(123rd General Assembly)
(Substitute House Bill Number 222)

AN ACT

To amend sections 9.82, 124.41, 124.42, 133.03, 133.05, 145.01, 145.012, 145.02, 145.293, 145.295, 145.30, 145.31, 145.38, 145.58, 145.581, 146.01, 154.13, 164.09, 165.08, 166.08, 171.01, 171.03, 171.05, 175.09, 306.09, 306.85, 351.11, 505.38, 709.012, 717.07, 737.15, 737.16, 737.22, 742.01, 742.02, 742.03, 742.04, 742.05, 742.06, 742.07, 742.08, 742.09, 742.10, 742.11, 742.111, 742.112, 742.12, 742.13, 742.14, 742.15, 742.16, 742.22, 742.221, 742.23, 742.24, 742.25, 742.251, 742.26, 742.27, 742.30, 742.301, 742.31, 742.311, 742.32, 742.33, 742.34, 742.35, 742.36, 742.361, 742.362, 742.37, 742.371, 742.372, 742.373, 742.374, 742.375, 742.376, 742.379, 742.3711, 742.3712, 742.3713, 742.3714, 742.3715, 742.3716, 742.3717, 742.3718, 742.3719, 742.38, 742.381, 742.39, 742.40, 742.41, 742.42, 742.43, 742.44, 742.45, 742.46, 742.461, 742.47, 742.48, 742.50, 742.51, 742.511, 742.512, 742.513, 742.514, 742.515, 742.516, 742.52, 742.521, 742.53, 742.55, 742.56, 742.57, 742.58, 742.59, 742.60, 742.61, 742.62, 742.63, 902.10, 1555.08, 1557.03, 2329.66, 2907.15, 2921.41, 3111.20, 3113.21, 3307.28, 3307.32, 3307.33, 3307.381, 3307.412, 3307.74, 3309.26, 3309.31, 3309.341, 3309.351, 3309.69, 3318.26, 3345.12, 3366.04, 3377.11, 3706.14, 3729.01, 3737.947, 4582.44, 4981.15, 4981.19, 5505.161, 5505.201, 5505.28, 5528.54, 5531.10, 5537.08, 5540.06, 5705.19, 5731.09, 5747.071, 6121.15, and 6123.15 of the Revised Code to change the name of the Police and Firemen's Disability and Pension Fund to

the Ohio Police and Fire Pension Fund and the name of the Firemen and Policemen's Death Benefit Fund to the Ohio Public Safety Officers Death Benefit Fund.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 9.82, 124.41, 124.42, 133.03, 133.05, 145.01, 145.012, 145.02, 145.293, 145.295, 145.30, 145.31, 145.38, 145.58, 145.581, 146.01, 154.13, 164.09, 165.08, 166.08, 171.01, 171.03, 171.05, 175.09, 306.09, 306.85, 351.11, 505.38, 709.012, 717.07, 737.15, 737.16, 737.22, 742.01, 742.02, 742.03, 742.04, 742.05, 742.06, 742.07, 742.08, 742.09, 742.10, 742.11, 742.111, 742.112, 742.12, 742.13, 742.14, 742.15, 742.16, 742.22, 742.221, 742.23, 742.24, 742.25, 742.251, 742.26, 742.27, 742.30, 742.301, 742.31, 742.311, 742.32, 742.33, 742.34, 742.35, 742.36, 742.361, 742.362, 742.37, 742.371, 742.372, 742.373, 742.374, 742.375, 742.376, 742.379, 742.3711, 742.3712, 742.3713, 742.3714, 742.3715, 742.3716, 742.3717, 742.3718, 742.3719, 742.38, 742.381, 742.39, 742.40, 742.41, 742.42, 742.43, 742.44, 742.45, 742.46, 742.461, 742.47, 742.48, 742.50, 742.51, 742.511, 742.512, 742.513, 742.514, 742.515, 742.516, 742.52, 742.521, 742.53, 742.55, 742.56, 742.57, 742.58, 742.59, 742.60, 742.61, 742.62, 742.63, 902.10, 1555.08, 1557.03, 2329.66, 2907.15, 2921.41, 3111.20, 3113.21, 3307.28, 3307.32, 3307.33, 3307.381, 3307.412, 3307.74, 3309.26, 3309.31, 3309.341, 3309.351, 3309.69, 3318.26, 3345.12, 3366.04, 3377.11, 3706.14, 3729.01, 3737.947, 4582.44, 4981.15, 4981.19, 5505.161, 5505.201, 5505.28, 5528.54, 5531.10, 5537.08, 5540.06, 5705.19, 5731.09, 5747.071, 6121.15, and 6123.15 of the Revised Code be amended to read as follows:

Sec. 9.82. As used in sections 9.82 to 9.83 of the Revised Code:

(A) "State" means the state of Ohio, including, but not limited to, the general assembly, the supreme court, the offices of all elected state officers, and all departments, boards, offices, commissions, agencies, institutions, and other instrumentalities of the state of Ohio. "State" does not include political subdivisions.

(B) "Political subdivision" means a county, city, village, township, park district, or school district.

(C) "Personal property" means tangible personal property owned, leased, controlled, or possessed by a state agency and includes, but is not limited to, chattels, movable property, merchandise, furniture, goods, livestock, vehicles, watercraft, aircraft, movable machinery, movable tools,

movable equipment, general operating supplies, and media.

(D) "Media" means all active information processing material, including all forms of data, program material, and related engineering specifications employed in any state agency's information processing operation.

(E) "Property" means real and personal property as defined in divisions (C) and (F) of this section and any other property in which the state determines it has an insurable interest.

(F) "Real property" means land or interests in land whose title is vested in the state or that is under the control of the state through a lease purchase agreement, installment purchase, mortgage, lien, or otherwise, and includes, but is not limited to, all buildings, structures, improvements, machinery, equipment, or fixtures erected on, above, or under such land.

(G) "State agency" means every department, bureau, board, commission, office, or other organized body established by the constitution or laws of this state for the exercise of any function of state government, the general assembly, all legislative agencies, the supreme court, and the court of claims. "State agency" does not include any state-supported institutions of higher education, the public employees retirement system, the Ohio police and ~~fireman's disability and~~ fire pension fund, the state teachers retirement system, the school employees retirement system, the state highway patrol retirement system, or the city of Cincinnati retirement system.

Sec. 124.41. No person shall be eligible to receive an original appointment to a police department, as a ~~policeman or policewoman~~ police officer, subject to the civil service laws of this state, unless ~~he~~ the person has reached the age of twenty-one and has, not more than one hundred twenty days prior to the date of such appointment, passed a physical examination, given by a licensed physician, certifying that the applicant is free of cardiovascular and pulmonary diseases, and showing that ~~he or she~~ the applicant meets the physical requirements necessary to perform the duties of a ~~policeman or policewoman~~ police officer as established by the civil service commission having jurisdiction over the appointment. The appointing authority shall, prior to making any such appointment, file with the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the report or findings of the licensed physician. The professional fee for such physical examination shall be paid by the civil service commission. Except as otherwise provided in this section, no person is eligible to receive an original appointment when ~~he~~ the person is thirty-five years of age or older, and no person can be declared disqualified as over age prior to that time. The maximum age limitation established by this section does not apply to a city in which an ordinance establishes a different maximum age limitation

for an original appointment to the police department or to a civil service township in which a resolution adopted by the board of trustees of the township establishes a different maximum age limitation for an original appointment to the police department.

Nothing in this section shall prevent a municipal corporation or a civil service township from establishing a police cadet program and employing persons as police cadets at age eighteen for the purposes of training persons to become ~~policemen and policewomen~~ police officers. The board of trustees of a civil service township may establish by resolution such a cadet program. A person participating in a municipal or township police cadet program shall not be permitted to carry or use any firearm in the performance of ~~his~~ the person's duties, except that ~~he~~ the person may be taught the proper use of firearms as part of ~~his~~ the person's training.

Sec. 124.42. No person shall be eligible to receive an original appointment as ~~fireman~~ a firefighter in a fire department, subject to the civil service laws of this state, unless ~~he~~ the person has reached the age of eighteen and has, not more than one hundred twenty days prior to receiving such appointment, passed a physical examination, given by a licensed physician, certifying that the applicant is free of cardiovascular and pulmonary diseases, and showing that ~~he~~ the person meets the physical requirements necessary to perform the duties of a ~~fireman~~ firefighter as established by the civil service commission having jurisdiction over the appointment. The appointing authority shall, prior to making any such appointment, file with the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the report or findings of said licensed physician. The professional fee for such physical examination shall be paid by the civil service commission. No person shall be eligible to receive an original appointment on and after ~~his~~ the person's thirty-first birthday.

Notwithstanding this section, a municipal council may enact an ordinance providing that a person between the age of eighteen and thirty-six may receive an original appointment to the fire department, or the board of trustees of a civil service township may do so by resolution. Nothing in this section shall prevent a municipal corporation or civil service township from establishing a fire cadet program and employing persons as fire cadets at age eighteen for the purpose of training persons to become ~~fire fighters~~ firefighters. The board of trustees of a civil service township may establish by resolution such a cadet program. A person participating in a municipal or township fire cadet program shall not be permitted to carry or use any firearm in the performance of ~~his~~ the person's duties.

Sec. 133.03. (A) Chapter 133. securities are:

(1) Lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the state, subdivisions, and taxing districts, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers, public employees, and school employees retirement systems, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant to those provisions by any agency of the state with respect to investments by them;

(2) Eligible as security for the repayment of the deposit of public moneys.

(B) Section 9.96 of the Revised Code applies to Chapter 133. securities notwithstanding any other provision in this chapter.

(C) A subdivision may enter into an agreement with an agency, including a commission, officer, board, authority, or other instrumentality, of the state or of the federal government for the issuance and sale of Chapter 133. securities to that agency for purposes for which the subdivision is otherwise authorized to issue those securities, and may issue and sell those securities under procedures and having terms, other than those provided in other sections of this chapter, that comply with that agreement and the rules of that agency.

(D) A subdivision may not issue securities for the purpose of paying current expenses except for securities authorized to be issued for that purpose by this chapter or other laws.

(E) The purpose of Chapter 133. securities may be stated in general terms, such as "street improvements," or "park improvements," or "extension and improvement of the waterworks system," or "school improvements." Any legislation submitting to the electors the question of issuing securities and the published notice of that election, and the legislation specifically authorizing securities, shall generally identify the permanent improvements included in the purpose.

(F) Securities issued pursuant to section 133.13 of the Revised Code may include amounts to pay financing costs relating to those securities.

(G) As used in this chapter, with respect to public obligations:

(1) "Principal amount" means the aggregate of the amount as stated or provided for in the legislation authorizing the public obligations as the amount on which interest or interest equivalent is initially calculated.

(2) "Principal payments" means the payments of or on account of the

principal amount as defined in division (G)(1) of this section.

(H) Interest or interest equivalent on public obligations may be paid or compounded at such time as shall be provided in the legislation authorizing the public obligations.

Sec. 133.05. (A) A municipal corporation shall not incur net indebtedness that exceeds an amount equal to ten and one-half per cent of its tax valuation, or incur without a vote of the electors net indebtedness that exceeds an amount equal to five and one-half per cent of that tax valuation.

(B) In calculating the net indebtedness of a municipal corporation, none of the following securities shall be considered:

(1) Self-supporting securities issued for any purposes including, without limitation, any of the following general purposes:

(a) Water systems or facilities;

(b) Sanitary sewerage systems or facilities, or surface and storm water drainage and sewerage systems or facilities, or a combination of those systems or facilities;

(c) Electric plants and facilities and steam or cogeneration facilities that generate or supply electricity, or steam and electrical or steam distribution systems and lines;

(d) Airports or landing fields or facilities;

(e) Railroads, rapid transit, and other mass transit systems;

(f) Off-street parking lots, facilities, or buildings, or on-street parking facilities, or any combination of off-street and on-street parking facilities;

(g) Facilities for the care or treatment of the sick or infirm, and for housing the persons providing such care or treatment and their families;

(h) Solid waste or hazardous waste collection or disposal facilities, or resource recovery and solid or hazardous waste recycling facilities, or any combination of those facilities;

(i) Urban redevelopment projects;

(j) Recreational, sports, convention, auditorium, museum, trade show, and other public attraction facilities;

(k) Facilities for natural resources exploration, development, recovery, use, and sale;

(l) Correctional and detention facilities, including multicounty-municipal jails, and related rehabilitation facilities.

(2) Securities issued for the purpose of purchasing, constructing, improving, or extending water or sanitary or surface and storm water sewerage systems or facilities, or a combination of those systems or facilities, to the extent that an agreement entered into with another subdivision requires the other subdivision to pay to the municipal

n amounts equivalent to debt charges on the securities;

(3) Securities issued under order of the director of health or director of environmental protection under section 6109.18 of the Revised Code;

(4) Securities issued under Section 3, 10, or 12 of Article XVIII, Ohio Constitution;

(5) Securities that are not general obligations of the municipal corporation;

(6) Voted securities issued for the purposes of urban redevelopment to the extent that their principal amount does not exceed an amount equal to two per cent of the tax valuation of the municipal corporation;

(7) Unvoted general obligation securities to the extent that the legislation authorizing them includes covenants to appropriate annually from lawfully available municipal income taxes or other municipal excises or taxes, including taxes referred to in section 701.06 of the Revised Code but not including ad valorem property taxes, and to continue to levy and collect those municipal income taxes or other applicable excises or taxes in, amounts necessary to meet the debt charges on those securities, which covenants are hereby authorized;

(8) Self-supporting securities issued prior to July 1, 1977, under this chapter for the purpose of municipal university residence halls to the extent that revenues of the successor state university allocated to debt charges on those securities, from sources other than municipal excises and taxes, are sufficient to pay those debt charges;

(9) Securities issued for the purpose of acquiring or constructing roads, highways, bridges, or viaducts, for the purpose of acquiring or making other highway permanent improvements, or for the purpose of procuring and maintaining computer systems for the office of the clerk of the municipal court to the extent that the legislation authorizing the issuance of the securities includes a covenant to appropriate from money distributed to the municipal corporation pursuant to Chapter 4501., 4503., 4504., or 5735. of the Revised Code a sufficient amount to cover debt charges on and financing costs relating to the securities as they become due;

(10) Securities issued for the purpose of providing some or all of the funds required to satisfy the municipal corporation's obligation under an agreement with the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund under section 742.30 of the Revised Code~~.~~;

(11) Securities issued for the acquisition, construction, equipping, and improving of a municipal educational and cultural facility under division (B)(2) of section 307.672 of the Revised Code;

(12) Securities issued for energy conservation measures under section

717.02 of the Revised Code.;

(13) Securities that are obligations issued to pay costs of a sports facility under section 307.673 of the Revised Code.

(C) In calculating the net indebtedness of a municipal corporation, no obligation incurred under division (C) of section 749.08 of the Revised Code shall be considered.

Sec. 145.01. As used in this chapter:

(A) "Public employee" means:

(1) Any person holding an office, not elective, under the state or any county, township, municipal corporation, park district, conservancy district, sanitary district, health district, metropolitan housing authority, state retirement board, Ohio historical society, public library, county law library, union cemetery, joint hospital, institutional commissary, state university, or board, bureau, commission, council, committee, authority, or administrative body as the same are, or have been, created by action of the general assembly or by the legislative authority of any of the units of local government named in division (A)(1) of this section, or employed and paid in whole or in part by the state or any of the authorities named in division (A)(1) of this section in any capacity not covered by section 742.01, 3307.01, 3309.01, or 5505.01 of the Revised Code.

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

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

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

(B) "Member" means any public employee, other than a public employee excluded or exempted from membership in the retirement system by section 145.03, 145.031, 145.032, 145.033, 145.034, 145.035, or 145.38 of the Revised Code. "Member" includes a PERS retirant who becomes a member under division (C)(2) of section 145.38 of the Revised Code.

"Member" also includes a disability benefit recipient.

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

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

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

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

If the board determines that a position of any member in any calendar year prior to January 1, 1935, was a part-time position, the board shall

determine what fractional part of a year's credit shall be allowed by the following formula:

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

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

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

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

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

(F) "Contributor" means any person who has an account in the employees' savings fund created by section 145.23 of the Revised Code.

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

(H)(1) "Total service credit," except as provided in section 145.37 of the Revised Code, means all service credited to a member of the retirement system since last becoming a member, including restored service credit as provided by section 145.31 of the Revised Code; credit purchased under sections 145.293 and 145.299 of the Revised Code; all the member's prior service credit; all the member's military service credit computed as provided in this chapter; all service credit established pursuant to section 145.297 of the Revised Code; and any other service credited under this chapter. In addition, "total service credit" includes any period, not in excess of three years, during which a member was out of service and receiving benefits under Chapters 4121. and 4123. of the Revised Code. For the exclusive purpose of satisfying the service credit requirement and of determining eligibility for benefits under sections 145.32, 145.33, 145.331, 145.35, 145.36, and 145.361 of the Revised Code, "five or more years of total service credit" means sixty or more calendar months of contributing service

in this system.

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

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

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

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

(I) "Regular or current interest" means interest at any rates for the respective funds and accounts as the public employees retirement board may determine from time to time, except as follows:

(1) Subsequent to December 31, 1958, the retirement board shall discontinue the annual crediting of current interest to the individual accounts of contributors. The noncrediting of current interest shall not affect the rate of interest at retirement guaranteed under division (I) of this section.

