5804
insufficient during any year, the board is authorized to transfer 5805
the amount of such insufficiency from the income fund. 5806

Sec. 5505.04. (A)(1) The general administration and 5807
management of the state highway patrol retirement system and the 5808
making effective of this chapter are hereby vested in the state 5809
highway patrol retirement board. The board may sue and be sued, 5810
plead and be impleaded, contract and be contracted with, and do 5811
all things necessary to carry out this chapter. 5812

The board shall consist of the following members: 5813

(a) The superintendent of the state highway patrol; 5814

(b) Two retirant members who reside in this state; 5815

(c) Five employee-members; 5816

(d) One member, known as the treasurer of state's investment 5817
designee, who shall be appointed by the treasurer of state for a 5818
term of four years and who shall have the following 5819
qualifications: 5820

(i) The member is a resident of this state. 5821

(ii) Within the three years immediately preceding the 5822
appointment, the member has not been employed by the public 5823
employees retirement system, police and fire pension fund, state 5824
teachers retirement system, school employees retirement system, or 5825

state highway patrol retirement system or by any person, 5826
partnership, or corporation that has provided to one of those 5827
retirement systems services of a financial or investment nature, 5828
including the management, analysis, supervision, or investment of 5829
assets. 5830

(iii) The member has direct experience in the management, 5831
analysis, supervision, or investment of assets. 5832

(iv) The member is not currently employed by the state or a 5833
political subdivision of the state. 5834

(e) Two investment expert members, who shall be appointed to 5835
four-year terms. One investment expert member shall be appointed 5836
by the governor, and one investment expert member shall be jointly 5837
appointed by the speaker of the house of representatives and the 5838
president of the senate. Each investment expert member shall have 5839
the following qualifications: 5840

(i) Each investment expert member shall be a resident of this 5841
state. 5842

(ii) Within the three years immediately preceding the 5843
appointment, each investment expert member shall not have been 5844
employed by the public employees retirement system, police and 5845
fire pension fund, state teachers retirement system, school 5846
employees retirement system, or state highway patrol retirement 5847
system or by any person, partnership, or corporation that has 5848
provided to one of those retirement systems services of a 5849
financial or investment nature, including the management, 5850
analysis, supervision, or investment of assets. 5851

(iii) Each investment expert member shall have direct 5852
experience in the management, analysis, supervision, or investment 5853
of assets. 5854

(2) The board shall annually elect a chairperson and 5855
vice-chairperson from among its members. The vice-chairperson 5856

shall act as chairperson in the absence of the chairperson. A 5857
majority of the members of the board shall constitute a quorum and 5858
any action taken shall be approved by a majority of the members of 5859
the board. The board shall meet not less than once each year, upon 5860
sufficient notice to the members. All meetings of the board shall 5861
be open to the public except executive sessions as set forth in 5862
division (G) of section 121.22 of the Revised Code, and any 5863
portions of any sessions discussing medical records or the degree 5864
of disability of a member excluded from public inspection by this 5865
section. 5866

(3) Any ~~investment expert~~ member appointed to fill a vacancy 5867
~~occurring prior to the expiration of the term for which the~~ 5868
~~member's predecessor was appointed holds~~ under this section shall 5869
hold office until the end of ~~such term. The member continues in~~ 5870
~~office subsequent to the expiration date of the member's term~~ 5871
until or, if later, the date the member's successor takes office, 5872
~~or until a period of sixty days has elapsed, whichever occurs~~ 5873
~~first.~~ 5874

(B) The attorney general shall prescribe procedures for the 5875
adoption of rules authorized under this chapter, consistent with 5876
the provision of section 111.15 of the Revised Code under which 5877
all rules shall be filed in order to be effective. Such procedures 5878
shall establish methods by which notice of proposed rules are 5879
given to interested parties and rules adopted by the board 5880
published and otherwise made available. When it files a rule with 5881
the joint committee on agency rule review pursuant to section 5882
111.15 of the Revised Code, the board shall submit to the Ohio 5883
retirement study council a copy of the full text of the rule, and 5884
if applicable, a copy of the rule summary and fiscal analysis 5885
required by division (B) of section 127.18 of the Revised Code. 5886

(C)(1) As used in this division, "personal history record" 5887
means information maintained by the board on an individual who is 5888

a member, former member, retirant, or beneficiary that includes 5889
the address, electronic mail address, telephone number, social 5890
security number, record of contributions, correspondence with the 5891
system, and other information the board determines to be 5892
confidential. 5893

(2) The records of the board shall be open to public 5894
inspection and may be made available in printed or electronic 5895
format, except for the following which shall be excluded: the 5896
member's, former member's, retirant's, or beneficiary's personal 5897
history record and the amount of a monthly allowance or benefit 5898
paid to a retirant, beneficiary, or survivor, except with the 5899
written authorization of the individual concerned. 5900

(D) All medical reports and recommendations are privileged 5901
except as follows: 5902

(1) Copies of such medical reports or recommendations shall 5903
be made available to the individual's personal physician, 5904
attorney, or authorized agent upon written release received from 5905
such individual or such individual's agent, or when necessary for 5906
the proper administration of the fund to the board-assigned 5907
physician. 5908

(2) Documentation required by section 2929.193 of the Revised 5909
Code shall be provided to a court holding a hearing under that 5910
section. 5911

(E) Notwithstanding the exceptions to public inspection in 5912
division (C)(2) of this section, the board may furnish the 5913
following information: 5914

(1) If a member, former member, or retirant is subject to an 5915
order issued under section 2907.15 of the Revised Code or an order 5916
issued under division (A) or (B) of section 2929.192 of the 5917
Revised Code or is convicted of or pleads guilty to a violation of 5918
section 2921.41 of the Revised Code, on written request of a 5919

prosecutor as defined in section 2935.01 of the Revised Code, the board shall furnish to the prosecutor the information requested from the individual's personal history record.