(2) The rate of interest credited on a contributor's contributions at retirement shall be four per cent per annum, compounded annually, to and including December 31, 1955; three per cent per annum, compounded annually, from January 1, 1956, to and including December 31, 1963; three and one-quarter per cent per annum, compounded annually, from January 1, 1964, to and including December 31, 1969; and thereafter four per cent per annum, compounded annually.

In determining the reserve value for the purpose of computing the amount of the contributor's annuity, the rate of interest used in the annuity

values shall be four per cent per annum, compounded annually, for contributors retiring before October 1, 1956, and after December 31, 1969; three per cent per annum, compounded annually, for contributors retiring between October 1, 1956, and December 31, 1963; and three and one-quarter per cent per annum, compounded annually, for contributors retiring from January 1, 1964, to December 31, 1969. Interest on contributions from contributors within any one calendar year shall begin on the first day of the calendar year next following and shall be computed at the end of each calendar year, except in the case of a contributor who retires before the end of the year.

(J) "Accumulated contributions" means the sum of all amounts credited to a contributor's individual account in the employees' savings fund together with any current interest thereon, but does not include the interest adjustment at retirement.

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

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

(3) For the purpose of calculating benefits payable to a member qualifying for service credit under division (Z) of this section, "final average salary" means the total earnable salary on which contributions were made divided by the total number of years during which contributions were made, including any fraction of a year. If contributions were made for less than twelve months, "final average salary" means the member's total earnable salary.

(L) "Annuity" means payments for life derived from contributions made by a contributor and paid from the annuity and pension reserve fund as provided in this chapter. All annuities shall be paid in twelve equal monthly installments.

(M) "Annuity reserve" means the present value, computed upon the basis of the mortality and other tables adopted by the board, of all payments

to be made on account of any annuity, or benefit in lieu of any annuity, granted to a retirant as provided in this chapter.

(N)(1) "Disability retirement" means retirement as provided in section 145.36 of the Revised Code.

(2) "Disability allowance" means an allowance paid on account of disability under section 145.361 of the Revised Code.

(3) "Disability benefit" means a benefit paid as disability retirement under section 145.36 of the Revised Code, as a disability allowance under section 145.361 of the Revised Code, or as a disability benefit under section 145.37 of the Revised Code.

(4) "Disability benefit recipient" means a member who is receiving a disability benefit.

(O) "Age and service retirement" means retirement as provided in sections 145.32, 145.33, 145.331, 145.34, 145.37, and 145.46 of the Revised Code.

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

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

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

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

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

(c) Allowances paid by the employer for full maintenance, consisting of

housing, laundry, and meals, as certified to the retirement board by the employer or the head of the department that employs the contributor;

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

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

(f) Amounts included pursuant to divisions (K)(3) and (Y) of this section.

(2) "Earnable salary" does not include any of the following:

(a) Fees and commissions, other than those paid under section 507.09 of the Revised Code, paid as sole compensation for personal services and fees and commissions for special services over and above services for which the contributor receives a salary;

(b) Amounts paid by the employer to provide life insurance, sickness, accident, endowment, health, medical, hospital, dental, or surgical coverage, or other insurance for the contributor or the contributor's family, or amounts paid by the employer to the contributor in lieu of providing the insurance;

(c) Incidental benefits, including lodging, food, laundry, parking, or services furnished by the employer, or use of the employer's property or equipment, or amounts paid by the employer to the contributor in lieu of providing the incidental benefits;

(d) Reimbursement for job-related expenses authorized by the employer, including moving and travel expenses and expenses related to professional development;

(e) Payments for accrued~~,~~ but unused sick leave, personal leave, or vacation that are made at any time other than in the year in which the sick leave, personal leave, or vacation was accrued;

(f) Payments made to or on behalf of a contributor that are in excess of the annual compensation that may be taken into account by the retirement system under division (a)(17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401(a)(17), as amended;

(g) Payments made under division (B) or (D) of section 5923.05 of the Revised Code or Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly;

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

following apply:

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

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

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

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

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

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

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

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

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

(V) "Retirant" means any former member who retires and is receiving a monthly allowance as provided in sections 145.32, 145.33, 145.331, 145.34,

and 145.46 of the Revised Code.

(W) "Employer contribution" means the amount paid by an employer as determined by the employer rate including the normal and deficiency contribution rates.

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

(Y) When a member has been elected or appointed to an office, the term of which is two or more years, for which an annual salary is established, and in the event that the salary of the office is increased and the member is denied the additional salary by reason of any constitutional provision prohibiting an increase in salary during a term of office, the member may elect to have the amount of the member's contributions calculated upon the basis of the increased salary for the office. At the member's request, the board shall compute the total additional amount the member would have contributed, or the amount by which each of the member's contributions would have increased, had the member received the increased salary for the office the member holds. If the member elects to have the amount by which the member's contribution would have increased withheld from the member's salary, the member shall notify the employer, and the employer shall make the withholding and transmit it to the retirement system. A member who has not elected to have that amount withheld may elect at any time to make a payment to the retirement system equal to the additional amount the member's contribution would have increased, plus interest on that contribution, compounded annually at a rate established by the board and computed from the date on which the last contribution would have been withheld from the member's salary to the date of payment. A member may make a payment for part of the period for which the increased contribution was not withheld, in which case the interest shall be computed from the date the last contribution would have been withheld for the period for which the payment is made. Upon the payment of the increased contributions as provided in this division, the increased annual salary as provided by law for the office for the period for which the member paid increased contributions thereon shall be used in determining the member's earnable salary for the purpose of computing the member's final average salary.

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

combination of the coverage.

(AA) "Deputy sheriff" means any person who is commissioned and employed as a full-time peace officer by the sheriff of any county, and has been so employed since on or before December 31, 1965, and whose primary duties are to preserve the peace, to protect life and property, and to enforce the laws of this state; any person who is or has been commissioned and employed as a peace officer by the sheriff of any county since January 1, 1966, and who has received a certificate attesting to the person's satisfactory completion of the peace officer training school as required by section 109.77 of the Revised Code and whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state; or any person deputized by the sheriff of any county and employed pursuant to section 2301.12 of the Revised Code as a criminal bailiff or court constable who has received a certificate attesting to the person's satisfactory completion of the peace officer training school as required by section 109.77 of the Revised Code and whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state.

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

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

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

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

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

(EE) "Natural resources law enforcement staff officer" means a full-time employee of the department of natural resources who is designated

a natural resources law enforcement staff officer under section 1501.013 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

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

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

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

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

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

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

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

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

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

(OO) "Special police officer for a mental health institution" means any

person who is designated as such pursuant to section 5119.14 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

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

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

(RR) "Hamilton county municipal court bailiff" means a person appointed by the clerk of courts of the Hamilton county municipal court under division (A)(3) of section 1901.32 of the Revised Code who is employed full-time as a bailiff or deputy bailiff, who has received a certificate attesting to the person's satisfactory completion of the peace officer training school as required by division (C) of section 109.77 of the Revised Code, and whose primary duties are to preserve the peace, to protect life and property, and to enforce the laws of this state.

(SS) Notwithstanding section 2901.01 of the Revised Code, "law enforcement officer" means a sheriff, deputy sheriff, township constable or police officer in a township police department or district, drug agent, department of public safety enforcement agent, natural resources law enforcement staff officer, park officer, forest officer, preserve officer, wildlife officer, state watercraft officer, park district police officer, conservancy district officer, Ohio veterans' home police officer, special police officer for a mental health institution, special police officer for an institution for the mentally retarded and developmentally disabled, state university law enforcement officer, Hamilton county municipal court bailiff, or municipal police officer.

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

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

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

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

(UU) "Actuary" means an individual who satisfies all of the following requirements:

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

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

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

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

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

(2) Who is an emergency employee serving on a temporary basis in case of fire, snow, earthquake, flood, or other similar emergency;

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

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

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

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

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

(b) Any firefighter who was eligible to transfer from the public employees retirement system to the Ohio police and ~~firemen's disability and~~ fire pension fund under section 742.51 or 742.515 of the Revised Code and did not elect to transfer;

(c) Any firefighter who has elected under section 742.516 of the Revised Code to transfer from the Ohio police and ~~firemen's disability and~~ fire pension fund to the public employees retirement system.

(7) Who is a member of the board of health of a city or general health district, which pursuant to sections 3709.051 and 3709.07 of the Revised Code includes a combined health district, and whose compensation for attendance at meetings of the board is set forth in division (B) of section 3709.02 or division (B) of section 3709.05 of the Revised Code, as appropriate;

(8) Who participates in an alternative retirement plan established under

Chapter 3305. of the Revised Code;

(9) Who is a member of the board of directors of a sanitary district established under Chapter 6115. of the Revised Code.

(B) No inmate of a correctional institution operated by the department of rehabilitation and correction, no patient in a hospital for the mentally ill or criminally insane operated by the department of mental health, no resident in an institution for the mentally retarded operated by the department of mental retardation and developmental disabilities, no resident admitted as a patient of the Ohio veterans' home at Sandusky, and no resident of a county home shall be considered as a public employee for the purpose of establishing membership or calculating service credit or benefits under this chapter. Nothing in this division shall be construed to affect any service credit attained by any person who was a public employee before becoming an inmate, patient, or resident at any institution listed in this division, or the payment of any benefit for which such a person or such a person's beneficiaries otherwise would be eligible.

Sec. 145.02. (A) A public employee who, prior to August 20, 1976, was excluded from membership in the public employees retirement system because ~~he~~ the employee was receiving benefits from a municipal retirement system established prior to June 30, 1938, may acquire credit for service rendered by paying into the employees' savings fund an amount determined by applying the member contribution rate in effect at the time of payment to the earnable salary of the member during such period, plus interest on such amount, compounded annually at a rate to be determined by the board, and by paying an equal amount into the employers' accumulation fund. The member may choose to purchase only part of such credit in any one payment, subject to board rule. A public employee who acquires service credit in the manner prescribed in this division shall receive benefits retroactive to the earliest date of ~~his~~ the employee's eligibility for retirement or disability retirement benefits under section 145.33, 145.34, 145.36, or 145.46 of the Revised Code in a single payment.

(B) A public employee who, prior to November 21, 1969, was excluded from membership in the public employees retirement system because ~~he~~ the employee was receiving benefits from a police relief and pension fund, a firemen's relief and pension fund, the Ohio police and ~~firemen's disability and~~ fire pension fund, or the state highway patrol pension fund may acquire service credit for service rendered during such period by paying into the employees' savings fund an amount equal to the amount ~~he~~ the employee would have paid into such fund during such period of service if deductions had been taken on ~~his~~ the employee's earnable salary at the member

contribution rate in effect during such period, plus interest compounded annually on such amount at a rate determined by the board and by paying an equal amount into the employers' accumulation fund. The ~~member~~ employee may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) In the event of death or withdrawal from service, the payment to the employees' savings fund and the employers' accumulation fund for service credit under division (A) or (B) of this section shall be considered as accumulated contributions of the member.

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

(1) Service rendered in another state, and service in any entity operated by the United States government, that, if served in a comparable position in Ohio, would be covered by the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system;

(2) Service for which contributions were made by the member or on ~~his~~ the member's behalf to a municipal retirement system in this state.

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

(B) For each year of service purchased, a member shall pay to the public employees retirement system for credit to ~~his~~ the member's accumulated account an amount equal to ~~his~~ the member's retirement contribution for full-time employment for the first year of Ohio service following termination of the service to be purchased. To this amount shall be added an amount equal to compound interest at a rate established by the public employees retirement board from the date of membership in the public employees retirement system to date of payment. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) A member is ineligible to purchase under this section service for which ~~he~~ the member has obtained credit under section 145.44 of the Revised Code or service that is used in the calculation of any retirement benefit currently being paid or payable in the future to the member under any other retirement program except social security. At the time the credit is purchased the member shall certify on a form furnished by the retirement board that ~~he~~ the member does and will conform to this requirement.

(D) Credit purchased under this section may be combined pursuant to section 145.37 with credit purchased under sections 3307.32 and 3309.31 of the Revised Code, except that not more than an aggregate total of five years' service credit purchased under this section and sections 3307.32 and 3309.31 shall be used in determining retirement eligibility or calculating benefits under section 145.37 of the Revised Code.

Sec. 145.295. (A) A member of the public employees retirement system who has contributions on deposit with, but is no longer contributing to, the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system shall, in computing years of service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or purchased for service in the armed forces of the United States if a transfer to the public employees retirement system is made under this division. At the request of the member, the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system shall transfer to the public employees retirement system, for each year of service, the sum of the following:

(1) An amount equal to the member's payments for service in the armed forces of the United States and accumulated contributions to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system;

(2) An amount equal to the lesser of the employer's contributions to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system or the amount that would have been contributed by the employer for the service had the member been employed by the member's current employer as a member of the public employees retirement system;

(3) Interest, determined as provided in division (G) of this section, on the amounts specified in divisions (A)(1) and (2) of this section for the period from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the transfer is made.

(B) A member of the public employees retirement system who has at least eighteen months of contributing service credit with the public employees retirement system, who is a former member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, and who has received a refund of the member's accumulated contributions to that fund or system shall, in computing years of service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or purchased for service in the armed forces of

the United States if, for each year of service, the public employees retirement system receives the sum of the following:

(1) An amount, which shall be paid by the member, equal to the amount refunded by the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system to the member for that year for accumulated contributions and payments for purchase of credit for service in the armed forces of the United States, with interest on that amount from the date of the refund to the date of the payment;

(2) Interest, which shall be transferred by the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, on the amount refunded to the member that is attributable to the year of service from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the refund was made;

(3) An amount, which shall be transferred by the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, equal to the lesser of the employer's contributions to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system for that year or the amount that would have been contributed by the employer for the year had the member been employed by the member's current employer as a member of the public employees retirement system, with interest on that amount from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date of the transfer.

On receipt of payment from the member, the public employees retirement system shall notify the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system, which, on receipt of the notice, shall make the transfer required by this division. Interest shall be determined as provided in division (G) of this section.

(C) A member of the public employees retirement system who purchased credit under former division (A)(1) of this section, as it existed before August 25, 1995, for service as a member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system may elect to have the amount the member paid for this service credit refunded to the member under this division if the member agrees to repurchase this service credit pursuant to division (B) of this section.

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

A member may choose to purchase only part of the credit the member is eligible to purchase under division (B) of this section in any one payment,

subject to rules of the public employees retirement board. A member is ineligible to purchase or otherwise obtain credit under this section for service to be used in calculation of any retirement benefit currently being paid or payable to the member in the future.

(E) If a member of the public employees retirement system who is not a current contributor elects to receive credit under section 742.379 or 5505.202 of the Revised Code for service for which the member contributed to the retirement system or purchased credit for service in the armed forces of the United States, the retirement system shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system, as applicable, the amount specified in division (D) of section 742.379 or division (B)(2) of section 5505.202 of the Revised Code.

(F) A member of the public employees retirement system who earned service credit in the public employees retirement system for full-time service as a township or municipal police officer and received service credit in the Ohio police and ~~firemen's disability and~~ fire pension fund under section 742.511 or 742.512 of the Revised Code for such service may elect to have the credit restored as public employees retirement system service credit by paying the public employees retirement system an amount equal to the accumulated contributions paid by the member to the Ohio police and ~~firemen's disability and~~ fire pension fund under section 742.511 or 742.512 of the Revised Code. When such an election is made, the Ohio police and ~~firemen's disability and~~ fire pension fund shall transfer to the public employees retirement system the amount previously transferred under section 742.511 or 742.512 of the Revised Code from the public employees retirement system to the Ohio police and ~~firemen's disability and~~ fire pension fund.

(G) Interest charged under this section shall be calculated separately for each year of service credit at the lesser of the actuarial assumption rate for that year of the public employees retirement system or of the fund or retirement system in which the credit was earned. The interest shall be compounded annually.

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

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

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

(b) Personnel of the Ohio national guard and the reserve components of any of the armed forces enumerated in division (A)(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;

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

(2) "State retirement system" means any of the following: the Ohio police and ~~firemen's disability and~~ fire pension fund, public employees retirement system, school employees retirement system, state highway patrol retirement system, or the state teachers retirement system.

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

(C) A member of the public employees retirement system is ineligible to receive service credit under this section for any year of military service credit used in the calculation of any retirement benefit currently being paid to the member or payable in the future under any other retirement program, except social security, or used to obtain service credit pursuant to section 145.301 or 145.302 of the Revised Code. At the time such credit is requested, the member shall certify on a form supplied by the retirement board that the member does and will conform to this requirement. This division does not cancel any military service credit earned prior to March 15, 1979.

Sec. 145.31. Except as provided in this section, a member or former member of the public employees retirement system with at least eighteen months of contributing service credit in this system, the state teachers retirement system, the school employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, or the state highway patrol retirement system, after the withdrawal of contributions and cancellation of service credit in this system, may restore such service credit by redepositing in the employees' savings fund the amount withdrawn, with interest on such amount compounded annually at a rate to be determined by the public employees retirement board from the first day of the month of withdrawal to and including the month of redeposit. The member may choose to purchase only part of such credit in any one payment, subject to board rules. The total payment to restore canceled service credit, plus any interest credited thereto, shall be considered as accumulated contributions of the member. If a former member is eligible to buy the service credit as a member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, the former member is ineligible to restore that service credit under this section.

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

Sec. 145.38. (A) As used in this section:

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

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

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

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

(a) A member or former member of the Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, school employees retirement system, state highway patrol retirement system, or Cincinnati retirement system who is receiving age and service or commuted age and service retirement benefits or a disability benefit from a system of which the person is a member or former member;

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

(B)(1) Subject to this section, a PERS retirant or other system retirant may be employed by a public employer. If so employed, the PERS retirant or other system retirant shall contribute to the public employees retirement system in accordance with section 145.47 of the Revised Code, and the employer shall make contributions in accordance with section 145.48 of the Revised Code.

(2) A public employer that employs a PERS retirant or other system retirant, or enters into a contract for services as an independent contractor with a PERS retirant who was employed by the public employer at the time of the retirant's retirement shall notify the retirement board of the employment or contract not later than the end of the month in which the employment or contract commences. Any overpayment of benefits to a PERS retirant by the retirement system resulting from delay or failure of the employer to give the notice shall be repaid to the retirement system by the employer.

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

(4)(a) A PERS retirant who has received a retirement allowance for less than six months when employment subject to this section commences shall forfeit the retirement allowance for the period that begins on the date the employment commences and ends on the date that is six months after the date on which the retirement allowance commenced. Service and contributions for that period shall not be included in calculation of any

its payable to the PERS retirant and those contributions shall be refunded on the retirant's death or termination of the employment. For purposes of this division, "employment" shall include service for which the retirant or the retirant's employer, or both, have waived any earnable salary for such service.

(b) An other system retirant who has received a retirement allowance or disability benefit for less than two months when employment subject to this section commences shall forfeit the retirement allowance or disability benefit for the period that begins on the date the employment commences and ends on the date that is two months after the date on which the retirement allowance or disability benefit commenced. Service and contributions for that period shall not be included in the calculation of any benefits payable to the other system retirant and those contributions shall be refunded on the retirant's death or termination of the employment.

(5) On receipt of notice from the Ohio police and ~~firemen's disability and~~ fire pension fund, school employees retirement system, or state teachers retirement system of the re-employment of a PERS retirant, the public employees retirement system shall not pay, or if paid, shall recover, the amount to be forfeited by the PERS retirant in accordance with section 742.26, 3307.381, or 3309.341 of the Revised Code.

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

(C)(1) Except as provided in division (C)(4) of this section, a PERS retirant employed pursuant to this section shall elect one of the following:

(a) To receive both compensation for the employment and a retirement allowance;

(b) To receive compensation for the employment and forfeit the pension portion of the retirement allowance.

(2) A PERS retirant who is described in division (C)(4) of this section or elects to forfeit the pension portion of the retirement allowance under division (C)(1)(b) of this section shall become a new member of the public employees retirement system with all the rights, privileges, and obligations of membership, except that the new membership does not include survivor benefits provided pursuant to section 145.45 of the Revised Code. The pension portion of the PERS retirant's retirement allowance shall cease on the first day of the first month following commencement of the employment and shall thereafter be forfeited until the first day of the first month following termination of the employment. The annuity portion of the retirement allowance shall be suspended on the first day of the first month following commencement of the employment and shall thereafter accumulate to the credit of the PERS retirant to be paid in a single payment after termination of the employment. The retirement allowance shall resume on the first day of the first month following termination of the employment. On termination of the employment, the PERS retirant shall elect to receive either a refund of the retirant's contributions to the retirement system during the period of employment subject to this section or a supplemental retirement allowance based on the retirant's contributions and service credit for that period of employment.

(3) Except as provided in division (B)(4) of this section, there shall be no suspension or forfeiture of any portion of the retirement allowance payable to other system retirants or to PERS retirants who make an election under division (C)(1)(a) of this section.

(4) A PERS retirant shall elect division (C)(1)(b) of this section if both of the following apply:

(a) The retirant held elective office in this state, or in any municipal corporation, county, or other subdivision of this state at the time of retirement under Chapter 145. of the Revised Code;

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

(D)(1) On termination of employment under this section, the PERS retirant who makes an election under division (C)(1)(a) of this section or other system retirant may file an application with the public employees retirement system for a benefit under this division, which shall consist of a single life annuity having a reserve equal to the amount of the retirant's accumulated contributions for the period of employment and an equal amount of the employer's contributions. The PERS retirant or other system retirant shall elect either to receive the benefit as a monthly annuity for life

or a lump-sum payment discounted to the present value using the current actuarial assumption rate of interest, except that if the monthly annuity would be less than twenty-five dollars per month, the retirant shall receive a lump-sum payment.

(2) A benefit payable under this division shall commence on the latest of the following:

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

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

(c) If the PERS retirant or other system retirant was previously employed under this section and is receiving or previously received a benefit under this division, completion of a period of twelve months since the effective date of the last benefit under this division.

(3)(a) If a PERS retirant or other system retirant dies while employed in employment subject to this section, a lump-sum payment calculated in accordance with division (D)(1) of this section shall be paid to the retirant's beneficiary under division (G) of this section.

(b) If at the time of death a PERS retirant or other system retirant receiving a monthly annuity 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.

(4)(a) A PERS retirant or other system retirant subject to this division is not a member of the public employees retirement system, does not have any of the rights, privileges, or obligations of membership, except as specified in this section, and, except as specified in division (D)(4)(b) of this section, is not eligible to receive health, medical, hospital, or surgical benefits under section 145.58 of the Revised Code for employment subject to this section. No amount received under this division shall be included in determining an additional benefit under section 145.323 of the Revised Code or any other post-retirement benefit increase.

(b) A PERS retirant who makes an election under division (C)(1)(a) of this section shall receive primary health, medical, hospital, or surgical insurance coverage from the retirant's employer, if the employer provides coverage to other employees performing comparable work. Neither the employer nor the PERS retirant may waive the employer's coverage, except that the PERS retirant may waive the employer's coverage if the retirant has coverage comparable to that provided by the employer from a source other

than the employer or the public employees retirement system. If a claim is made, the employer's coverage shall be the primary coverage and shall pay first. The benefits provided under section 145.58 of the Revised Code shall pay only those medical expenses not paid through the employer's coverage or coverage the PERS retirant receives through a source other than the retirement system.

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

(F) A PERS retirant who performs services for a public employer as an independent contractor pursuant to a contract with the employer shall not make contributions to the public employees retirement system or become a member of the system. Except as provided in division (B)(6) of this section, there shall be no suspension or forfeiture of the retirant's retirement allowance.

(G) A PERS retirant or other system retirant employed under this section may designate one or more persons as beneficiary to receive any benefits payable under 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 retirant's marriage, divorce, marriage dissolution, legal separation, withdrawal of account, birth of a child, or adoption of a child revokes all previous designations. If there is no designated beneficiary, the beneficiary is the beneficiary determined under division (D) of section 145.43 of the Revised Code. If any benefit payable under this section due to the death of a PERS retirant or other system retirant is not claimed by a beneficiary within five years after the death, the amount payable shall be transferred to the income fund and thereafter paid to the beneficiary or the estate of the PERS

retirant or other system retirant on application to the board.

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

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

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

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

(2) The spouse of the former member;

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

(B) The public employees retirement board may enter into agreements with insurance companies, health insuring corporations, or government agencies authorized to do business in the state for issuance of a policy or contract of health, medical, hospital, or surgical benefits, or any combination thereof, for those individuals receiving age and service retirement or a disability or survivor benefit subscribing to the plan, or for PERS retirants employed under section 145.38 of the Revised Code, for coverage of benefits in accordance with division (D)(4)(b) of section 145.38 of the Revised Code. Notwithstanding any other provision of this chapter, the policy or contract may also include coverage for any eligible individual's spouse and dependent children and for any of the individual's sponsored dependents as the board determines appropriate. If all or any portion of the policy or contract premium is to be paid by any individual receiving age and service retirement or a disability or survivor benefit, the individual shall, by written authorization, instruct the board to deduct the premium agreed to be paid by the individual to the company, corporation, or agency.

The board may contract for coverage on the basis of part or all of the cost of the coverage to be paid from appropriate funds of the public employees retirement system. The cost paid from the funds of the system

shall be included in the employer's contribution rate provided by sections 145.48 and 145.51 of the Revised Code. The board may by rule provide coverage to ineligible individuals if the coverage is provided at no cost to the retirement system. The board shall not pay or reimburse the cost for coverage under this section or section 145.325 of the Revised Code for any ineligible individual.

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

(C) If the board provides health, medical, hospital, or surgical benefits through any means other than a health insuring corporation, it shall offer to each individual eligible for the benefits the alternative of receiving benefits through enrollment in a health insuring corporation, if all of the following apply:

(1) The health insuring corporation provides services in the geographical area in which the individual lives;

(2) The eligible individual was receiving health care benefits through a health maintenance organization or a health insuring corporation before retirement;

(3) The rate and coverage provided by the health insuring corporation to eligible individuals is comparable to that currently provided by the board under division (B) of this section. If the rate or coverage provided by the health insuring corporation is not comparable to that currently provided by the board under division (B) of this section, the board may deduct the additional cost from the eligible individual's monthly benefit.

The health insuring corporation shall accept as an enrollee any eligible individual who requests enrollment.

The board shall permit each eligible individual to change from one plan to another at least once a year at a time determined by the board.

(D) The board shall, beginning the month following receipt of satisfactory evidence of the payment for coverage, pay monthly to each recipient of service retirement, or a disability or survivor benefit under the public employees retirement system who is eligible for medical insurance coverage under part B of Title XVIII of "The Social Security Act," 79 Stat. 301 (1965), 42 U.S.C.A. 1395j, as amended, an amount equal to the basic premium for such coverage, except that the board shall make no such payment to any ineligible individual.

(E) The board shall establish by rule requirements for the coordination of any coverage, payment, or benefit provided under this section or section

145.325 of the Revised Code with any similar coverage, payment, or benefit made available to the same individual by the Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system.

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

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

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

(2) "Retirement systems" means the public employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, the state teachers retirement system, the school employees retirement system, and the state highway patrol retirement system.

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

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

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

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

(2) The board shall adopt rules in accordance with section 111.15 of the Revised Code governing the program. The rules shall establish methods of

payment for participation under this section, which may include deduction of the full premium charged from a recipient's pension, benefit, or allowance, or any other method of payment considered appropriate by the board.

(E) Prior to entering into any agreement or contract with an insurance company or health insuring corporation for the purchase of, or participation in, a long-term care insurance policy under this section, the board shall request the superintendent of insurance to certify the financial condition of the company or corporation. The board shall not enter into the agreement or contract if, according to that certification, the company or corporation is insolvent, is determined by the superintendent to be potentially unable to fulfill its contractual obligations, or is placed under an order of rehabilitation or conservation by a court of competent jurisdiction or under an order of supervision by the superintendent.

Sec. 146.01. As used in sections 146.01 to 146.19 of the Revised Code:

(A) "Fire department" means a volunteer fire department, a fire department of a political subdivision or fire district of this state, or a private volunteer company that has elected to participate in the volunteer fire fighters' dependents fund pursuant to section 146.02 of the Revised Code.

(B)(1) "Volunteer ~~fire fighter~~ firefighter" means both of the following, subject to division (B)(2) of this section:

(a) A duly appointed member of a fire department on either a nonpay or part-pay basis who is ineligible to be a member of the Ohio police and ~~firemen's disability and~~ fire pension fund, or whose employment as a ~~fire fighter~~ firefighter does not in itself qualify any such person for membership in the public employees retirement system, or who has waived membership in the public employees retirement system;

(b) ~~Fire fighters~~ Firefighters drafted, requisitioned, or appointed to serve in an emergency.

(2)(a) A volunteer ~~fire fighter~~ firefighter who is a member of the public employees retirement system shall be considered a volunteer ~~fire fighter~~ firefighter for purposes of this chapter, and in particular, for purposes of divisions (A) and (B) of section 146.12 of the Revised Code until ~~he~~ the firefighter has at least one and one-half years of Ohio service credit for purposes of division (B) of section 145.45 of the Revised Code;

(b) A volunteer ~~fire fighter~~ firefighter who is a member of the public employees retirement system shall be considered a volunteer ~~fire fighter~~ firefighter for purposes of this chapter and, in particular, for purposes of division (C) of section 146.12 of the Revised Code until ~~this person~~ the firefighter has at least five years of total service credit for purposes of

sections 145.35 and 145.36 or section 145.361 of the Revised Code.

(C) "Private volunteer fire company" means a company of trained volunteer ~~fire-fighters~~ firefighters having a contract to furnish fire protection or emergency service or both to a political subdivision or fire district of this state.

(D) "Member of the fund" includes a political subdivision or fire district of this state that maintains in whole or in part a volunteer fire department or employs volunteer ~~fire-fighters~~ firefighters, and a private volunteer fire company that has elected to participate in the volunteer fire fighters' dependents fund.

(E) "Dependent" means the surviving spouse or child under eighteen years of age of a volunteer ~~fire-fighter~~ firefighter regardless of financial status.

(F) "Volunteer fire fighters' dependents fund" means the fund established by section 146.07 of the Revised Code.

(G) "Totally and permanently disabled" means that a volunteer ~~fire fighter~~ firefighter is unable to engage in any substantial gainful employment for a period of not less than twelve months by reason of a medically determinable physical impairment that is permanent or presumed to be permanent.

Sec. 154.13. Obligations issued under this chapter are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the ~~public~~ school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code with respect to investments by them, and also are acceptable as security for the deposit of public moneys.

Sec. 164.09. (A) The issuer is authorized to issue and sell, as provided in this section and in amounts from time to time authorized by the general assembly, general obligations of this state for the purpose of financing or assisting in the financing of the costs of public infrastructure capital improvements for local subdivisions. The full faith and credit, revenues, and taxing power of the state are and shall be pledged to the timely payment of bond service charges on outstanding obligations, all in accordance with

Section 2k or 2m of Article VIII, Ohio Constitution and sections 164.09 to 164.12 of the Revised Code, excluding from that pledge fees, excises, or taxes relating to the registration, operation, or use of vehicles on the public highways, or to fuels used for propelling those vehicles, and so long as such obligations are outstanding there shall be levied and collected excises and taxes, excluding those excepted above, in amounts sufficient to pay the bond service charges on such obligations and costs relating to credit facilities.

(B)(1) The total principal amount of obligations issued pursuant to Section 2k of Article VIII, Ohio Constitution shall not exceed one billion two hundred million dollars, and not more than one hundred twenty million dollars in principal amount of obligations may be issued in any calendar year, all determined as provided in sections 164.09 to 164.12 of the Revised Code.

(2) The total principal amount of obligations issued for the purposes of this section pursuant to Section 2m of Article VIII, Ohio Constitution, shall not exceed one billion two hundred million dollars. Not more than one hundred twenty million dollars in principal amount of such obligations, plus the principal amount of such obligations that in any prior fiscal years could have been but were not issued within the one-hundred-twenty-million-dollar fiscal year limit, may be issued in any fiscal year. No obligations shall be issued for the purposes of this section pursuant to Section 2m of Article VIII, Ohio Constitution, until at least one billion one hundred ninety-nine million five hundred thousand dollars aggregate principal amount of obligations have been issued pursuant to Section 2k of Article VIII, Ohio Constitution. The amounts specified under division (B)(2) of this section shall be determined as provided in sections 164.09 to 164.12 of the Revised Code.

(C) Each issue of obligations shall be authorized by order of the issuer. The bond proceedings shall provide for the principal amount or maximum principal amount of obligations of an issue, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding the earlier of thirty years from the date of issuance of the particular obligations or thirty years from the date the debt represented by the particular obligations was originally contracted, the interest rate or rates, the date of and the dates of payment of interest on the obligations, their denominations, and the establishment within or without the state of a place or places of payment of bond service charges. Sections 9.96 and 9.98 to 9.983 of the Revised Code are applicable to the obligations. The purpose of the obligations may be stated in the bond proceedings as "financing or assisting in the financing of local subdivisions capital

improvement projects."

(D) The proceeds of the obligations, except for any portion to be deposited in special funds, or in escrow funds for the purpose of refunding outstanding obligations, all as may be provided in the bond proceedings, shall be deposited to the state capital improvements fund established by section 164.08 of the Revised Code.

(E) The issuer may appoint paying agents, bond registrars, securities depositories, and transfer agents, and may retain the services of financial advisers and accounting experts, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the issuer's judgment to carry out sections 164.01 to 164.12 of the Revised Code. Financing costs are payable, as provided in the bond proceedings, from the proceeds of the obligations, from special funds, or from other moneys available for the purpose.