(2) Pursuant to a court order issued under Chapters 3119., 3121., and 3123. of the Revised Code, the board shall furnish to a court or child support enforcement agency the information required under those chapters.

(3) At the written request of any nonprofit organization or association providing services to retirement system members, retirants, or beneficiaries, the board shall provide to the organization or association a list of the names and addresses of members, former members, retirants, or beneficiaries if the organization or association agrees to use such information solely in accordance with its stated purpose of providing services to such individuals and not for the benefit of other persons, organizations, or associations. The costs of compiling, copying, and mailing the list shall be paid by such entity.

(4) Within fourteen days after receiving from the director of job and family services a list of the names and social security numbers of recipients of public assistance pursuant to section 5101.181 of the Revised Code, the board shall inform the auditor of state of the name, current or most recent employer address, and social security number of each member whose name and social security number are the same as those of a person whose name or social security number was submitted by the director. The board and its employees, except for purposes of furnishing the auditor of state with information required by this section, shall preserve the confidentiality of recipients of public assistance in compliance with section 5101.181 of the Revised Code.

(5) The system shall comply with orders issued under section 3105.87 of the Revised Code.

On the written request of an alternate payee, as defined in 5951
section 3105.80 of the Revised Code, the system shall furnish to 5952
the alternate payee information on the amount and status of any 5953
amounts payable to the alternate payee under an order issued under 5954
section 3105.171 or 3105.65 of the Revised Code. 5955

(6) At the request of any person, the board shall make 5956
available to the person copies of all documents, including 5957
resumes, in the board's possession regarding filling a vacancy of 5958
an employee member or retirant member of the board. The person who 5959
made the request shall pay the cost of compiling, copying, and 5960
mailing the documents. The information described in this division 5961
is a public record. 5962

(7) The system shall provide the notice required by section 5963
5505.263 of the Revised Code to the prosecutor assigned to the 5964
case. 5965

(8) The system may provide information requested by the 5966
United States social security administration, United States 5967
centers for medicare and medicaid, public employees retirement 5968
system, Ohio public employees deferred compensation program, Ohio 5969
police and fire pension fund, school employees retirement system, 5970
state teachers retirement system, or Cincinnati retirement system. 5971

(F) A statement that contains information obtained from the 5972
system's records that is certified and signed by an officer of the 5973
retirement system and to which the system's official seal is 5974
affixed, or copies of the system's records to which the signature 5975
and seal are attached, shall be received as true copies of the 5976
system's records in any court or before any officer of this state. 5977

(G) The board may maintain records in printed or electronic 5978
format. 5979

Sec. 5505.112. Any action brought against the state highway 5980

patrol retirement system or the state highway patrol retirement 5981
board or its officers, employees, or board members in their 5982
official capacities shall be brought in the appropriate court in 5983
Franklin county, Ohio. 5984

Sec. 5505.12. (A) The state highway patrol retirement board 5985
shall have prepared annually by or under the supervision of an 5986
actuary an actuarial valuation of the pension assets, liabilities, 5987
and funding requirements of the state highway patrol retirement 5988
system as established pursuant to this chapter. The actuary shall 5989
complete the valuation in accordance with actuarial standards of 5990
practice promulgated by the actuarial standards board of the 5991
American academy of actuaries and prepare a report of the 5992
valuation. The report shall include all of the following: 5993

(1) A summary of the benefit provisions evaluated; 5994

(2) A summary of the census data and financial information 5995
used in the valuation; 5996

(3) A description of the actuarial assumptions, actuarial 5997
cost method, and asset valuation method used in the valuation, 5998
including a statement of the assumed rate of payroll growth and 5999
assumed rate of growth or decline in the number of members 6000
contributing to the retirement system; 6001

(4) A summary of findings that includes a statement of the 6002
actuarial accrued pension liabilities and unfunded actuarial 6003
accrued pension liabilities; 6004

(5) A schedule showing the effect of any changes in the 6005
benefit provisions, actuarial assumptions, or cost methods since 6006
the last annual actuarial valuation; 6007

(6) A statement of whether contributions to the retirement 6008
system are expected to be sufficient to satisfy the funding 6009
objectives established by the board. 6010

The board shall submit the report to the Ohio retirement study council, the director of budget and management, and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation immediately upon its availability and not later than the first day of ~~July~~ September following the year for which the valuation was made.

(B) At such times as the state highway patrol retirement board determines, and at least once in each five-year period ~~after January 1, 1966~~, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the mortality, service, and other experience of the members, retirants, and beneficiaries to update the actuarial assumptions used in the actuarial valuation required by division (A) of this section. The actuary shall prepare a report of the actuarial investigation. The report shall be prepared and any recommended changes in actuarial assumptions shall be made in accordance with the actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries. The report shall include all of the following:

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

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

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

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

The board shall submit the report to the Ohio retirement study council and the standing committees of the house of

representatives and the senate with primary responsibility for 6042
retirement legislation not later than the first day of November 6043
following the last fiscal year of the period the report covers. 6044

(C) The board may at any time request the actuary to make any 6045
studies or actuarial valuations to determine the adequacy of the 6046
rates of contributions provided by section 5505.15 of the Revised 6047
Code. 6048

(D) The board shall have prepared by or under the supervision 6049
of an actuary an actuarial analysis of any introduced legislation 6050
expected to have a measurable financial impact on the retirement 6051
system. The actuarial analysis shall be completed in accordance 6052
with the actuarial standards of practice promulgated by the 6053
actuarial standards board of the American academy of actuaries. 6054
The actuary shall prepare a report of the actuarial analysis, 6055
which shall include all of the following: 6056

(1) A summary of the statutory changes that are being 6057
evaluated; 6058

(2) A description of or reference to the actuarial 6059
assumptions and actuarial cost method used in the report; 6060