(F) The bond proceedings, including any trust agreement, may contain additional provisions customary or appropriate to the financing or to the obligations or to particular obligations, including but not limited to:

(1) The redemption of obligations prior to maturity at the option of the state or of the holder or upon the occurrence of certain conditions at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) The form of and other terms of the obligations;

(3) The establishment, deposit, investment, and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this section with respect to particular funds or moneys, and provided that any bank or trust company that acts as a depository of any moneys in special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuer;

(4) Any or every provision of the bond proceedings binding upon the issuer and such state agency or local subdivision, officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(5) The maintenance of each pledge, any trust agreement, or other instrument comprising part of the bond proceedings until the state has fully paid or provided for the payment of the bond service charges on the obligations or met other stated conditions;

(6) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the issuer made as a part of a contract under which the obligations were issued or secured, the enforcement of such payments or agreements by mandamus, suit in equity, action at law, or any combination of the foregoing;

(7) The rights and remedies of the holders of obligations and of the trustee under any trust agreement, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(8) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(9) Provision for the funding, refunding, or advance refunding or other provision for payment of obligations which will then no longer be outstanding for purposes of this section or of the bond proceedings;

(10) Any provision that may be made in bond proceedings or a trust agreement, including provision for amendment of the bond proceedings;

(11) Such other provisions as the issuer determines, including limitations, conditions, or qualifications relating to any of the foregoing;

(12) Any other or additional agreements with the holders of the obligations relating to the obligations or the security for the obligations.

(G) The great seal of the state or a facsimile of that seal may be affixed to or printed on the obligations. The obligations requiring signature by the issuer shall be signed by or bear the facsimile signature of the issuer as provided in the bond proceedings. Any obligations may be signed by the person who, on the date of execution, is the authorized signer although on the date of such obligations such person was not the issuer. In case the person whose signature or a facsimile of whose signature appears on any obligation ceases to be the issuer before delivery of the obligation, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the person had remained the member until such delivery, and in case the seal to be affixed to or printed on obligations has been changed after the seal has been affixed to or a facsimile of the seal has been printed on the obligations, that seal or facsimile seal shall continue to be sufficient as to those obligations and obligations issued in substitution or exchange therefor.

(H) The obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. Obligations may be issued in coupon or in fully registered form, or both, as the issuer determines. Provision may be made for the registration of any obligations with coupons attached as to principal alone or as to both principal and interest, their exchange for

obligations so registered, and for the conversion or reconversion into obligations with coupons attached of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion. Pending preparation of definitive obligations, the issuer may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(I) Obligations may be sold at public sale or at private sale, and at such price at, above, or below par, as determined by the issuer in the bond proceedings.

(J) In the discretion of the issuer, obligations may be secured additionally by a trust agreement between the state and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any trust agreement may contain the order authorizing the issuance of the obligations, any provisions that may be contained in the bond proceedings, and other provisions that are customary or appropriate in an agreement of the type.

(K) Except to the extent that their rights are restricted by the bond proceedings, any holder of obligations, or a trustee under the bond proceedings, may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by the bond proceedings. Such rights include the right to compel the performance of all duties of the issuer and the state. Each duty of the issuer and the issuer's employees, and of each state agency and local public entity and its officers, members, or employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the issuer, and of each such agency, local subdivision, officer, member, or employee having authority to perform such duty, specifically enjoined by the law and resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The persons who are at the time the issuer, or the issuer's employees, are not liable in their personal capacities on any obligations or any agreements of or with the issuer relating to obligations or under the bond proceedings.

(L) The issuer may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued. Such refunding obligations may be issued in amounts sufficient to pay or to provide for payment of the principal amount, including principal amounts maturing prior to the redemption of the remaining obligations, any redemption premium, and interest accrued or to accrue to the maturity or redemption date or dates, payable on the refunded obligations, and related financing costs and any expenses incurred or to be incurred in connection

with such issuance and refunding. Subject to the bond proceedings therefor, the portion of the proceeds of the sale of refunding obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate separate account in the bond service fund and held in trust for the purpose by the commissioners of the sinking fund or by a corporate trustee. Obligations authorized under this division shall be considered to be issued for those purposes for which such prior obligations were issued, and, except as otherwise provided in sections 164.09 to 164.12 of the Revised Code are subject to the provisions of sections 164.09 to 164.12 of the Revised Code pertaining to other obligations.

(M) The issuer may authorize and issue obligations in the form of bond anticipation notes and renew those notes from time to time by the issuance of new notes. The holders of such notes or appertaining interest coupons have the right to have bond service charges on those notes paid solely from the moneys and special funds that are or may be pledged to the payment of bond service charges on those notes, including the proceeds of such bonds or renewal notes, or both, as the issuer provides in the bond proceedings authorizing the notes. Such notes may be additionally secured by covenants of the issuer to the effect that the issuer and the state will do any or all things necessary for the issuance of bonds or renewal notes in appropriate amount, and apply the proceeds thereof to the extent necessary, to make full and timely payment of the principal of and interest on such notes as provided in such bond proceedings. For such purposes, the issuer may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide moneys to pay when due the principal of and interest on such notes. Except as otherwise provided in sections 164.08 to 164.12 of the Revised Code, notes authorized pursuant to this division are subject to sections 164.08 to 164.12 of the Revised Code pertaining to other obligations.

The issuer in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for the bonds anticipated by such notes an estimated schedule of annual principal payments for such bonds over a period of thirty years from the earlier of the date of issuance of the notes or the date of original issuance of prior notes in anticipation of those bonds. While the notes are outstanding there shall be deposited, as shall be provided in the bond proceedings for those notes, from the sources authorized for payment of bond service charges on the bonds, amounts sufficient to pay the principal of the bonds anticipated as set forth in that estimated schedule during the time the notes are outstanding, which amounts shall be used solely to pay the principal of those notes or of the bonds

anticipated.

(N) Refunding or renewal obligations issued pursuant to division (L) or (M) of this section shall not be counted against the limitations on principal amount provided for in divisions (B)(1) and (2) of this section, and shall be in addition to the amount authorized by the general assembly as provided for in division (A) of this section, to the extent the principal amount of those obligations does not exceed the then outstanding principal amount of the obligations to be refunded, renewed, or retired. For purposes of this section only, the principal amount of an obligation issued to refund an outstanding obligation is the amount on which interest or interest equivalent is initially calculated and shall not be deemed to include any premium paid by the initial purchaser of such obligation.

(O) Obligations are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(P) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the issuer only in notes, bonds, or other direct obligations of the United States or of any agency or instrumentality of the United States, in obligations of this state or any political subdivision of this state, in certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions, in the Ohio subdivision's fund established pursuant to section 135.45 of the Revised Code, in no-front-end-load money market mutual funds consisting exclusively of direct obligations of the United States or of an agency or instrumentality of the United States, and in repurchase agreements, including those issued by any fiduciary, secured by direct obligations of the United States or an agency or instrumentality of the United States, and in collective investment funds established in accordance

with section 1111.14 of the Revised Code and consisting exclusively of direct obligations of the United States or of an agency or instrumentality of the United States, notwithstanding division (A)(1)(c) of that section. The income from investments shall be credited to such special funds or otherwise as the issuer determines in the bond proceedings, and the investments may be sold or exchanged at such times as the issuer determines or authorizes.

(Q) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in a special fund shall be disbursed on the order of the issuer, provided that no such order is required for the payment from the bond service fund or other special fund when due of bond service charges or required payments under credit facilities.

(R) The issuer may covenant in the bond proceedings, and any such covenants shall be controlling notwithstanding any other provision of law, that the state and the applicable officers and agencies of the state, including the general assembly, so long as any obligations are outstanding in accordance with their terms, shall maintain statutory authority for and cause to be charged and collected taxes, excises, and other receipts of the state so that the receipts to the bond service fund shall be sufficient in amounts to meet bond service charges and for the establishment and maintenance of any reserves and other requirements, including payment of financing costs, provided for in the bond proceedings.

(S) The obligations, and the transfer of, and the interest and other income from, including any profit made on the sale, transfer, or other disposition of, the obligations shall at all times be free from taxation, direct or indirect, within the state.

(T) Unless a judicial action or proceeding challenging the validity of obligations is commenced by personal service on the treasurer of state prior to the initial delivery of an issue of the obligations, the obligations of that issue and the bond proceedings pertaining to that issue are incontestable and those obligations shall be conclusively considered to be and to have been issued, secured, payable, sold, executed, and delivered, and the bond proceedings relating to them taken, in conformity with law if all of the following apply to the obligations:

(1) They state that they are issued under the provisions of this section and comply on their face with those provisions;

(2) They are issued within the limitations prescribed by this section;

(3) Their purchase price has been paid in full;

(4) They state that all the bond proceedings were held in compliance with law, which statement creates a conclusive presumption that the bond

proceedings were held in compliance with all laws, including section 121.22 of the Revised Code, where applicable, and rules.

Sec. 165.08. Bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the ~~public~~ school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund are also acceptable as security for the deposit of public moneys.

Sec. 166.08. (A) As used in this chapter:

(1) "Bond proceedings" means the resolution, order, trust agreement, indenture, lease, and other agreements, amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing or providing for the terms and conditions applicable to, or providing for the security or liquidity of, obligations issued pursuant to this section, and the provisions contained in such obligations.

(2) "Bond service charges" means principal, including mandatory sinking fund requirements for retirement of obligations, and interest, and redemption premium, if any, required to be paid by the state on obligations.

(3) "Bond service fund" means the applicable fund and accounts therein created for and pledged to the payment of bond service charges, which may be, or may be part of, the economic development bond service fund created by division (S) of this section including all moneys and investments, and earnings from investments, credited and to be credited thereto.

(4) "Issuing authority" means the treasurer of state, or the officer who by law performs the functions of such officer.

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section.

(6) "Pledged receipts" means all receipts of the state representing the gross profit on the sale of spirituous liquor, as referred to in division (B)(4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as in effect on May 2, 1980, to be paid into the state treasury; moneys accruing to the state from the lease, sale, or other

disposition, or use, of project facilities, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; and any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges.

(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the economic development bond service fund created by division (S) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto.

(B) Subject to the limitations provided in section 166.11 of the Revised Code, the issuing authority, upon the certification by the director of development to the issuing authority of the amount of moneys or additional moneys needed in the facilities establishment fund or the loan guarantee fund for the purpose of paying, or making loans for, allowable costs from the facilities establishment fund, or needed for capitalized interest, for funding reserves, and for paying costs and expenses incurred in connection with the issuance, carrying, securing, paying, redeeming, or retirement of the obligations or any obligations refunded thereby, including payment of costs and expenses relating to letters of credit, lines of credit, insurance, put agreements, standby purchase agreements, indexing, marketing, remarketing and administrative arrangements, interest swap or hedging agreements, and any other credit enhancement, liquidity, remarketing, renewal, or refunding arrangements, all of which are authorized by this section, or providing moneys for the loan guarantee fund, as provided in this chapter or needed for the purposes of funds established in accordance with or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 122.561, 122.57, and 122.80 of the Revised Code which are within the authorization of Section 13 of Article VIII, Ohio Constitution, shall issue obligations of the state under this section in the required amount; provided that such obligations may be issued to the extent necessary to satisfy the covenants in contracts of guarantee made under section 166.06 of the Revised Code to issue obligations to meet such guarantees, notwithstanding limitations otherwise applicable to the issuance of obligations under this section. The proceeds of such obligations, except for the portion to be deposited in special funds, including reserve funds, as may be provided in the bond proceedings, shall as provided in the bond proceedings be deposited by the director of development to the facilities establishment fund or the loan guarantee fund

established by section 166.06 of the Revised Code. Bond proceedings for project financing obligations may provide that the proceeds derived from the issuance of such obligations shall be deposited into such fund or funds provided for in the bond proceedings and, to the extent provided for in the bond proceedings, such proceeds shall be deemed to have been deposited into the facilities establishment fund and transferred to such fund or funds. The issuing authority may appoint trustees, paying agents, and transfer agents and may retain the services of financial advisors, accounting experts, and attorneys, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the issuing authority's judgment to carry out this section. The costs of such services are allowable costs payable from the facilities establishment fund.

(C) The holders or owners of such obligations shall have no right to have moneys raised by taxation obligated or pledged, and moneys raised by taxation shall not be obligated or pledged, for the payment of bond service charges. Such holders or owners shall have no rights to payment of bond service charges from any moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, or from payment of the principal of or interest on loans made, or fees charged for guarantees made, or from any money or property received by the director, treasurer of state, or the state under Chapter 122. of the Revised Code, or from any other use of the proceeds of the sale of the obligations, and no such moneys may be used for the payment of bond service charges, except for accrued interest, capitalized interest, and reserves funded from proceeds received upon the sale of the obligations and except as otherwise expressly provided in the applicable bond proceedings pursuant to written directions by the director. The right of such holders and owners to payment of bond service charges is limited to all or that portion of the pledged receipts and those special funds pledged thereto pursuant to the bond proceedings in accordance with this section, and each such obligation shall bear on its face a statement to that effect.

(D) Obligations shall be authorized by resolution or order of the issuing authority and the bond proceedings shall provide for the purpose thereof and the principal amount or amounts, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding twenty-five years from the date of issuance, the interest rate or rates or the maximum interest rate, the date of the obligations and the dates of payment of interest thereon, their denomination, and the establishment within or without the state of a place or places of payment of bond service

charges. Sections 9.98 to 9.983 of the Revised Code are applicable to obligations issued under this section, subject to any applicable limitation under section 166.11 of the Revised Code. The purpose of such obligations may be stated in the bond proceedings in terms describing the general purpose or purposes to be served. The bond proceedings also shall provide, subject to the provisions of any other applicable bond proceedings, for the pledge of all, or such part as the issuing authority may determine, of the pledged receipts and the applicable special fund or funds to the payment of bond service charges, which pledges may be made either prior or subordinate to other expenses, claims, or payments, and may be made to secure the obligations on a parity with obligations theretofore or thereafter issued, if and to the extent provided in the bond proceedings. The pledged receipts and special funds so pledged and thereafter received by the state are immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledges is valid and binding against all parties having claims of any kind against the state or any governmental agency of the state, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created or any certificate, statement or other document with respect thereto; and the pledge of such pledged receipts and special funds is effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation. Every pledge, and every covenant and agreement made with respect thereto, made in the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(E) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at the option of the issuing authority at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;

(5) The deposit, investment and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of

this chapter, with respect to particular funds or moneys, provided that any bank or trust company which acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;

(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision that may be made in a trust agreement or indenture;

(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under section 122.43 or 166.07 of the Revised Code.

(F) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations and any coupons pertaining to obligations shall be signed or bear the facsimile signature of the issuing authority. Any obligations or coupons may be executed by the person who, on the date of execution, is the proper issuing authority although on the date of such bonds or coupons such person was not the issuing authority. If the issuing authority whose signature or a facsimile of whose signature appears on any such obligation or coupon ceases to be the issuing authority before delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the former issuing authority had remained the issuing authority until such delivery; and if the seal to be affixed to obligations has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal shall continue to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(G) All obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the issuing authority determines. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(H) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.

Obligations issued to provide moneys for the loan guarantee fund may, as determined by the issuing authority, be sold at private sale, and without publication of a notice of sale.

(I) Pending preparation of definitive obligations, the issuing authority may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(J) In the discretion of the issuing authority, obligations may be secured additionally by a trust agreement or indenture between the issuing authority and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any such agreement or indenture may contain the resolution or order authorizing the issuance of the obligations, any provisions that may be contained in any bond proceedings, and other provisions which are customary or appropriate in an agreement or indenture of such type, including, but not limited to:

(1) Maintenance of each pledge, trust agreement, indenture, or other instrument comprising part of the bond proceedings until the state has fully paid the bond service charges on the obligations secured thereby, or provision therefor has been made;

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the issuing authority made as a part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

(3) The rights and remedies of the holders of obligations and of the trustee, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(5) Such other provisions as the trustee and the issuing authority agree upon, including limitations, conditions, or qualifications relating to any of the foregoing.

(K) Any holders of obligations or trustees under the bond proceedings, except to the extent that their rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority, the director of development, or the division of liquor control required by this chapter or the bond proceedings; to enjoin unlawful

activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority, the director of development, or the division of liquor control in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the pledged receipts and special funds, other than those in the custody of the treasurer of state, which are pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the issuing authority or the state or governmental agencies of the state to the payment of such principal and interest and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any project facilities.

Each duty of the issuing authority and the issuing authority's officers and employees, and of each governmental agency and its officers, members, or employees, undertaken pursuant to the bond proceedings or any agreement or lease, lease-purchase agreement, or loan made under authority of this chapter, and in every agreement by or with the issuing authority, is hereby established as a duty of the issuing authority, and of each such officer, member, or employee having authority to perform such duty, specifically enjoined by the law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

The person who is at the time the issuing authority, or the issuing authority's officers or employees, are not liable in their personal capacities on any obligations issued by the issuing authority or any agreements of or with the issuing authority.

(L) The issuing authority may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued by the issuing authority. Such obligations may be issued in amounts sufficient for payment of the principal amount of the prior obligations, any redemption premiums thereon, principal maturities of any such obligations maturing prior to the redemption of the remaining obligations on a parity therewith, interest accrued or to accrue to the maturity dates or dates of redemption of such obligations, and any allowable costs including expenses incurred or to be incurred in connection with such issuance and such refunding, funding, and retirement. Subject to the bond

proceedings therefor, the portion of proceeds of the sale of obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate account held by the trustee for such prior or new obligations or to the appropriate account in the bond service fund for such obligations. Obligations authorized under this division shall be deemed to be issued for those purposes for which such prior obligations were issued and are subject to the provisions of this section pertaining to other obligations, except as otherwise provided in this section; provided that, unless otherwise authorized by the general assembly, any limitations imposed by the general assembly pursuant to this section with respect to bond service charges applicable to the prior obligations shall be applicable to the obligations issued under this division to refund, fund, advance refund or retire such prior obligations.

(M) The authority to issue obligations under this section includes authority to issue obligations in the form of bond anticipation notes and to renew the same from time to time by the issuance of new notes. The holders of such notes or interest coupons pertaining thereto shall have a right to be paid solely from the pledged receipts and special funds that may be pledged to the payment of the bonds anticipated, or from the proceeds of such bonds or renewal notes, or both, as the issuing authority provides in the resolution or order authorizing such notes. Such notes may be additionally secured by covenants of the issuing authority to the effect that the issuing authority and the state will do such or all things necessary for the issuance of such bonds or renewal notes in appropriate amount, and apply the proceeds thereof to the extent necessary, to make full payment of the principal of and interest on such notes at the time or times contemplated, as provided in such resolution or order. For such purpose, the issuing authority may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide funds to pay when required the principal of and interest on such notes, notwithstanding any limitations prescribed by or for purposes of this section. Subject to this division, all provisions for and references to obligations in this section are applicable to notes authorized under this division.

The issuing authority in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for such bonds an estimated interest rate and a schedule of principal payments for such bonds and the annual maturity dates thereof, and for purposes of any limitation on bond service charges prescribed under division (A) of section 166.11 of the Revised Code, the amount of bond service charges on such bond anticipation notes is deemed to be the bond service charges for the bonds anticipated thereby as

set forth in the bond proceedings applicable to such notes, but this provision does not modify any authority in this section to pledge receipts and special funds to, and covenant to issue bonds to fund, the payment of principal of and interest and any premium on such notes.

(N) Obligations issued under this section are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firefighters' disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(O) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the issuing authority only in notes, bonds, or other obligations of the United States, or of any agency or instrumentality of the United States, obligations guaranteed as to principal and interest by the United States, obligations of this state or any political subdivision of this state, and certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of banks. If the law or the instrument creating a trust pursuant to division (J) of this section expressly permits investment in direct obligations of the United States or an agency of the United States, unless expressly prohibited by the instrument, such moneys also may be invested in no-front-end-load money market mutual funds consisting exclusively of obligations of the United States or an agency of the United States and in repurchase agreements, including those issued by the fiduciary itself, secured by obligations of the United States or an agency of the United States; and in common trust funds established in accordance with section 1111.20 of the Revised Code and consisting exclusively of any such securities, notwithstanding division (A)(4) of that section. The income from such investments shall be credited to such funds as the issuing authority determines, and such investments may be sold at such times as the issuing authority determines or authorizes.

(P) Provision may be made in the applicable bond proceedings for the

establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges on obligations pertinent to such accounts and bond service fund and for other accounts therein within the general purposes of such fund. Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the several special funds established pursuant to this section shall be disbursed on the order of the treasurer of state, provided that no such order is required for the payment from the bond service fund when due of bond service charges on obligations.

(Q) The issuing authority may pledge all, or such portion as the issuing authority determines, of the pledged receipts to the payment of bond service charges on obligations issued under this section, and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to pledged receipts as authorized by this chapter, which provisions are controlling notwithstanding any other provisions of law pertaining thereto.

(R) The issuing authority may covenant in the bond proceedings, and any such covenants are controlling notwithstanding any other provision of law, that the state and applicable officers and governmental agencies of the state, including the general assembly, so long as any obligations are outstanding, shall:

(1) Maintain statutory authority for and cause to be charged and collected wholesale and retail prices for spirituous liquor sold by the state or its agents so that the pledged receipts are sufficient in amount to meet bond service charges, and the establishment and maintenance of any reserves and other requirements provided for in the bond proceedings, and, as necessary, to meet covenants contained in contracts of guarantee made under section 166.06 of the Revised Code;

(2) Take or permit no action, by statute or otherwise, that would impair the exemption from federal income taxation of the interest on the obligations.

(S) There is hereby created the economic development bond service fund, which shall be in the custody of the treasurer of state but shall be separate and apart from and not a part of the state treasury. All moneys received by or on account of the issuing authority or state agencies and required by the applicable bond proceedings, consistent with this section, to be deposited, transferred, or credited to a bond service fund or the economic development bond service fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be deposited and credited to such fund and to any separate accounts therein, subject to

applicable provisions of the bond proceedings, but without necessity for any act of appropriation. During the period beginning with the date of the first issuance of obligations and continuing during such time as any such obligations are outstanding, and so long as moneys in the pertinent bond service funds are insufficient to pay all bond services charges on such obligations becoming due in each year, a sufficient amount of the gross profit on the sale of spirituous liquor included in pledged receipts are committed and shall be paid to the bond service fund or economic development bond service fund in each year for the purpose of paying the bond service charges becoming due in that year without necessity for further act of appropriation for such purpose and notwithstanding anything to the contrary in Chapter 4301. of the Revised Code. The economic development bond service fund is a trust fund and is hereby pledged to the payment of bond service charges to the extent provided in the applicable bond proceedings, and payment thereof from such fund shall be made or provided for by the treasurer of state in accordance with such bond proceedings without necessity for any act of appropriation.

(T) The obligations, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the state.

Sec. 171.01. There is hereby created the Ohio retirement study council, consisting of fourteen members to be appointed as follows:

(A) Three members of the senate, appointed by the president of the senate, not more than two of whom may be members of the same political party;

(B) Three members of the house of representatives, appointed by the speaker of the house of representatives, not more than two of whom may be members of the same political party;

(C) Three members appointed by the governor, with the advice and consent of the senate, not more than two of whom shall be members of the same political party, one of whom shall represent the state and its employees; one of whom shall represent nonstate governments and their employees; and one of whom shall represent educational employers and their employees. Terms of the existing members appointed by the governor shall not be affected. Terms of office of members appointed by the governor shall be for three years, commencing on the first day of July and ending on the thirtieth day of June. Each member appointed by the governor shall hold office from the date of appointment until the end of the term for which the appointment was made. Any member appointed by the governor to fill a vacancy occurring prior to the expiration of the term for which the member's

predecessor was appointed shall hold office for the remainder of such term. Any member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

(D) Five ex officio members as follows: the executive director of the public employees retirement system, the executive director of the state teachers retirement system, the executive director of the school employees retirement system, the executive secretary of the Ohio police and ~~firemen's disability and~~ fire pension fund, and the secretary of the state highway patrol retirement board, who shall be nonvoting members.

A vacancy on the council shall be filled by the person qualified to make the original appointment for the unexpired term, in the same manner as the original appointment.

The members of the council who are appointed from the membership of the senate and the house of representatives shall serve during their terms as members of the general assembly and until their successors are appointed and qualified, notwithstanding the adjournment of the general assembly of which they are members or the expiration of their terms as members of such general assembly.

Sec. 171.03. The Ohio retirement study council may:

(A) Appoint a director to manage and direct the duties of the staff of the council. The director shall be a person who has had training and experience in areas related to the duties of the council.

(B) Appoint such professional, technical, and clerical employees as are necessary, and employ or hire on a consulting basis such actuarial, legal, investment, or other technical services required for the performance of its duties;

(C) Fix the compensation of the director and all other employees of the council. The employees of the council shall be members of the public employees retirement system~~;~~.

(D) Require the public employees retirement board, the state teachers retirement board, the school employees retirement board, the state highway patrol retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, and any agency or official of this state or its political subdivisions to provide it with any information necessary to carry out its duties;

(E) Administer oaths and hold public hearings at such times and places within the state as may be necessary to accomplish the purposes and intent of Chapter 171. of the Revised Code.

Sec. 171.05. The compensation of all employees of the Ohio retirement

study council and other expenses of the council shall be paid upon vouchers approved by the director and the chairperson of the council.

The public employees retirement system, state teachers retirement system, school employees retirement system, state highway patrol retirement system, and Ohio police and ~~firemen's disability and~~ fire pension fund shall pay the annual expenses of the council. The council shall prepare and submit to the retirement boards on or before the thirtieth day of June of each year an itemized estimate of the amounts necessary to pay the expenses of the council during the following year. Such expenses shall be charged to and paid by each of the retirement systems in the same ratio as the assets of each system, as of the preceding January first, bear to the total assets of all five systems on that date.

The council shall establish policies and procedures for purchasing goods and services on a competitive basis and maintaining tangible personal property. The policies and procedures shall be designed to safeguard the use of funds received by the council. An audit performed under Chapter 117. of the Revised Code shall include a determination of the council's compliance with the policies and procedures.

The council is not subject to Chapters 123., 124., 125., 126., and 127. of the Revised Code.

The treasurer of state shall be the custodian of all funds of the council.

Sec. 175.09. (A) All bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provision of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and are acceptable as security for the deposit of public moneys.

(B) The exercise of the powers granted by this chapter will be in all respects for the benefit of the people of the state, for the improvement of their health, safety, convenience, and economic welfare, and for the enhancement of the opportunities for safe and sanitary housing and is a public purpose. The programs undertaken by the Ohio housing finance

agency constitute the performance of essential public functions, and the bonds issued under this chapter, their transfer, and the income therefrom, including any profit made on the sale thereof, is at all times free from taxation within the state.

Sec. 306.09. (A) The board of county commissioners, on its own initiative if it operates a county transit system or at the request of the county transit board if one is appointed, may issue bonds of the county pursuant to Chapter 133. of the Revised Code, for the purpose of purchasing, acquiring, constructing, enlarging, and improving the county transit system.

(B) The board of county commissioners operating a transit system or a county transit board, with the approval of the county commissioners, may issue revenue bonds of the county for the purpose of purchasing, acquiring, constructing, enlarging, and improving the county transit system. The issuing board shall provide by resolution for the issuance of such bonds. The principal, interest, and all other payments required to be made by any trust agreement or indenture securing such bonds shall be payable, as provided in such resolution, solely from the revenues or other income of the county transit system. Bonds may be issued at one time or from time to time and each issue shall be dated, bear interest, mature at such time or times not exceeding forty years from the date of issue, and be redeemable before maturity at the option of the board at such price or prices and under such terms and conditions as may be provided by the board in its resolution. The board shall determine the form of the bonds and any coupons pertaining thereto, fix their denominations, and establish within or without this state the place or places of payment of principal and interest. The resolution shall determine the method of execution of such bonds, provide for sale of the bonds at public or private sale as the board determines most advantageous and for such prices, above or below the par value thereof, as the board determines or within such limit or limits as it may fix.

Where a transit board is appointed, if any member of the county transit board or officer of the county transit system who has signed bonds or coupons pertaining thereto or caused ~~his~~ the member's or officer's facsimile signature to be affixed thereto ceases to be a member or officer before such bonds or coupons have been delivered, such bonds or coupons may be issued and delivered as though the person who had signed the bonds or coupons or caused ~~his~~ the person's facsimile signature to be affixed thereto had not ceased to be a member or officer. Bonds or coupons may be executed on behalf of the county by a member of the county transit board or officer of the county transit system who is a member or officer on the date of execution, although such person was not a member or officer on the date

of such bonds or coupons.

All bonds issued under authority of this section have all qualities and incidents of negotiable instruments, subject to provisions for registration, and may be issued in coupon or fully registered form, or both, as the board provides. Provision may be made for the registration of any coupon bonds as to principal alone or as to both principal and interest and for the conversion into fully registered bonds of coupon bonds, and into coupon bonds of any fully registered bond or bonds registered as to both principal and interest.

(C) The proceedings authorizing issuance of revenue bonds pursuant to division (B) of this section may contain provisions that shall be a part of the contract with the bondholders as to:

(1) Pledging the rates, revenues, and other income, charges, and moneys therein designated for the payment of the principal of and interest on the bonds and all other payments required to be made by the bond proceedings;

(2) Provisions regarding the purposes to which the proceeds of the bonds may be applied;

(3) Terms of the bonds;

(4) Maintenance, collection, use, and disposition of rates, revenues, and other income, charges, and moneys received from the operation or disposition of the county transit system;

(5) Terms and conditions under which additional bonds may be issued secured by a pledge of rates, revenues, and other income, charges, and moneys received from the operation or disposition of the county transit system;

(6) Terms of any trust agreement or indenture of mortgage securing the bonds, including authorization for the county transit board to enter into such agreement or indenture on behalf of the county and with a corporate trustee which may be any trust company or bank having the powers of a trust company within or without this state;

(7) The deposit, application, safeguarding, and investment of funds of the county transit board or board of county ~~commissioers~~ commissioners received or held under such trust agreement or indenture to which the provisions of Chapters 131. and 135. of the Revised Code are not applicable;

(8) Any other appropriate agreements with the bondholders with respect to the rates, revenues, and other income, charges, and moneys received from the operation or disposition of the county transit system;

(9) Other provisions that are customary or appropriate in an agreement or indenture of such type, including but not limited to:

(a) Mortgage or any real estate or interest therein acquired from the

proceeds of such bonds;

(b) Covenant to maintain each pledge, trust agreement, and indenture of mortgage made for the security of any bonds until the principal of and interest on the bonds has been fully paid, or provision therefor has been made, for the security of which the pledge has been made and the trust agreement or the indenture of mortgage has been given;

(c) In the event of default in any payments required to be made or any other agreement made as a part of the contract under which the bonds are issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver in equity, or, if a mortgage has been given, the foreclosure of such mortgage, or any combination of the foregoing;

(d) The rights and remedies of the bondholders and of the trustee and provisions for protecting and enforcing them, including limitations on rights of individual bondholders;

(e) Such other provisions as the trustee, the original purchaser of the bonds, and the board of county commissioners or county transit board agree upon.

(D) Any holder of bonds issued pursuant to division (B) of this section or a trustee under a trust agreement or indenture of mortgage entered into pursuant to division (C)(6) of this section, except to the extent that their rights are restricted by the bond proceedings or the terms of the bonds, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by the bond proceedings. Such rights include the right:

(1) ~~to~~ To compel the performance of all duties of the county transit board or board of county commissioners required by sections 306.01 to 306.13 of the Revised Code, or the bond proceedings;

(2) ~~to~~ To enjoin unlawful activities;

(3) ~~in~~ In the event of default in the payment of any principal or interest on any bond or in the performance of any covenant or agreement on the part of the county transit board or board of county commissioners in the resolution, trust agreement, or indenture, to apply to a court to appoint a receiver to administer and operate the county transit system, the rates, revenues, and other income, charges, and moneys of which are pledged to the payment of and interest on such bonds, or which are the subject of the covenant or agreement, with full power to pay and to provide for payment of principal and interest on such bonds, and with such powers subject to the direction of the court as are accorded receivers in general equity cases, excluding any power to pledge additional rates, revenues, or other income, charges, or moneys of the county, including those derived from taxation, to

the payment of such principal and interest;

(4) ~~to~~ To foreclose the mortgage on any real estate or interest therein which has been mortgaged, in the same manner as real estate of private corporations.

(E) Bonds issued pursuant to division (B) of section 306.09 and to section 306.10 of the Revised Code are lawful investments of banks, societies for savings, savings and loan associations, deposit guaranty associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, and are acceptable as security for the deposit of public moneys.

Sec. 306.85. Bonds of a regional transit commission are lawful investments of banks, savings banks, mutual savings banks, trust companies, savings and loan associations, deposit guaranty associations, bond retirement funds or sinking funds of municipal corporations, boards of education, regional transit commissions, counties, the administrator of workers' compensation, state teachers retirement system, ~~public~~ school employees retirement system, public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, and domestic insurance companies for life and other than life, and are acceptable as security for the deposit of public moneys.

Sec. 351.11. Convention facilities authority bonds and notes issued under this chapter are lawful investments of banks, societies for savings, trust companies, savings and loan associations, trustees, fiduciaries, trustees or other officers having charge of the bond retirement funds or sinking funds of municipal corporations, boards of education, port authorities, and counties and political subdivisions and taxing districts of this state, the commissioners of the sinking fund of this state, the administrator of workers' compensation, the retirement boards of the state teachers retirement system, the school employees retirement system, the public employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, and of insurance companies, including domestic life insurance companies and domestic insurance companies other than life, and are acceptable as security for the deposit of public moneys.

Sec. 505.38. (A) In each township or fire district that has a fire

department, the head of such department shall be a fire chief, appointed by the board of township trustees, except that in a joint fire district the fire chief shall be appointed by the board of fire district trustees. The board shall provide for the employment of such firefighters as it considers best, and shall fix their compensation. No person shall be appointed as a permanent full-time paid member, whose duties include firefighting, of the fire department of any township or fire district unless such person has received a certificate issued under former section 3303.07 or section 4765.55 of the Revised Code evidencing satisfactory completion of a firefighter training program. Such appointees shall continue in office until removed therefrom as provided by sections 733.35 to 733.39 of the Revised Code. To initiate removal proceedings, and for such purpose, the board shall designate the fire chief or a private citizen to investigate the conduct and prepare the necessary charges in conformity with sections 733.35 to 733.39 of the Revised Code.

In case of the removal of a fire chief or any member of the fire department of a township or district, an appeal may be had from the decision of the board to the court of common pleas of the county in which such township or district fire department is situated, to determine the sufficiency of the cause of removal. Such appeal from the findings of the board shall be taken within ten days.