(3) A description of the participant group or groups included 6061
in the report; 6062

(4) A statement of the financial impact of the legislation, 6063
including the resulting increase, if any, in the employer normal 6064
cost percentage; the increase, if any, in actuarial accrued 6065
liabilities; and the per cent of payroll that would be required to 6066
amortize the increase in actuarial accrued liabilities as a level 6067
per cent of covered payroll for all active members over a period 6068
not to exceed thirty years; 6069

(5) A statement of whether the scheduled contributions to the 6070
system after the proposed change is enacted are expected to be 6071
sufficient to satisfy the funding objectives established by the 6072

board. 6073

Not later than sixty days from the date of introduction of 6074
the legislation, the board shall submit a copy of the actuarial 6075
analysis to the legislative service commission, the standing 6076
committees of the house of representatives and the senate with 6077
primary responsibility for retirement legislation, and the Ohio 6078
retirement study council. 6079

(E) The board shall have prepared annually a report giving a 6080
full accounting of the revenues and costs relating to the 6081
provision of benefits under section 5505.28 of the Revised Code. 6082
The report shall be made ~~as of December 31, 1997, and not later~~ 6083
than the thirty-first day of December of each year ~~thereafter~~. The 6084
report shall include the following: 6085

(1) A description of the statutory authority for the benefits 6086
provided; 6087

(2) A summary of the benefits; 6088

(3) A summary of the eligibility requirements for the 6089
benefits; 6090

(4) A statement of the number of participants eligible for 6091
the benefits; 6092

(5) A description of the accounting, asset valuation, and 6093
funding method used to provide the benefits; 6094

(6) A statement of the net assets available for the provision 6095
of the benefits as of the last day of the fiscal year; 6096

(7) A statement of any changes in the net assets available 6097
for the provision of benefits, including participant and employer 6098
contributions, net investment income, administrative expenses, and 6099
benefits provided to participants, as of the last day of the 6100
fiscal year; 6101

(8) For the last six consecutive fiscal years, a schedule of 6102

the net assets available for the benefits, the annual cost of 6103
benefits, administrative expenses incurred, and annual employer 6104
contributions allocated for the provision of benefits; 6105

(9) A description of any significant changes that affect the 6106
comparability of the report required under this division; 6107

(10) A statement of the amount paid under division (B) of 6108
section 5505.28 of the Revised Code. 6109

The board shall submit the report to the Ohio retirement 6110
study council, the director of budget and management, and the 6111
standing committees of the house of representatives and the senate 6112
with primary responsibility for retirement legislation immediately 6113
upon its availability and not later than the thirtieth day of June 6114
following the year for which the report was made. 6115

(F) At least once in each five-year period, the board shall 6116
have prepared by or under the supervision of an actuary an 6117
actuarial investigation of the deferred retirement option plan 6118
established under section 5505.50 of the Revised Code. The 6119
investigation shall include an examination of the financial 6120
impact, if any, on the retirement system of offering the plan to 6121
members. 6122

The actuary shall prepare a report of the actuarial 6123
investigation. The report shall include a determination of whether 6124
the plan, as established or modified, has a negative financial 6125
impact on the retirement system and, if so, recommendations on how 6126
to modify the plan to eliminate the negative financial impact. If 6127
the actuarial report indicates that the plan has a negative 6128
financial impact on the retirement system, the board shall modify 6129
the plan. If the board modifies the plan, the rights and 6130
obligations of members who have already elected to participate 6131
shall not be altered. 6132

The state's contributions to the employer accumulation fund 6133

shall not be increased to offset any negative financial impact of 6134
the deferred retirement option plan. 6135

The board may include the actuarial investigation required 6136
under this division as part of the actuarial investigation 6137
required under division (B) of this section. If the report of the 6138
actuarial investigation required by this division is not included 6139
in the report required by division (B) of this section, the board 6140
shall submit the report required by this division to the Ohio 6141
retirement study council and the standing committees of the house 6142
of representatives and the senate with primary responsibility for 6143
retirement legislation not later than the first day of November 6144
following the last fiscal year of the period the report covers. 6145

Sec. 5505.14. Subject to such rules and regulations as the 6146
state highway patrol retirement board adopts, the board shall 6147
issue, upon written request of the member, a certificate 6148
certifying to the aggregate length of all ~~his~~ the member's prior 6149
service as a state highway patrol employee. ~~In no event shall~~ 6150
~~service be computed prior to November 15, 1933.~~ 6151

Sec. 5505.15. (A)~~(1)~~ A member of the state highway patrol 6152
retirement system shall contribute a certain percentage of the 6153
member's annual salary to the state highway patrol retirement 6154
fund. The percentage shall be not less than ten per cent of the 6155
member's annual salary but not more than fourteen per cent. The 6156
state highway patrol retirement board shall establish and may 6157
adjust the rate as it considers necessary to meet the amortization 6158
period requirement of section 5505.121 of the Revised Code. The 6159
board shall base its determination of the necessary rate on the 6160
annual actuarial valuation required by section 5505.12 of the 6161
Revised Code. The amount shall be deducted by the employer from 6162
the employee's salary for each payroll period. 6163

~~(2) The total contributions arising from deductions made 6164
prior to January 1, 1966, from the salaries of members in the 6165
employ of the state highway patrol and standing to the credit of 6166
their individual accounts in the retirement fund shall be 6167
transferred and credited to their respective individual accounts 6168
in the employees' savings fund. 6169~~

(B) The state shall annually pay into the employer 6170
accumulation fund, in monthly or less frequent installments as the 6171
state highway patrol retirement board requires, the employer 6172
contribution. The employer contribution shall be an amount equal 6173
to twenty-six and one-half per cent of the total salaries paid 6174
contributing members. If a member severs connection with the 6175
patrol or is dismissed, the employer contribution shall remain in 6176
the retirement system. 6177

The rate percentage of the employer contribution shall be 6178
certified by the board to the director of budget and management 6179
and shall not be lower than nine per cent of the total salaries 6180
paid contributing members and shall not exceed three times the 6181
rate percentage being deducted from the annual salaries of 6182
contributing members. The board shall prepare and submit to the 6183
director, on or before the first day of November of each 6184
even-numbered year, an estimate of the amounts necessary to pay 6185
the state's obligations accruing during the biennium beginning the 6186
first day of July of the following year. Such amounts shall be 6187
included in the budget and allocated as certified by the board. 6188

Sec. 5505.16. (A) A member of the state highway patrol 6189
retirement system who has ~~been in the service of the state highway~~ 6190
~~patrol for a period of~~ twenty-five years as an employee of service 6191
credit according to the rules adopted by the state highway patrol 6192
retirement board may make application for a pension which, if the 6193
member is under age forty-eight, shall be deferred until age 6194

forty-eight. 6195

(B) A member ~~of the retirement system~~ who has been in the 6196
~~service of the highway patrol for a period of~~ twenty years as an 6197
~~employee~~ of service credit according to the rules adopted by the 6198
retirement board, may make application for a pension that, if the 6199
member is under age fifty-two, shall be deferred until age 6200
fifty-two, except that any such member who has attained twenty 6201
years of service may, on or after attaining age forty-eight but 6202
before attaining age fifty-two, elect to receive a reduced pension 6203
of the greater of nine hundred dollars or an amount computed as 6204
follows: 6205

Attained Age	Reduced Pension	
48	75% of normal service pension	6207
49	80% of normal service pension	6208
50	86% of normal service pension	6209
51	93% of normal service pension	6210

In the case of a member who elects to receive a reduced 6211
pension after attaining age forty-eight, the reduced pension is 6212
payable from the later of the date of the member's most recent 6213
birthday or the date the member becomes eligible to receive the 6214
reduced pension. 6215

A member who has elected to receive a reduced pension in 6216
accordance with the schedule provided in this division and has 6217
received a payment in connection therewith may not change the 6218
election. 6219

(C) Any member who attains the age of sixty years and has 6220
~~been in the service of the patrol for a period of~~ twenty years as 6221
~~a uniformed patrol officer~~ of service credit according to the 6222
rules adopted by the board, shall file application for retirement 6223
with the board, and if the member refuses or neglects to do so, 6224
the board may deem the member's application to have been filed on 6225
the member's sixtieth birthday. The member may, upon written 6226

application approved by the superintendent of the state highway patrol, be continued in service after attaining the age of sixty years, but only until the member has accumulated twenty years of service credit in accordance with rules adopted by the board.

(D)(1) As used in this division:

(a) "Service in the uniformed services" means the performance of duty on a voluntary or involuntary basis in a uniformed service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time national guard duty, and a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty.

(b) "Uniformed services" of the United States includes both:

(i) Army, navy, air force, marine corps, coast guard, or any reserve components of these services; auxiliary corps as established by congress; army nurse corps; navy nurse corps; service as red cross nurse with the army, navy, air force, or hospital service of the United States, or serving full-time with the American red cross in a combat zone; and such other service as is designated by congress as included therein;

(ii) Personnel of the Ohio national guard, the Ohio military reserve, the Ohio naval militia, and the reserve components of the armed forces enumerated in division (D)(1) of this section who are called to active duty pursuant to an executive order issued by the president of the United States or an act of congress.

(2) A member's total service credit may include periods not to exceed a total of seven years, while the member's employment with the state highway patrol is or was interrupted due to service in the uniformed services of the United States. Such military service shall be credited to the member towards total service as

provided by this chapter and to the extent approved by the board, 6258
provided that: 6259

(a) The member is or was honorably discharged from service in 6260
the uniformed services; 6261

(b) The member is or was re-employed by the state highway 6262
patrol within ninety days immediately following termination of 6263
service in the uniformed services; 6264

(c) The member, subject to board rules, pays into the 6265
retirement system to the member's credit in the employees' savings 6266
fund an amount equal to the total contributions the member would 6267
have paid had state highway patrol employment not been so 6268
interrupted. Such payment may be made at any time prior to receipt 6269
of a pension. 6270

(3) If the member meets the requirements of division (D)(2) 6271
of this section, on receipt of contributions from the member, the 6272
state highway patrol shall be billed for the employer contribution 6273
that would have been paid pursuant to section 5505.15 of the 6274
Revised Code if the member had not rendered service in the 6275
uniformed services, subject to board rules. 6276

(4) If under division (D)(2)(c) of this section a member pays 6277
all or any portion of the contributions later than the lesser of 6278
five years or a period that is three times the member's period of 6279
service in the uniformed services beginning from the ~~later of the~~ 6280
member's date of re-employment ~~or October 29, 1996~~, an amount 6281
equal to compound interest at a rate established by the board from 6282
the ~~later of the~~ member's date of re-employment ~~or October 29,~~ 6283
~~1996~~, to the date of payment shall be added to the remaining 6284
amount to be paid by the member to purchase service credit under 6285
this section. 6286

(5) Credit purchased by a member under division (D)(2) of 6287
this section shall be used to determine the member's eligibility 6288

for retirement under this section and section 5505.17 of the Revised Code.