No person who is appointed as a volunteer firefighter of the fire department of any township or fire district after July 1, 1979, shall remain in such a position unless either of the following applies:

(1) Within one year of the appointment the person has received a certificate issued under former section 3303.07 of the Revised Code or division (C)(1) or (2) of section 4765.55 of the Revised Code evidencing satisfactory completion of a firefighter training program.

(2) The person began serving as a permanent full-time paid firefighter with the fire department of a city or village prior to July 2, 1970, or as a volunteer firefighter with the fire department of a city, village, or other township or fire district prior to July 2, 1979, and receives a certificate issued under division (C)(3) of section 4765.55 of the Revised Code.

No person shall receive an appointment under this section after July 1, 1979, in the case of a volunteer firefighter, unless the person has, not more than sixty days prior to receiving such appointment, passed a physical examination, given by a licensed physician, showing that the person meets the physical requirements necessary to perform the duties of the position to which the person is appointed as established by the board of township trustees having jurisdiction over the appointment. The appointing authority

shall, prior to making any such appointment, file with the Ohio police and ~~firemen's disability and~~ fire pension fund or the local volunteer ~~firemen's~~ fire fighters' dependents fund board a copy of the report or findings of said licensed physician. The professional fee for such physical examination shall be paid for by the board of township trustees.

(B) In each township not having a fire department, the board of trustees shall appoint a fire prevention officer who shall exercise all of the duties of a fire chief except those involving the maintenance and operation of fire apparatus. The board of township trustees may appoint one or more deputy fire prevention officers, who shall exercise the duties assigned by the fire prevention officer.

The board of trustees may fix such compensation for the fire prevention officer and the fire prevention officer's deputies as it considers best. The board of trustees shall appoint each fire prevention officer and deputy for a one-year term. An appointee may be reappointed at the end of a term to another one-year term. Any appointee may be removed from office during a term as provided by sections 733.35 to 733.39 of the Revised Code. The provisions of section 505.45 of the Revised Code extend to such officers.

(C) Division (A) of this section shall not apply to any township having a population of ten thousand or more persons residing within the township and outside of any municipal corporation, which has its own fire department employing ten or more full-time paid employees, and which has a civil service commission established under division (B) of section 124.40 of the Revised Code. Such township shall comply with the procedures for the employment, promotion, and discharge of firefighters provided by Chapter 124. of the Revised Code, except that the board of township trustees of the township may appoint the fire chief, and any person so appointed shall be in the unclassified service under section 124.11 of the Revised Code and shall serve at the pleasure of the board. A person appointed fire chief under these conditions who is removed by the board or who resigns from the position is entitled to return to the classified service in the township fire department, in the position held just prior to the appointment as fire chief. The board of township trustees shall determine the number of personnel required and establish salary schedules and conditions of employment not in conflict with Chapter 124. of the Revised Code. No person shall receive an original appointment as a permanent full-time paid member of the fire department of such a township unless the person has received a certificate issued under former section 3303.07 or section 4765.55 of the Revised Code evidencing the satisfactory completion of a firefighter training program. Persons employed as firefighters in such township on the date a civil service

commission is appointed pursuant to division (B) of section 124.40 of the Revised Code shall, without being required to pass a competitive examination or a firefighter training program, retain their employment and any rank previously granted them by action of the township trustees or otherwise, but such persons are eligible for promotion only by compliance with Chapter 124. of the Revised Code.

Sec. 709.012. When a municipal corporation annexes township territory which results in a reduction of the firefighting force of the township or joint township fire district, the reduction shall be made by dismissal of ~~firemen~~ firefighters in the inverse order of seniority, with the employee with least time of service being dismissed first. The annexing municipal corporation shall offer employment in the inverse order of dismissal by the township to such ~~firemen~~ firefighters if a vacancy exists in the municipal fire department and if they:

(A) Were full-time paid active members of the township or joint township firefighting force for at least six months prior to dismissal and have made application to the municipal corporation within sixty days after the effective date of dismissal;

(B) Have passed a physical examination as prescribed by the physician of the annexing municipal corporation and meet the requirements necessary to perform firefighting duties;

(C) Meet minimum standards of the municipal corporation with respect to moral character, literacy, and ability to understand oral and written instructions as determined by an interview conducted by the fire department of the municipal corporation. The applicant shall be at least twenty-one years of age on the date of ~~his~~ application.

(D) Are able to qualify for membership in the Ohio police and ~~firemen's disability and~~ fire pension fund.

If no vacancy exists in the municipal fire department at the time of the application referred to in division (A) of this section, the application shall be held until a vacancy occurs. When such a vacancy occurs, the applicant shall be entitled to employment in accordance with the requirements of divisions (A), (B), (C), and (D) of this section. So long as any application for employment has been made and is being held under this section, the municipal corporation shall not fill any vacancy in its fire department by original appointment. If there are individuals who are entitled to reinstatement in the municipal fire department and the vacancies therein are insufficient to permit both such reinstatements and employment of all those applying for employment under division (A) of this section, the persons having the greatest length of service, whether with the municipal or

township fire department, shall be entitled to fill the vacancies as they occur.

A person employed under this section, upon ~~his~~ acceptance into the municipal fire department, shall be given the rank of "firefighter" and entitled to full seniority credit for ~~his~~ prior service in the township or joint township fire district. ~~He~~ The person shall be entitled to the same salary, future benefits, vacations, earned time, sick leave, and other rights and privileges as the municipal fire department extends to other employees with the same amount of prior service. ~~He~~ The person may take promotional examinations only after completion of one year of service with the municipal fire department and after meeting any applicable civil service requirements for such examination.

Compliance with this section is in lieu of compliance with section 124.42 of the Revised Code or any other requirements for original appointment to a municipal fire district.

Sec. 717.07. (A) A municipal corporation may enter into an agreement with the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund in accordance with section 742.30 of the Revised Code. The legislative authority of a municipal corporation may issue securities under Section 3 of Article XVIII, Ohio Constitution, or under Chapter 133. of the Revised Code, including Chapter 133. special obligation securities that pledge taxes, other than ad valorem property taxes, or other revenues for the purpose of providing some or all of the funds required to satisfy the municipal corporation's obligation under the agreement.

(B) A municipal corporation may enter into an agreement with one or more other municipal corporations or townships to issue on behalf of those municipal corporations or townships the securities described in division (A) of this section. The agreement may authorize the municipal corporation issuing the securities to appoint one or more fiscal agents to perform any functions necessary to carry out an agreement entered into under this division.

Sec. 737.15. Each village shall have a marshal, designated chief of police, appointed by the mayor with the advice and consent of the legislative authority of the village, who need not be a resident of the village at the time of ~~his~~ appointment but shall become a resident thereof within six months after ~~his~~ appointment by the mayor and confirmation by the legislative authority unless such residence requirement is waived by ordinance, and who shall continue in office until removed therefrom as provided by section 737.171 of the Revised Code.

No person shall receive an appointment under this section after January 1, 1970, unless, not more than sixty days prior to receiving such

tment, ~~he~~ the person has passed a physical examination, given by a licensed physician, showing that ~~he~~ the person meets the physical requirements necessary to perform the duties of village marshal as established by the legislative authority of the village. The appointing authority shall, prior to making any such appointment, file with the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the report or findings of said licensed physician. The professional fee for such physical examination shall be paid for by such legislative authority.

Sec. 737.16. The mayor shall, when provided for by the legislative authority of a village, and subject to its confirmation, appoint all deputy marshals, ~~policemen~~ police officers, night ~~watchmen~~ guards, and special ~~policemen~~ police officers. All such officers shall continue in office until removed therefrom for the cause and in the manner provided by section 737.19 of the Revised Code.

No person shall receive an appointment under this section after January 1, 1970, unless ~~he~~ the person has, not more than sixty days prior to receiving such appointment, passed a physical examination, given by a licensed physician, showing that ~~he~~ the person meets the physical requirements necessary to perform the duties of the position to which ~~he~~ the person is to be appointed as established by the legislative authority of the village. The appointing authority shall, prior to making any such appointment, file with the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the report or findings of said licensed physician. The professional fee for such physical examination shall be paid for by the legislative authority.

Sec. 737.22. (A) Each village establishing a fire department shall have a fire chief as the head thereof, appointed by the mayor with the advice and consent of the legislative authority of the village, who shall continue in office until removed therefrom as provided by sections 733.35 to 733.39 of the Revised Code.

In each village not having a fire department, the mayor shall, with the advice and consent of the legislative authority of the village, appoint a fire prevention officer who shall exercise all of the duties of a fire chief except those involving the maintenance and operation of fire apparatus.

The legislative authority of the village may fix such compensation as it deems best. Such appointee shall continue in office until removed therefrom as provided by such sections. The provisions of section 737.23 of the Revised Code shall extend to such officer.

(B) The legislative authority of the village may provide for the appointment of permanent full-time paid firefighters as it deems best and fix their compensation, or for the services of volunteer firefighters, who shall be

appointed by the mayor with the advice and consent of the legislative authority, and shall continue in office until removed therefrom.

(1) No person shall be appointed as a permanent full-time paid firefighter of a village fire department unless either of the following applies:

(a) The person has received a certificate issued under former section 3303.07 of the Revised Code or division (C)(1) or (2) of section 4765.55 of the Revised Code evidencing satisfactory completion of a firefighter training program;

(b) The person began serving as a permanent full-time paid firefighter with the fire department of a city or other village prior to July 2, 1970, and receives a certificate issued under division (C)(3) of section 4765.55 of the Revised Code.

(2) No person who is appointed as a volunteer firefighter of a village fire department after July 1, 1979, shall remain in such a position, unless either of the following applies:

(a) Within one year of the appointment the person has received a certificate issued under former section 3303.07 or section 4765.55 of the Revised Code evidencing satisfactory completion of a firefighter training program;

(b) The person has served as a permanent full-time paid firefighter with the fire department of a city or other village prior to July 2, 1970, or as a volunteer firefighter with the fire department of a city, township, fire district, or other village prior to July 2, 1979, and receives a certificate issued under division (C)(3) of section 4765.55 of the Revised Code.

(3) No person shall receive an appointment under this section after January 1, 1970, and after July 1, 1979, in the case of a volunteer firefighter, unless the person has, not more than sixty days prior to receiving such appointment, passed a physical examination, given by a licensed physician, showing that the person meets the physical requirements necessary to perform the duties of the position to which the person is to be appointed as established by the legislative authority of the village. The appointing authority shall, prior to making any such appointment, file with the Ohio police and ~~firemen's disability and~~ fire pension fund or the local volunteer ~~firemen's~~ fire fighters' dependents fund board a copy of the report or findings of said licensed physician. The professional fee for such physical examination shall be paid for by such legislative authority.

Sec. 742.01. As used in this chapter:

(A)(1) "Police department" means the police department of a municipal corporation.

(2) "Member of a police department" means any of the following:

(a) Any person who receives an original appointment as a full-time regular police officer in a police department from a duly established civil service eligible list or pursuant to section 124.411 of the Revised Code, or who is described in section 742.511 of the Revised Code, or who transfers from the public employees retirement system to the Ohio police and ~~firemen's disability and~~ fire pension fund pursuant to section 742.513 of the Revised Code, or who is appointed pursuant to section 737.15 or 737.16 of the Revised Code as a full-time regular police officer and is paid solely out of public funds of the employing municipal corporation;

(b) Any person who, on October 1, 1965, was contributing four per cent of the person's annual salary to a police relief and pension fund established under former section 741.32 of the Revised Code;

(c) Any person who commences employment on or after ~~the effective date of this amendment~~ September 16, 1998, as a full-time police officer with a police department in a position in which the person is required to satisfactorily complete a peace officer training course in compliance with section 109.77 of the Revised Code.

(B)(1) "Fire department" means 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.

(2) "Member of a fire department" means all of the following:

(a) Any person who commences employment after November 8, 1990, as a full-time firefighter with a fire department, in a position in which the person is required to satisfactorily complete or have satisfactorily completed a firefighter training course approved under former section 3303.07 or section 4765.55 or conducted under section 3737.33 of the Revised Code;

(b) Any person who has elected under section 742.515 of the Revised Code to be transferred from the public employees retirement system to the Ohio police and ~~firemen's disability and~~ fire pension fund;

(c) Any full-time firefighter who, on November 8, 1990, is a member of the Ohio police and ~~firemen's disability and~~ fire pension fund.

(C) "Employee" means any person who is a member of a police department or a member of a fire department.

(D) "Employer" means the government entity by which an employee is employed and paid.

(E) "Member of the fund" means any person, except an other system retirant as defined in section 742.26 of the Revised Code, who is contributing a percentage of the person's annual salary to the Ohio police and ~~firemen's disability and~~ fire pension fund or who is receiving a disability benefit or pension from the fund as a result of service in a police or fire

department. A person, other than an other system retirant, who is contributing a percentage of the person's annual salary to the fund and is dismissed, resigns, or is granted a leave of absence from a police or fire department shall be considered a "member of the fund" for a period of twelve months after the first day of the dismissal, resignation, or leave of absence, provided the sum deducted from the person's salary and credited to the person's account in the fund remains on deposit in the fund.

(F) "Year," for the purpose of determining benefits, means any twelve consecutive calendar months of active service as a member of the fund, or, in the case of a member whose salary is paid weekly or biweekly, fifty-two consecutive weeks of active service as a member.

(G) "Average annual salary" means the highest average annual salary of a member of the fund during any three years of contributions determined by dividing the member's total salary as an employee during the years by three.

(H) "Normal service pension benefit" means the pension benefit payable to a member of the fund under division (C)(1) of section 742.37 of the Revised Code upon attaining age forty-eight.

(I) "Retirement allowance" means the total pension benefit or disability benefit to which a member of the fund may be entitled under division (C) of section 742.37 or section 742.39 of the Revised Code.

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

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

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

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

(K) "Terminal pay" means the following payments made by an employer to an employee on termination of employment:

(1) Payments for accrued but unused leave, including sick leave, vacation, personal leave, and compensatory time;

(2) Payments deferred more than one year compensating the employee for holidays worked or for longevity;

(3) Payments for overtime worked that are not included either in the payroll for the period in which the overtime is worked or for the next subsequent payroll period;

(4) Other payments that are not compensation for services rendered in the last pay period in which services were rendered and are designated as terminal pay by rule of the board of trustees of the Ohio police and ~~firemen's~~

~~disability and~~ fire pension fund. The board shall not designate as terminal pay payments deferred one year or less compensating an employee for holidays worked or for longevity.

(L)(1) Except as otherwise provided in this division, "salary" means all compensation, wages, and other earnings paid to an employee by reason of employment, but without regard to whether compensation, wages, or other earnings are treated as deferred income for federal income tax purposes. "Salary" includes payments for overtime that are made not later than the payroll following the payroll period in which the overtime is worked.

(2) "Salary" does not include any of the following:

(a) Compensation for services outside the scope of an employee's regular employment;

(b) Reimbursement of expenses;

(c) Terminal pay;

(d) Payments for accrued but unused sick leave or personal leave, or vacation pay covering periods for which salary, compensation, or benefits are paid;

(e) Payments made under division (B) or (D) of section 5923.05 of the Revised Code or Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly;

(f) Payments made to or on behalf of an employee that are in excess of the annual compensation that may be taken into account by the fund under division (a)(17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401(a)(17), as amended.

(3) The board shall determine by rule whether any compensation, wages, or earnings not enumerated in this division is salary, and its decision shall be final.

(M) "Actuary" means an individual who satisfies all of the following requirements:

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

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

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

Sec. 742.02. There is hereby created ~~a~~ an Ohio police and ~~firemen's disability and~~ fire pension fund for the purpose of providing disability benefits and pensions to members of the fund and their surviving spouses, children, and dependent parents.

Sec. 742.03. (A) As used in this section and in sections 742.04 and 742.05 of the Revised Code:

(1) "Police officer" means a member of the fund who is or has been an

employee of a police department and is not a police retirant.

(2) "Firefighter" means a member of the fund who is or has been an employee of a fire department and is not a firefighter retirant.

(3) "Firefighter retirant" means a member of the fund who is receiving an age and service or disability benefit as a result of service in a fire department or a surviving spouse of a deceased member who is receiving a benefit as a result of the deceased member's service in a fire department.

(4) "Police retirant" means a member of the fund who is receiving an age and service or disability benefit as a result of service in a police department or a surviving spouse of a deceased member who is receiving a benefit as a result of the deceased member's service in a police department.

(B) The administration, control, and management of the Ohio police and ~~firemen's disability and~~ fire pension fund, created under section 742.02 of the Revised Code, is vested in a board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, which shall consist of nine members as follows:

(1) The attorney general;

(2) The auditor of state;

(3) The fiscal officer of a municipal corporation who shall be appointed by the governor. This member's term shall be for three years, commencing on the fourth day of June and ending on the third day of June. The fiscal officer member shall hold office from the date of appointment until the end of the term for which appointed. Any fiscal officer member appointed to fill a vacancy occurring prior to the expiration of the term for which the fiscal officer member's predecessor was appointed shall hold office for the remainder of such term. Any fiscal officer member shall continue in office subsequent to the expiration date of the fiscal officer member's term until such member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.

(4) Four members known as employee members.