Sec. 5505.17. (A)(1) Upon retirement as provided in section 5505.16 of the Revised Code, a member of the state highway patrol retirement system shall receive a life pension, without guaranty or refund, equal to the greater of one thousand fifty dollars or the sum of two and one-half per cent of the member's final average salary multiplied by the first twenty years of total service credit, plus two and one-quarter per cent of the member's final average salary multiplied by the number of years, and fraction of a year, of total service credit in excess of twenty years but not in excess of twenty-five years, plus two per cent of the member's final average salary multiplied by the number of years, and fraction of a year, in excess of twenty-five years; provided that in no case shall the pension exceed the lesser of seventy-nine and one-quarter per cent of the member's final average salary or the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

(2) A member with fifteen or more years of total service credit, who voluntarily resigns or who is discharged from the state highway patrol for any reason except retirement under this chapter, death, dishonesty, cowardice, intemperate habits, or conviction of a felony, shall receive a pension equal to one and one-half per cent of the member's final average salary multiplied by the number of years, and fraction of a year, of total service credit, except that the pension shall not exceed the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. The pension shall commence at the end of the calendar month in which the application is filed with the retirement board on or after the attainment of age fifty-five years by the applicant. A member who withdraws any part or all of the accumulated contributions from the employees'

savings fund shall thereupon forfeit all rights to a pension 6321
provided for in this division. 6322

(3)(a) A surviving spouse of a deceased member shall receive 6323
a monthly pension, determined as follows, during the spouse's 6324
life: 6325

(i) If at the time of death the member was not eligible to be 6326
granted a pension payable under this section or to elect to 6327
receive a reduced pension payable under section 5505.16 of the 6328
Revised Code, nine hundred dollars; 6329

(ii) If at the time of death the member was eligible to be 6330
granted a pension payable under this section or to elect to 6331
receive a reduced pension payable under section 5505.16 of the 6332
Revised Code, the greater of nine hundred dollars or fifty per 6333
cent of the computed monthly pension the member would have 6334
received had the member been granted a pension under this section 6335
or elected to receive a reduced pension under section 5505.16 of 6336
the Revised Code. 6337

(b) The surviving spouse of a retirant shall receive a 6338
monthly pension, determined as follows, during the spouse's life: 6339

(i) If the retirant had applied for a pension payable under 6340
section 5505.16 of the Revised Code, but at the time of death had 6341
not attained the age of eligibility for the pension, nine hundred 6342
dollars; 6343

(ii) If the retirant had applied for a pension payable under 6344
section 5505.16 of the Revised Code and had attained the age of 6345
eligibility for the pension, but at the time of death had not 6346
elected to begin receiving the pension, the greater of nine 6347
hundred dollars or fifty per cent of the computed monthly pension 6348
the retirant was eligible to receive under section 5505.16 of the 6349
Revised Code; 6350

(iii) If the retirant was receiving a pension under this 6351

section or section 5505.16 or 5505.18 of the Revised Code, or, 6352
regardless of whether or not the retirant had actually received 6353
any payment, if the retirant was eligible to receive a pension 6354
under this section or section 5505.16 or 5505.18 of the Revised 6355
Code and had elected to begin receiving it, the greater of nine 6356
hundred dollars or fifty per cent of the computed monthly pension 6357
awarded the retirant. 6358

(c) If a monthly pension to a surviving spouse was terminated 6359
due to a remarriage, the surviving spouse is eligible to receive a 6360
monthly pension under division (A)(3) of this section effective 6361
the first day of the first month following June 5, 1996. The 6362
pension shall be computed under division (A)(3) of this section as 6363
of June 5, 1996. The pension payable to a person who is the 6364
surviving spouse of more than one state highway patrol retirement 6365
system member or retirant shall be computed on the basis of the 6366
service of the member or retirant to whom the surviving spouse was 6367
most recently married. 6368

(4) A pension of one hundred fifty dollars per month shall be 6369
paid by the system to or for the benefit of each child of a 6370
deceased member or retirant until the child attains the age of 6371
eighteen years or marries, whichever event occurs first, or until 6372
the child attains twenty-three years of age if the child is a 6373
student in and attending an institution of learning or training 6374
pursuant to a program designed to complete in each school year the 6375
equivalent of at least two-thirds of the full-time curriculum 6376
requirements of the institution, as determined by the retirement 6377
board. If any surviving child, regardless of age at the time of 6378
the member's or retirant's death, because of physical or mental 6379
disability, was totally dependent upon the deceased member or 6380
retirant for support at the time of death, a pension of one 6381
hundred fifty dollars per month shall be paid by the system to or 6382
for the benefit of the child during the child's natural life or 6383

until the child recovers from the disability. 6384

(5)(a) If a retirant died prior to June 6, 1988, and the 6385
surviving spouse was not married to the retirant while the 6386
retirant was in the active service of the patrol, the surviving 6387
spouse shall receive a pension of the greater of four hundred 6388
twenty-five dollars per month or fifty per cent of the computed 6389
monthly pension the retirant was receiving. 6390

(b) If the pension payable to a person receiving a pension 6391
under division (A)(5)(a) of this section on ~~the effective date of~~ 6392
~~this amendment~~ June 30, 2000, is less than nine hundred dollars 6393
per month, the pension shall be increased to nine hundred dollars 6394
per month. 6395

~~(6)(a) If the pension payable to the surviving spouse of a 6396
deceased member or retirant under division (A)(3) of this section 6397
on the effective date of this amendment is less than nine hundred 6398
dollars per month, the pension shall be increased to nine hundred 6399
dollars per month. 6400~~

~~(b) The pension payable to a child of a deceased member or 6401
retirant who is receiving a pension under division (A)(4) of this 6402
section on June 5, 1996, shall be increased to one hundred fifty 6403
dollars per month. 6404~~

~~(7) If a deceased member or retirant leaves no spouse or 6405
surviving children, but leaves two parents depending solely upon 6406
the deceased member or retirant for support, each parent shall be 6407
paid a monthly pension of one hundred fifty-four dollars. If in 6408
such case there is only one parent dependent solely upon the 6409
deceased member or retirant for support, such parent shall be paid 6410
a monthly pension of one hundred fifty-four dollars. Such pension 6411
shall be paid during the life of the surviving parents, or until 6412
dependency ceases, or until remarriage, whichever event occurs 6413
first. 6414~~

~~(8)~~(7) Any amount remaining as accumulated contributions at 6415
the time of death of a ~~member or~~ retirant who leaves no surviving 6416
spouse or dependent children or parents shall be paid to the 6417
estate of the ~~member or~~ retirant. 6418

~~(9)~~(8) The ~~increases~~ increase provided for by ~~divisions~~ 6419
division (A)(5) and ~~(A)(6)(a)~~ of this section shall be included in 6420
the calculation of the additional benefit paid under section 6421
5505.174 of the Revised Code. 6422

(B) The board shall adopt, and may amend or rescind, the 6423
necessary rules for the administration of this section and all 6424
decisions of the board shall be final. Any payment of a pension or 6425
benefit under this section is subject to the provisions of section 6426
5505.26 of the Revised Code. 6427

(C) A member's total service credit may include periods 6428
during which the member's employment with the state highway patrol 6429
is interrupted by a leave of absence, when requested by the 6430
governor, to accept employment with another agency of the state, 6431
provided that: 6432

(1) The member is reemployed by the state highway patrol 6433
within thirty days following termination of such other employment; 6434

(2) The member pays into the retirement system, to the credit 6435
of the employees' savings fund, an amount equal to the total 6436
contributions the member would have paid had the state highway 6437
patrol employment not been so interrupted. Such repayment shall 6438
begin within ninety days after the member's return to duty with 6439
the state highway patrol and be completed within a period equal to 6440
that of the leave of absence. 6441

(D) Service credits granted under division (C) of this 6442
section shall not include any duplications of credits for which a 6443
pension is payable by the public employees retirement system. 6444

Sec. 5505.174. (A) Eligibility for an increase under this 6445
section shall be determined as follows: 6446

(1) For a person whose pension effective date is prior to ~~the~~ 6447
~~effective date of this amendment~~ January 7, 2013, an "eligible 6448
person" is one of the following: 6449

(a) A person fifty-three years old or older who has been 6450
receiving a pension pursuant to division (B) of section 5505.16, 6451
division (A)(1) of section 5505.17, or division (B) of section 6452
5505.18 of the Revised Code for not less than twelve months; 6453

(b) A person who has been receiving a pension pursuant to 6454
division (B) of section 5505.18 of the Revised Code for not less 6455
than sixty months regardless of age; 6456

(c) A person who has been receiving a pension pursuant to 6457
section 5505.162 or division (A)(3), (4), (5), or (6), ~~or~~ (7) of 6458
section 5505.17 of the Revised Code for not less than twelve 6459
months regardless of age. 6460

(2) For a person whose pension effective date is on or after 6461
~~the effective date of this amendment~~ January 7, 2013, an "eligible 6462
person" is a person who is sixty years old or older who has been 6463
receiving a pension pursuant to division (B) of section 5505.16, 6464
section 5505.162, division (A)(1), (3), (4), (5), or (6), ~~or~~ (7) 6465
of section 5505.17, or division (B) of section 5505.18 of the 6466
Revised Code for not less than twelve months. 6467

(B)(1) Except as otherwise provided in this section, the 6468
state highway patrol retirement board shall annually increase 6469
pensions payable to eligible persons under this chapter in 6470
accordance with the following: 6471

(a) For each person sixty-five years of age or older who is 6472
receiving a pension not greater than one hundred eighty-five per 6473
cent of the federal poverty level for a family of two persons, as 6474

revised annually by the United States department of health and 6475
human services in accordance with section 673(2) of the "Omnibus 6476
Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as 6477
amended, the board shall increase the pension by three per cent. 6478

(b) For persons other than those described in division 6479
(B)(1)(a) of this section, the board may increase the pension. Any 6480
increase shall be determined by the board based on compliance with 6481
the amortization period requirement of section 5505.121 of the 6482
Revised Code. The board's determination shall be based on the 6483
annual actuarial valuation required by section 5505.12 of the 6484
Revised Code. If the board determines that an increase may be 6485
made, the increase shall not exceed three per cent of the eligible 6486
person's pension. 6487

(2) No increase under this section shall exceed the limit 6488
established by section 415 of the "Internal Revenue Code of 1986," 6489
100 Stat. 2085, 26 U.S.C. 415, as amended. 6490

(3) The date of the first increase paid under this section 6491
shall be the anniversary date for future increases. The pension 6492
used in the first calculation of an increase under this section 6493
shall remain as the base for all future increases paid under this 6494
section, unless a new base is established. 6495

(C) If payment of a portion of a benefit is made to an 6496
alternate payee under section 5505.261 of the Revised Code, 6497
increases under this section granted while the order is in effect 6498
shall be apportioned between the alternate payee and the eligible 6499
person in the same proportion that the amount being paid to the 6500
alternate payee bears to the amount paid to the eligible person. 6501

If payment of a portion of a benefit is made to one or more 6502
beneficiaries under "option 4" under division (A)(4) of section 6503
5505.162 of the Revised Code, each increase under this section 6504
granted while the plan of payment is in effect shall be divided 6505

among the designated beneficiaries in accordance with the portion 6506
each beneficiary has been allocated. 6507

(D) The board shall adopt, and may amend or rescind, any rule 6508
necessary to carry out this section. 6509

Sec. 5505.18. As used in this section, "member" does not 6510
include state highway patrol cadets attending training schools 6511
pursuant to section 5503.05 of the Revised Code. 6512

(A) Upon the application of a member of the state highway 6513
patrol retirement system, a person acting on behalf of a member, 6514
or the superintendent of the state highway patrol on behalf of a 6515
member, a member who becomes totally and permanently incapacitated 6516
for duty in the employ of the state highway patrol may be retired 6517
on disability by the board. 6518

The medical or psychological examination of a member who has 6519
applied for disability retirement shall be conducted by a 6520
competent health-care professional or professionals appointed by 6521
the board. The health-care professional or professionals shall 6522
file a written report with the board containing the following 6523
information: 6524