Two employee members shall be police officers elected by police officers. Two employee members shall be firefighters elected by firefighters. Employee members of the board shall be elected for terms of four years as provided by section 742.04 of the Revised Code.

(5) One member known as the firefighter retirant member, who shall be a resident of this state elected by the firefighter retirants. The firefighter retirant member shall be elected for a term of four years as provided by section 742.04 of the Revised Code.

(6) One member known as the police retirant member, who shall be a resident of this state elected by the police retirants. The police retirant

ember shall be elected for a term of four years as provided by section 742.04 of the Revised Code.

(C) No employee member of the board who retires while a member of the board shall be eligible to become a retirant member for three years after the date of the member's retirement.

Sec. 742.04. As used in this section, "county" means the county of residence of an individual who signs a nominating petition.

Election of the employee members, firefighter retirant member, and police retirant member of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall be under the supervision and direction of the board.

Nominating petitions for candidates for an employee member of the board elected by police officers shall be signed by at least one hundred police officers, with at least twenty signers from each of at least five counties of the state.

Nominating petitions for candidates for an employee member of the board elected by firefighters shall be signed by at least one hundred firefighters, with at least twenty signers from each of at least five counties of the state.

Nominating petitions for candidates for an employee member of the board shall be filed in the office of the board not later than four p.m. on the first Monday in April preceding the date of the expiration of the term of the employee member of the board whose successor is to be elected.

The board shall determine the sufficiency of the nominating petitions filed with it and the board's decision shall be final.

The board shall cause ballots to be prepared for the election of employee members of the board which shall contain the names of all candidates for whom proper nominating petitions have been filed with the board.

A police officer or firefighter is eligible to vote in an election if the police officer or firefighter is a member of the fund on the first Monday in March preceding the date of the expiration of the term of the employee member of the board whose successor is to be elected. The board shall determine whether a member of the fund is eligible to vote at an election and its decision shall be final.

On or before the first Monday in May preceding the date of the expiration of the term of the employee member of the board whose successor is to be elected, the board shall cause ballots to be sent to each member of the fund who is eligible to vote at such election to the address of such member as shown on the records of the board.

Ballots shall be returned to the board not later than the third Tuesday in May following the date that the ballots were mailed to the members of the fund eligible to vote at such election.

The board shall cause the ballots to be counted and shall declare the person receiving the highest number of votes elected as an employee member of the board for a term of four years beginning on the first Monday in June following such election.

Nominating petitions for candidates for the police retirant member of the board shall be signed by at least fifty police retirants, with at least ten signers from at least five counties of the state.

Nominating petitions for candidates for the firefighter retirant member of the board shall be signed by at least fifty firefighter retirants, with at least ten signers from at least five counties of the state.

Nominating petitions for candidates for the retirant members of the board shall be filed in the office of the board not later than four p.m. on the first Monday in April preceding the date of the expiration of the term of the retirant member of the board whose successor is to be elected.

The board shall determine the sufficiency of the nominating petitions filed with it, and the board's decision shall be final.

The board shall cause ballots to be prepared for the election of these board members which shall contain the names of all candidates for whom proper nominating petitions have been filed with the board.

A retirant is eligible to vote in an election if the retirant is a police retirant or firefighter retirant on the first Monday in April preceding the date of the expiration of the term of the retirant member of the board whose successor is to be elected. The board shall determine whether a police retirant or firefighter retirant is eligible to vote at an election and its decision shall be final.

On or before the first Monday in May preceding the date of the expiration of the term of a retirant member of the board whose successor is to be elected, the board shall cause ballots to be sent to each person who is eligible to vote in the election to the address of the person as shown on the records of the board.

Ballots shall be returned to the board not later than the third Tuesday in May following the date that the ballots were mailed to the persons eligible to vote in the election.

The board shall cause the ballots to be counted and shall declare the person receiving the highest number of votes elected as the police retirant member or the firefighter retirant member of the board for a term of four years beginning on the first Monday in June following the election.

Sec. 742.05. Any vacancy occurring in the term of a member of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund who is the fiscal officer of a municipal corporation shall be filled by appointment by the governor for the unexpired term of such member.

Any vacancy occurring in the term of an employee member of the board shall be filled by the remaining employee members and the retirant members of the board for the unexpired term of such member.

Any vacancy occurring in the term of a retirant member of the board shall be filled by the employee members and the remaining retirant member of the board for the unexpired term.

If a member of the board who is the fiscal officer of a municipal corporation ceases to be a fiscal officer of a municipal corporation, a vacancy shall exist.

If an employee member of the board ceases to be a member of the fund, a vacancy shall exist.

If as a result of changed circumstances a retirant member no longer qualifies for membership on the board as a retirant member, a vacancy shall exist.

Any employee or retirant member of the board or member of the board who is the fiscal officer of a municipal corporation who fails to attend three consecutive meetings of the board, without valid excuse, shall be considered as having resigned from the board and the board shall declare the member's office vacated and as of the date of the adoption of a proper resolution a vacancy shall exist.

Sec. 742.06. Each member of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, before entering upon ~~his~~ the member's official duties, shall take and subscribe to an oath of affirmation that ~~he~~ the member will support the constitution of the United States, the constitution of the state of Ohio, and that ~~he~~ the member will honestly, faithfully, and impartially perform the duties of ~~his~~ the member's office. Such oath or affirmation shall be filed in the office of the secretary of state.

Sec. 742.07. Within three months after all of the first appointed members of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund have been appointed and qualified, the governor shall call the first meeting of the board, and thereafter meetings of the board shall be called in such manner and at such times as the board prescribes, provided, that the board shall meet at least four times annually. All meetings of the board shall be open to the public except executive sessions as set forth in division (G) of section 121.22 of the Revised Code, and any portions of any sessions discussing medical records or the degree of disability of a

member excluded from public inspection by section 742.41 of the Revised Code.

At its first meeting the board shall organize by electing from its membership a ~~chairman~~ chairperson and a ~~vice-chairman~~ vice-chairperson who shall serve for a term of one year. Annually thereafter the board shall elect from its membership a ~~chairman~~ chairperson and a ~~vice-chairman~~ vice-chairperson for a term of one year.

A majority of the full membership of the board shall constitute a quorum.

Sec. 742.08. (A) The members of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall serve without compensation but shall be reimbursed for their necessary expenses incurred in the performance of their official duties.

An employee member of the board shall suffer no loss or penalty whatsoever because of absence from the employee member's regular employment while engaged in official duties as a member of the board.

(B) The board may secure insurance coverage designed to indemnify board members and employees for their actions or conduct in the performance of official duties, and may pay required premiums for such coverage from the expense fund.

(C) The board shall adopt rules in accordance with section 111.15 of the Revised Code establishing a policy for reimbursement of travel expenses incurred by board members in the performance of their official duties. As part of any audit performed under Chapter 117. of the Revised Code, an inquiry shall be made into whether board members have complied with these rules.

(D) No board member shall accept payment or reimbursement for travel expenses, other than for meals and other food and beverages provided to the member, from any source other than the expense fund established under section 742.59 of the Revised Code. Except in the case of an emergency, no out-of-state travel expenses shall be reimbursed unless approved in advance by a majority of the board at a regular board meeting.

Sec. 742.09. The attorney general shall be the legal counsel of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund.

Sec. 742.10. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund may sue and be sued, plead and be impleaded, contract and be contracted with, employ and fix the compensation of employees, and adopt rules for the proper administration and management of the fund.

The attorney general shall prescribe procedures for the adoption of rules

authorized under this chapter, consistent with the provisions of section 111.15 of the Revised Code under which all rules shall be filed in order to be effective. Such procedures shall establish methods by which notice of proposed rules is given to interested parties and rules adopted by the board published and otherwise made available. When it files a rule with the joint committee on agency rule review pursuant to section 111.15 of the Revised Code, the board shall submit to the Ohio retirement study council a copy of the full text of the rule, and if applicable, a copy of the rule summary and fiscal analysis required by division (B) of section 127.18 of the Revised Code.

All rules adopted pursuant to this chapter, prior to August 20, 1976, shall be published and made available to interested parties by January 1, 1977.

Sec. 742.11. (A) The members of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall be the trustees of the funds created by section 742.59 of the Revised Code. The board shall have full power to invest the funds. The board and other fiduciaries shall discharge their duties with respect to the funds solely in the interest of the participants and beneficiaries; for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Ohio police and ~~firemen's disability and~~ fire pension fund; with care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims; and by diversifying the investments of the disability and pension fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

To facilitate investment of the funds, the board may establish a partnership, trust, limited liability company, corporation, including a corporation exempt from taxation under the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C.A. 1, as amended, or any other legal entity authorized to transact business in this state.

(B) In exercising its fiduciary responsibility with respect to the investment of the funds, it shall be the intent of the board to give consideration to investments that enhance the general welfare of the state and its citizens where the investments offer quality, return, and safety comparable to other investments currently available to the board. In fulfilling this intent, equal consideration shall be given to investments otherwise qualifying under this section that involve minority owned and controlled firms and firms owned and controlled by women, either alone or

in joint venture with other firms.

The board shall adopt, in regular meeting, policies, objectives, or criteria for the operation of the investment program that include asset allocation targets and ranges, risk factors, asset class benchmarks, time horizons, total return objectives, and performance evaluation guidelines. In adopting policies and criteria for the selection of agents with whom the board may contract for the administration of the funds, the board shall give equal consideration to minority owned and controlled firms, firms owned and controlled by women, and joint ventures involving minority owned and controlled firms and firms owned and controlled by women that otherwise meet the policies and criteria established by the board. Amendments and additions to the policies and criteria shall be adopted in regular meeting. The board shall publish its policies, objectives, and criteria under this provision no less often than annually and shall make copies available to interested parties.

When reporting on the performance of investments, the board shall comply with the performance presentation standards established by the association for investment management and research.

(C) All bonds, notes, certificates, stocks, or other evidences of investments purchased by the board shall be delivered to the treasurer of state, who is hereby designated as custodian thereof, or to the treasurer of state's authorized agent, and the treasurer of state or the agent shall collect the principal, interest, dividends, and distributions that become due and payable and place them when so collected into the custodial funds. Evidences of title of the investments may be deposited by the treasurer of state for safekeeping with an authorized agent, selected by the treasurer of state, who is a qualified trustee under section 135.18 of the Revised Code. The treasurer of state shall pay for the investments purchased by the board on receipt of written or electronic instructions from the board or the board's designated agent authorizing the purchase and pending receipt of the evidence of title of the investment by the treasurer of state or the treasurer of state's authorized agent. The board may sell investments held by the board, and the treasurer of state or the treasurer of state's authorized agent shall accept payment from the purchaser and deliver evidence of title of the investment to the purchaser on receipt of written or electronic instructions from the board or the board's designated agent authorizing the sale, and pending receipt of the moneys for the investments. The amount received shall be placed into the custodial funds. The board and the treasurer of state may enter into agreements to establish procedures for the purchase and sale of investments under this division and the custody of the investments.

(D) All of the board's business shall be transacted, all its funds shall be invested, all warrants for money drawn and payments shall be made, and all of its cash, securities, and other property shall be held, in the name of the board or its nominee, provided that nominees are authorized by board resolution for the purpose of facilitating the ownership and transfer of investments.

(E) No purchase or sale of any investment shall be made under this section except as authorized by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund.

(F) Any statement of financial position distributed by the board shall include the fair value, as of the statement date, of all investments held by the board under this section.

Sec. 742.111. The Ohio police and ~~firemen's disability and~~ fire pension fund shall make no investments through or purchases from, or otherwise do any business with, any individual who is, or any partnership, association, or corporation that is owned or controlled by, a person who within the preceding three years was employed by, an officer of, or a board member of the fund, or in which a person who within the preceding three years was employed by, an officer of, or a board member of the fund, holds a fiduciary, administrative, supervisory or trust position, or any other position in which such person would be involved, on behalf of ~~his~~ the person's employer, in decisions or recommendations affecting the investment policy of the fund, and in which ~~such~~ the person would benefit by any monetary gain.

Sec. 742.112. (A) Except as provided in division (B) of this section, a fiduciary shall not cause the Ohio police and ~~firemen's disability and~~ fire pension fund to engage in a transaction, if ~~he~~ the fiduciary knows or should know that such transaction constitutes a direct or indirect:

(1) Sale or exchange, or leasing, of any property between the fund and a party in interest;

(2) Lending of money or other extension of credit between the fund and a party in interest;

(3) Furnishing of goods, services, or facilities between the fund and a party in interest;

(4) Transfer to, or use by or for the benefit of a party in interest, of any assets of the fund; or

(5) Acquisition, on behalf of the fund, of any employer security or employer real property.

(B) Nothing in this section shall prohibit any transaction between the Ohio police and ~~firemen's disability and~~ fire pension fund and any fiduciary

or party in interest if:

(1) All the terms and conditions of the transaction are comparable to the terms and conditions which might reasonably be expected in a similar transaction between similar parties who are not parties in interest; and

(2) The transaction is consistent with the fiduciary duties described in Chapter 742. of the Revised Code.

(C) A fiduciary shall not:

(1) Deal with the assets of the fund in ~~his~~ the fiduciary's own interest or for ~~his~~ the fiduciary's own account;

(2) In ~~his~~ the fiduciary's individual or in any other capacity, act in any transaction involving the fund on behalf of a party (or represent a party) whose interests are adverse to the interests of the fund or the interests of its participants or beneficiaries; or

(3) Receive any consideration for ~~his~~ the fiduciary's own personal account from any party dealing with such fund in connection with a transaction involving the assets of the fund.

(D) In addition to any liability which ~~he~~ the fiduciary may have under any other provision, a fiduciary with respect to the fund shall be liable for a breach of fiduciary responsibility of any fiduciary with respect to the fund in the following circumstances:

(1) If ~~he~~ the fiduciary participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is a breach;

(2) If, by ~~his~~ the fiduciary's failure to comply with Chapter 742. of the Revised Code, ~~he~~ the fiduciary has enabled such other fiduciary to commit a breach; or

(3) If ~~he~~ the fiduciary has knowledge of a breach by such other fiduciary, unless ~~he~~ the fiduciary makes reasonable efforts under the circumstances to remedy the breach.

(E) Every fiduciary of the fund shall be bonded or insured to an amount of not less than one million dollars for loss by reason of acts of fraud or dishonesty.

Sec. 742.12. Bonds purchased by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund from any taxing district of the state shall be in the denomination required by the board in its resolution of purchase, or the board may by its resolution require that all bonds of any series of bonds purchased by it from any taxing district of the state be consolidated and issued as one bond, the principal amount of which is equal to the aggregate amount of all the bonds of said series, which principal together with the interest thereon shall be paid in installments

evidenced by and payable upon the surrender of combined principal and interest coupons attached thereto, which coupons shall each separately state the amounts of principal and interest included therein.

Sec. 742.13. The proper officers of each taxing district issuing the bonds provided for in section 742.12 of the Revised Code shall, without additional procedure or legislation on their part, comply with this section and with section 742.12 of the Revised Code, except that the proper accounting officers of such taxing district and the secretary of the sinking fund shall make and keep a detailed record of any such changes required by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund. The board shall not change the date of maturity of any part of the principal or interest of any bond issue, nor shall it require a bond of any issue to be of a larger denomination, nor any partial payment of principal to be of greater amount than the aggregate amount of such issue falling due at any date.

Sec. 742.14. (A) The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall have prepared annually by or under the supervision of an actuary an actuarial valuation of the pension assets, liabilities, and funding requirements of the Ohio police and ~~firemen's disability and~~ fire pension fund as established pursuant to sections 742.01 to ~~742.58~~ 742.61 of the Revised Code. The actuary shall complete the valuation in accordance with actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries and prepare a report of the valuation. The report shall include all of the following:

(1) A summary of the benefit provisions evaluated;

(2) A summary of the census data and financial information used in the valuation;

(3) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation, including a statement of the assumed rate of payroll growth and assumed rate of growth or decline in the number of members of the fund contributing to the pension fund;

(4) A summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities;

(5) A schedule showing the effect of any changes in the benefit provisions, actuarial assumptions, or cost methods since the last annual actuarial valuation;

(6) A statement of whether contributions to the pension fund are expected to be sufficient to satisfy the funding objectives established by the board.

The board shall submit the report to the Ohio retirement study ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of November following the year for which the valuation was made.

(B) The board shall annually thereafter have prepared by an actuary a report showing the adequacy of the rate of the ~~policemen~~ police officer employers' contribution provided for by section 742.33 of the Revised Code, and the adequacy of the rate of the ~~firemen~~ firefighter employers' contribution provided for by section 742.34 of the Revised Code.

(C) At such times as the board determines, and at least once in each quinquennial, 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 of the fund and of other system retirants, as defined in section 742.26 of the Revised Code, who are members of a police department or a fire department 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.

The board shall submit the report to the Ohio retirement study ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of November following the last fiscal year of the period the report covers.