(1) Whether the member is totally incapacitated for duty in 6525
the employ of the patrol; 6526

(2) Whether the incapacity is expected to be permanent; 6527

(3) The cause of the member's incapacity. 6528

The board shall determine whether the member qualifies for 6529
disability retirement and its decision shall be final. The board 6530
shall consider the written medical or psychological report, 6531
opinions, statements, and other competent evidence in making its 6532
determination. If the incapacity is a result of heart disease or 6533
any cardiovascular disease of a chronic nature, which disease or 6534
any evidence of which was not revealed by the physical examination 6535

passed by the member on entry into the patrol, the member is 6536
presumed to have incurred the disease in the line of duty as a 6537
member of the patrol, unless the contrary is shown by competent 6538
evidence. 6539

(B)(1) Except as provided under division (A) of section 6540
5505.58 of the Revised Code, a member whose retirement on account 6541
of disability incurred in the line of duty shall receive the 6542
applicable pension provided for in section 5505.17 of the Revised 6543
Code, except that if the member has less than twenty-five years of 6544
contributing service, the member's service credit shall be deemed 6545
to be twenty-five years for the purpose of this provision. In no 6546
case shall the member's disability pension be less than sixty-one 6547
and one-quarter per cent or exceed the lesser of seventy-nine and 6548
one-quarter per cent of the member's final average salary or the 6549
limit established by section 415 of the "Internal Revenue Code of 6550
1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. 6551

(2) Except as provided under division (B) of section 5505.58 6552
of the Revised Code, a member whose retirement on account of 6553
disability incurred not in the line of duty shall receive the 6554
applicable pension provided for in section 5505.17 of the Revised 6555
Code, except that if the member has less than twenty years of 6556
contributing service, the member's service credit shall be deemed 6557
to be twenty years for the purpose of this provision. In no case 6558
shall the member's disability pension exceed the lesser of 6559
seventy-nine and one-quarter per cent of the member's final 6560
average salary or the limit established by section 415 of the 6561
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, 6562
as amended. 6563

(C) The state highway patrol retirement board shall adopt 6564
rules requiring a disability ~~pension recipient~~ retirant, as a 6565
condition of continuing to receive a disability pension, to agree 6566
in writing to obtain any medical or psychological treatment 6567

recommended by the board's health-care professional and submit 6568
medical or psychological reports regarding the treatment. If the 6569
board determines that a disability ~~pension recipient~~ retirant is 6570
not obtaining the medical or psychological treatment or the board 6571
does not receive a required medical or psychological report, the 6572
disability pension shall be suspended until the treatment is 6573
obtained, the report is received by the board, or the board's 6574
health-care professional certifies that the treatment is no longer 6575
helpful or advisable. Should the ~~recipient's~~ retirant's failure to 6576
obtain treatment or submit a medical or psychological report 6577
continue for one year, the recipient's right to the disability 6578
~~benefit~~ pension shall be terminated as of the effective date of 6579
the original suspension. 6580

(D) A ~~member placed on a disability pension~~ disability 6581
retirant who has not attained the age of sixty years shall be 6582
subject to an annual medical or psychological re-examination by 6583
health-care professionals appointed by the board, except that the 6584
board may waive the re-examination if the board's health-care 6585
professionals certify that the ~~member's~~ retirant's disability is 6586
ongoing. If any ~~member placed on a disability pension~~ retirant 6587
refuses to submit to a medical or psychological re-examination, 6588
the ~~member's~~ retirant's disability pension shall be suspended 6589
until the ~~member~~ retirant withdraws the refusal. If the refusal 6590
continues for one year, all the ~~member's~~ retirant's rights under 6591
and to the disability pension shall be terminated as of the 6592
effective date of the original suspension. 6593

(E) Each ~~recipient of a disability pension~~ disability 6594
retirant who has not attained the age of sixty years shall file 6595
with the board an annual statement of earnings, current medical or 6596
psychological information on the recipient's condition, and any 6597
other information required in rules adopted by the board. The 6598
board may waive the requirement that a disability ~~benefit~~ 6599

~~recipient~~ retirant file an annual statement of earnings or current 6600
medical or psychological information if the board's health-care 6601
professional certifies that the ~~recipient's~~ retirant's disability 6602
is ongoing. 6603

The board shall annually examine the information submitted by 6604
the ~~recipient~~ retirant. If a ~~recipient~~ retirant refuses to file 6605
the statement or information, the disability pension shall be 6606
suspended until the statement and information are filed. If the 6607
refusal continues for one year, the right to the pension shall be 6608
terminated as of the effective date of the original suspension. 6609

(F)(1) Except as provided in division (F)(2) of this section, 6610
a disability retirant ~~who has been on disability pension, and~~ who 6611
has been physically or psychologically examined and found no 6612
longer incapable of performing the retirant's duties, shall be 6613
restored to the rank the retirant held at the time the retirant 6614
was pensioned and all previous rights shall be restored, including 6615
the retirant's civil service status, and the disability pension 6616
shall terminate. Upon return to employment in the patrol, the 6617
retirant shall again become a contributing member of the 6618
retirement system, the total service at the time of the retirant's 6619
retirement shall be restored to the retirant's credit, and the 6620
retirant shall be given service credit for the period the retirant 6621
was in receipt of a disability pension. The provisions of division 6622
(F)(1) of this section shall be retroactive to September 5, 1941. 6623

(2) The state highway patrol is not required to take action 6624
under division (F)(1) of this section if the retirant was 6625
dismissed or resigned in lieu of dismissal for dishonesty, 6626
misfeasance, malfeasance, or conviction of a felony. 6627

(G) The board may adopt rules to carry out this section, 6628
including rules that specify the types of health-care 6629
professionals the board may appoint for the purpose of this 6630
section. 6631

Sec. 5505.33. (A) As used in this section: 6632

(1) "Long-term care insurance" has the same meaning as in 6633
section 3923.41 of the Revised Code. 6634

(2) "Retirement systems" has the same meaning as in division 6635
(A) of section 145.581 of the Revised Code. 6636

(B) The state highway patrol retirement board ~~shall~~ may 6637
establish a program under which members of the retirement system, 6638
employers on behalf of members, and persons receiving service or 6639
disability pensions or survivor benefits are permitted to 6640
participate in contracts for long-term care insurance. 6641
Participation may include dependents and family members. If a 6642
participant in a contract for long-term care insurance leaves 6643
employment, the person and the person's dependents and family 6644
members may, at their election, continue to participate in a 6645
program established under this section in the same manner as if 6646
the person had not left employment, except that no part of the 6647
cost of the insurance shall be paid by the person's former 6648
employer. Such program may be established independently or jointly 6649
with one or more of the retirement systems. 6650

(C) The board may enter into an agreement with insurance 6651
companies, health insuring corporations, or government agencies 6652
authorized to do business in the state for issuance of a long-term 6653
care insurance policy or contract. However, prior to entering into 6654
such an agreement with an insurance company or health insuring 6655
corporation, the board shall request the superintendent of 6656
insurance to certify the financial condition of the company or 6657
corporation. The board shall not enter into the agreement if, 6658
according to that certification, the company or corporation is 6659
insolvent, is determined by the superintendent to be potentially 6660
unable to fulfill its contractual obligations, or is placed under 6661
an order of rehabilitation or conservation by a court of competent 6662

jurisdiction or under an order of supervision by the 6663
superintendent. 6664

(D) The board ~~shall~~ may adopt rules in accordance with 6665
section 111.15 of the Revised Code governing the program. ~~The~~ Any 6666
rules adopted by the board shall establish methods of payment for 6667
participation under this section, which may include establishment 6668
of a payroll deduction plan under section 5505.203 of the Revised 6669
Code, deduction of the full premium charged from a person's 6670
service or disability pension or survivor benefit, or any other 6671
method of payment considered appropriate by the board. If the 6672
program is established jointly with one or more of the other 6673
retirement systems, the rules also shall establish the terms and 6674
conditions of such joint participation. 6675

Sec. 5505.34. If a person ~~who is a disability benefit~~ 6676
~~recipient or an alternate payee, as defined in section 3105.80 of~~ 6677
~~the Revised Code,~~ is paid any benefit or payment by the state 6678
highway patrol retirement system to which the person is not 6679
entitled, the ~~person shall repay~~ benefit or payment shall be 6680
repaid to the retirement system by the person. If the person fails 6681
to ~~repay~~ make the repayment, the retirement system shall withhold 6682
the amount due from any benefit or payment due the person or the 6683
person's beneficiary or may collect the amount in any other manner 6684
provided by law. 6685

Sec. 5505.59. If a member dies while participating in the 6686
deferred retirement option plan, all of the following apply: 6687

(A) The amounts accrued to the member's benefit shall be paid 6688
to the member's surviving spouse or, if there is no surviving 6689
spouse, the beneficiary designated by the member on a form 6690
provided by the state highway patrol retirement system. If there 6691
is no surviving spouse or designated beneficiary, the amounts 6692

accrued to the member's benefit shall be paid to the member's 6693
estate. 6694

Any payment made under this division shall be made in the 6695
form of a single lump sum payment. 6696

(B) The surviving spouse and, if eligible, each surviving 6697
child, shall receive a pension as described in division 6698
(A)(3)(b)(iii) or (4) of section 5505.17 of the Revised Code, 6699
utilizing the pension amount calculated under section 5505.53 of 6700
the Revised Code. 6701

(C) If the member has no surviving spouse or surviving 6702
children, but has a parent or parents dependent on the member for 6703
support, the parent or parents shall receive a pension determined 6704
under division (A)~~(7)~~(6) of section 5505.17 of the Revised Code. 6705

(D) The lump sum payment described in section 5505.30 of the 6706
Revised Code shall be paid to the member's surviving spouse or, if 6707
there is no surviving spouse, to the member's estate. 6708

Section 2. That existing sections 145.012, 145.09, 145.191, 6709
145.194, 145.28, 145.29, 145.295, 145.297, 145.2914, 145.2915, 6710
145.31, 145.311, 145.33, 145.35, 145.362, 145.363, 145.37, 6711
145.384, 145.391, 145.40, 145.43, 145.431, 145.45, 145.46, 6712
145.563, 145.58, 145.581, 145.584, 145.63, 145.64, 145.82, 145.88, 6713
145.92, 145.95, 171.04, 311.01, 742.53, 742.63, 3307.04, 3307.35, 6714
3307.39, 3307.41, 3307.56, 3307.563, 3307.57, 3307.58, 3307.62, 6715
3307.66, 3307.70, 3307.71, 3307.711, 3307.73, 3309.01, 3309.11, 6716
3309.26, 3309.261, 3309.28, 3309.301, 3309.35, 3309.381, 3309.42, 6717
3309.45, 3309.49, 3309.51, 3309.55, 3309.56, 3309.57, 3309.571, 6718
3309.691, 3309.82, 5505.03, 5505.04, 5505.12, 5505.14, 5505.15, 6719
5505.16, 5505.17, 5505.174, 5505.18, 5505.33, 5505.34, and 5505.59 6720
and sections 145.402, 3307.561, and 3309.43 of the Revised Code 6721
are hereby repealed. 6722

Section 3. Notwithstanding sections 742.03 and 742.04 of the Revised Code, the individual who receives the second highest number of votes in the 2015 election for the two employee member firefighter positions on the Board of Trustees of the Ohio Police and Fire Pension Fund shall serve a term of three years.

Section 4. Section 742.63 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. S.B. 340 and Sub. S.B. 343 of the 129th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.