(D) The board shall have prepared by or under the supervision of an actuary an actuarial analysis of any introduced legislation expected to have a measurable financial impact on the pension fund. The actuarial analysis shall be completed in accordance with the actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries. The actuary shall prepare a report of the actuarial analysis, which shall include all of the following:

(1) A summary of the statutory changes that are being evaluated;

(2) A description of or reference to the actuarial assumptions and actuarial cost method used in the report;

(3) A description of the participant group or groups included in the report;

(4) A statement of the financial impact of the legislation, including the resulting increase, if any, in the employer normal cost percentage; the increase, if any, in actuarial accrued liabilities; and the per cent of payroll that would be required to amortize the increase in actuarial accrued liabilities as a level per cent of covered payroll for all active members of the fund over a period not to exceed thirty years;

(5) A statement of whether the scheduled contributions to the system after the proposed change is enacted are expected to be sufficient to satisfy the funding objectives established by the board.

Not later than sixty days from the date of introduction of the legislation, the board shall submit a copy of the actuarial analysis to the legislative budget office of the legislative service commission, the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation, and the Ohio retirement study ~~commission~~ council.

(E) The board shall have prepared annually a report giving a full accounting of the revenues and costs relating to the provision of benefits under section 742.45 of the Revised Code. The report shall be made as of December 31, 1997, and the thirty-first day of December of each year thereafter. The report shall include the following:

(1) A description of the statutory authority for the benefits provided;

(2) A summary of the benefits;

(3) A summary of the eligibility requirements for the benefits;

(4) A statement of the number of participants eligible for the benefits;

(5) A description of the accounting, asset valuation, and funding method used to provide the benefits;

(6) A statement of the net assets available for the provision of the benefits as of the last day of the fiscal year;

(7) A statement of any changes in the net assets available for the provision of benefits, including participant and employer contributions, net investment income, administrative expenses, and benefits provided to participants, as of the last day of the fiscal year;

(8) For the last six consecutive fiscal years, a schedule of the net assets available for the benefits, the annual cost of benefits, administrative expenses incurred, and annual employer contributions allocated for the provision of benefits;

(9) A description of any significant changes that affect the comparability of the report required under this division;

(10) A statement of the amount paid under division (C) of section 742.45 of the Revised Code.

The board shall submit the report to the Ohio retirement study ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the thirtieth day of June following the year for which the report was made.

Sec. 742.15. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall collect and keep in convenient form such data as are necessary for the preparation of the required mortality and service tables and for the compilation of such other information as is required for the actuarial evaluations provided for by section 742.14 of the Revised Code.

Sec. 742.16. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall establish a period of not more than thirty years to amortize the Ohio police and ~~firemen's disability and~~ fire pension fund's unfunded actuarial accrued pension liabilities. The board shall adopt a plan that specifies how it proposes to meet the thirty-year amortization period not later than December 31, 2006. If in any year the period necessary to amortize the unfunded actuarial accrued pension liability exceeds thirty years, as determined by the annual actuarial valuation required by section 742.14 of the Revised Code, the board, not later than ninety days after receipt of the valuation, shall prepare and submit to the Ohio retirement study ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation a report that includes the following information:

(A) The number of years needed to amortize the unfunded actuarial accrued pension liability as determined by the annual actuarial valuation;

(B) A plan approved by the board that indicates how the board will reduce the amortization period of unfunded actuarial accrued pension liability to not more than thirty years;

(C) Whether the board has made any progress in meeting the thirty-year amortization period.

Sec. 742.22. A member of the fund who is receiving disability benefits from the Ohio police and ~~firemen's disability and~~ fire pension fund and is restored to active duty as a member of a police or fire department shall, in computing years of service under section 742.37 or 742.39 of the Revised Code, be given service credit for the time the member was receiving such

disability benefits.

On restoration to active duty as a member of a police or fire department, the member shall make contributions to the fund in accordance with section 742.31 of the Revised Code, and the member's disability benefits shall be terminated on the first day following restoration to active duty. In determining the amount of the member's account after the termination of disability benefits, the total sum of the disability benefits paid shall be deducted from any refund payable to the member under division (G) of section 742.37 of the Revised Code.

The employer shall notify the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund of the member's return to active duty before the end of the month then current, designating the date of the resumption of active duty. If the member is paid any amount of disability benefits to which the member is not entitled under this section, such amount shall be repaid to the fund by the member or shall be recovered by a withholding from subsequent retirement allowances or other amounts payable under this chapter.

Sec. 742.221. A member of the Ohio police and ~~firemen's disability and~~ fire pension fund who, during the period of employment as a member of a police or fire department, is removed from active pay status due to pregnancy or a medical disability leave not exceeding one year for each such leave, shall, in computing years of active service in such department under division (C) of section 742.37 or section 742.39 of the Revised Code, be given full credit for time for which contributions were not made during such leave of absence if all of the following conditions are met:

(A) The leave was approved by the member's employing authority.

(B) During the period of the leave the member was not entitled to receive disability benefits from the fund.

(C) The member pays into the fund an amount equal to the employee contributions that would have been deducted from the base pay had the member remained on active pay status, plus interest compounded annually from the date the leave commenced to the date of payment. The rate of interest shall be determined by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund.

Sec. 742.23. A member of the fund who is an employee of the police department of a municipal corporation and who has resigned or has been honorably discharged from membership in the fire department of the same municipal corporation shall, in computing years of service in the police department under section 742.37 or 742.39 of the Revised Code, be given full credit for time served in such fire department, provided the member has

paid into the Ohio police and ~~firemen's disability and~~ fire pension fund a sum equal to that which the member would have been required to pay, under former section 741.12 and section 742.31 of the Revised Code, as a member of such fire department during the years for which service credit is claimed had the member been contributing a percentage of the member's salary to a firemen's relief and pension fund or to the Ohio police and ~~firemen's disability and~~ fire pension fund as provided by such sections during such years.

Sec. 742.24. A member of the fund who is an employee of the fire department of a municipal corporation and who has resigned or has been honorably discharged from membership in the police department of the same municipal corporation shall, in computing years of service in the fire department under section 742.37 or 742.39 of the Revised Code, be given full credit for the time served in such police department, provided the member has paid into the Ohio police and ~~firemen's disability and~~ fire pension fund a sum equal to that which the member would have been required to pay, under former section 741.43 and section 742.31 of the Revised Code, as a member of such police department during the years for which service credit is claimed had the member been contributing a percentage of the member's salary to a police relief and pension fund or to the Ohio police and ~~firemen's disability and~~ fire pension fund, as provided by such sections during such years.

Sec. 742.25. Each member of the fund, in computing years of service, shall be given credit for the service credit to which ~~he~~ the member was entitled in a firemen's relief and pension fund, established pursuant to former section 521.02 or 741.02 of the Revised Code, or a police relief and pension fund, established pursuant to former section 741.32 of the Revised Code, on the date that the assets of the particular fund were transferred to the Ohio police and ~~firemen's disability and~~ fire pension fund.

Sec. 742.251. (A) A member of the Ohio police and ~~firemen's disability and~~ fire pension fund, in computing years of active service under division (C) of section 742.37 or section 742.39 of the Revised Code, shall be given full credit for full-time out-of-state or federal service, other than military service, purchased under this section. A member may purchase credit for such service if all of the following conditions are met:

(1) The service was rendered as an employee of an entity of state or local government, or of an entity of the United States government;

(2) The member is eligible to retire under this chapter or will become eligible to retire as a result of purchasing the credit;

(3) The member agrees to retire within ninety days after receiving notice

of the amount determined under division (B) of this section.

(B) On receipt of a request from a member eligible to purchase credit under this section, the fund shall obtain from its actuary certification of the amount of the additional liability to the fund for each year of credit the member is eligible to purchase and shall notify the member of that amount. For each year of credit purchased, the member shall pay to the fund an amount equal to the additional liability resulting from the purchase of credit for that year. Payment shall be made in full at the time of purchase.

(C) The number of years of service purchased under this section shall not exceed five.

(D) A member may not purchase credit under this section for service that is used in the calculation of any public or private retirement benefit, other than federal social security benefits, currently being paid or payable in the future to the member.

(E) If the member does not retire within ninety days after purchasing credit under this section, the fund shall withdraw the credit and refund the amount paid by the member.

Sec. 742.26. (A) As used in this section:

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

(2) "Other system retirant" means a former member of the public employees retirement system, state teachers retirement system, school employees retirement system, state highway patrol retirement system, or Cincinnati retirement system who is receiving a disability benefit or an age and service or commuted age and service retirement benefit or allowance from a system of which ~~he~~ the person is a former member.

(3) "~~PFDPF~~ OPFPF retirant" means any person who is receiving a retirement allowance, other than a disability benefit, from the Ohio police and ~~firemen's disability and~~ fire pension fund.

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

(C)(1) ~~A PFDPF~~ An OPFPF retirant or other system retirant may be employed as a member of a police or fire department. If so employed, ~~he~~ the retirant shall make contributions to the fund in accordance with section 742.31 of the Revised Code, and the employer shall make contributions in accordance with sections 742.33 and 742.34 of the Revised Code.

(2) An employer that employs ~~a PFDPF~~ An OPFPF retirant or other

system retirant shall notify the board of trustees of the fund of the employment not later than the end of the month in which the employment commences. On receipt of notice from an employer that a person who is an other system retirant has been employed, the fund shall notify the retirement system of which the other system retirant was a member of such employment.

(D) ~~A PFDPF~~ An OPFPF retirant or other system retirant who has received ~~his~~ a retirement allowance or benefit for less than two months when employment subject to this section commences shall forfeit ~~his~~ the retirement allowance or benefit for the period that begins on the date the employment commences and ends on the date that is two months after the date on which the retirement allowance or benefit commenced. Service and contributions for that period shall not be included in the calculation of any benefits payable under this section, and those contributions shall be refunded on ~~his~~ the retirant's death or termination of the employment.

(E) On receipt of notice from the public employees retirement system, school employees retirement system, or state teachers retirement system of the re-employment of ~~a~~PFDPF an OPFPF retirant, the Ohio police and ~~firemen's disability and~~ fire pension fund shall not pay, or if paid shall recover, the amount to be forfeited by the ~~PFDPF~~ OPFPF retirant in accordance with section 145.38, 3307.381, or 3309.341 of the Revised Code.

(F)(1)(a) On termination of employment under this section, ~~a PFDPF~~ an OPFPF retirant or other system retirant shall elect one of the following:

(i) A monthly annuity the actuarial present value of which is equal to two times the sum of all amounts deducted from the salary of the ~~PFDPF~~ OPFPF retirant or other system retirant and credited to ~~his~~ the retirant's individual account in the fund, together with interest credited thereon at the rate determined by the board, provided the annuity equals or exceeds twenty-five dollars per month.

(ii) A lump-sum payment equal to two times the sum of all amounts deducted from the salary of the ~~PFDPF~~ OPFPF retirant or other system retirant and credited to ~~his~~ the retirant's individual account in the fund, together with interest credited thereon at the rate determined by the board.

(b) Interest shall be credited to accounts only at the time of calculation of a benefit payable under division (F)(1) of this section.

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

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

(b) Attainment by the ~~PFDPF~~ OPFPF retirant or other system retirant of age sixty;

(c) If the ~~PFDPF~~ OPFPF retirant or other system retirant was previously employed under this section and is receiving or previously received a benefit under this division, completion of a period of twelve months since the last benefit paid under this section commenced.

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

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

(2) If at the time of ~~his~~ death ~~a PFDPF~~ an OPFPF retirant or other system retirant receiving a monthly annuity under division (F)(1)(a)(i) of this section has received less than ~~he~~ would have been received as a lump-sum payment under division (F)(1)(a)(ii) of this section, the difference between the amount ~~he~~ received and the amount ~~he~~ that would have been received as a lump-sum payment shall be paid to ~~his~~ the retirant's surviving spouse, or if there is no surviving spouse, to ~~his~~ the retirant's estate.

(H) An other system retirant subject to this section is not a member of the Ohio police and ~~firemen's disability and~~ fire pension fund, does not have any of the rights, privileges, or obligations of membership, except as specified in this section, and is not eligible to receive health, medical, hospital, or surgical benefits under section 742.45 of the Revised Code for employment subject to this section.

(I) If any payment is made by the Ohio police and ~~firemen's disability and~~ fire pension fund to ~~aPFDPF~~ an OPFPF retirant or other system retirant to which ~~he~~ the retirant is not entitled, ~~he~~ the retirant shall repay it to the fund. If ~~he~~ the retirant fails to make the repayment, the fund shall withhold the amount due from any allowances or other amounts due the ~~PFDPF~~ OPFPF retirant or other system retirant.

(J) ~~A PFDPF~~ An OPFPF retirant who is employed under this section is not eligible to receive any benefits under section 742.37 of the Revised Code for the employment under this section.

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

municipal retirement system of this state.

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

Sec. 742.27. (A) As used in this section, "lay off" means to cease to employ a person pursuant to sections 124.321 to 124.328 of the Revised Code or pursuant to any similar provisions that apply to the person under any of the following:

(1) A collective bargaining agreement entered into under Chapter 4117. of the Revised Code;

(2) Any ordinance, resolution, contract, agreement, policy, or procedure governing employment.

(B) A member of the Ohio police and ~~firemen's disability and~~ fire pension fund who, during employment as a member of a police or fire department, is removed from active pay status by being laid off by the member's employer, shall, in computing years of active service under division (C) of section 742.37 or section 742.39 of the Revised Code, be given full credit for time for which contributions were not made during the period the member was laid off, if all of the following conditions are met:

(1) During the time the member was laid off, the member was not entitled to receive disability benefits from the fund.

(2) During the time the member was laid off, the member did not render any service that is used in the calculation of any public or private retirement benefit, except any federal social security retirement benefit, currently being paid or payable in the future to the member.

(3) The fund receives the amount determined under division (C) of this section from the member, the member's employer, or the member and the employer.

The total amount of service purchased by any member under this section shall not exceed two years. A member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) The amount paid for the credit purchased under this section shall be an amount equal to the additional liability to the fund resulting from the purchase of the credit, as determined by an actuary employed by the board of trustees of the fund.

(D) The board shall have final authority to determine and fix the amount of the payment for credit purchased under this section. The employer may pay all or part of the payment.

(E) The board ~~of trustees~~ shall adopt rules for the implementation of this section.

Sec. 742.30. (A) The employer's accrued liability, as determined

pursuant to former section 742.29 of the Revised Code, shall be paid to the Ohio police and ~~firemen's disability and~~ fire pension fund. Payments shall be credited to the ~~policemen's~~ police officers' pension reserve fund, or to the ~~firemen's~~ firefighters' pension reserve fund, in accordance with the relief and pension fund from which the liability for such payment arises, until such time as the employer's accrued liability on account of pensioners and other benefit recipients on the rolls of the particular police relief and pension fund or firemen's relief and pension fund is satisfied. Thereafter, payments shall be credited to the ~~policemen's~~ police officers' contribution fund or the ~~firemen's~~ firefighters' contribution fund, in accordance with the relief and pension fund from which the liability for such payments arises, until such time as the employer's accrued liability on account of deductions made from the compensation of police officers or firefighters under the particular police relief and pension fund or firemen's relief and pension fund is satisfied. Thereafter, payments shall be credited to the ~~policemen~~ police officer employers' contribution fund, or ~~firemen~~ firefighter employers' contribution fund, in accordance with the relief and pension fund from which the liability for such payments arises, until such time as the employer's total accrued liability under the particular police relief and pension fund or firemen's relief and pension fund is satisfied.

(B) That part of the employer's accrued liability remaining unpaid on January 1, 1969, shall be paid by the employer at not less than the following rates per year: two per cent in 1969, two per cent in 1970, three per cent in 1971, four per cent in 1972, and five per cent per annum beginning in 1973 and each year thereafter for sixty-two years. Except as provided in division (C) of this section, payments shall be fixed annually and paid on dates fixed by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund.

(C) The board may enter into an agreement with a municipal corporation or township for a single payment by the municipal corporation or township of the employer's accrued liability. The agreement may provide for a reduction in the amount of the accrued liability based on the value to the fund of receiving a single payment. A municipal corporation or township that has made payment in accordance with such an agreement shall have no further obligation to make payments under this section.

(D) The board shall report every two years to the general assembly during its first regular session on the condition of the retirement system, with particular emphasis upon the payment of the employer's accrued liability, and make such recommendations, upon the advice of its actuary, as it considers necessary for the proper funding of the liabilities.

Sec. 742.301. Each employer shall promptly pay the amount due on the accrued liability on the dates fixed by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund. Upon certification by the board that payment of an employer's accrued liability has not been paid within thirty days following the date a payment is due, a penalty of five per cent of the amount due shall be assessed against such employer. If the payment and penalty have not been paid within ninety days following the date a payment is due, annual interest at six per cent shall be assessed against the payment and penalty from the date that the payment is due.

Upon certification by the board to the superintendent of liquor control or the county auditor of an amount due from any employer who is subject to this chapter by reason of such employer's delinquency in making payments on the accrued liability, the amount due shall be withheld from the employer from liquor control permit fees to be distributed to that employer according to Chapter 4301. of the Revised Code or from the local government fund allocated for distribution to that employer by the county budget commission in accordance with Chapter 5739. of the Revised Code. Upon receipt of the certification from the board, the superintendent or county auditor shall provide for payment against such funds in favor of the Ohio police and ~~firemen's disability and~~ fire pension fund for the certified amount due and any penalty and interest thereon.

Sec. 742.31. Each employee shall contribute an amount equal to ten per cent of the employee's salary to the Ohio police and ~~firemen's disability and~~ fire pension fund. The amount shall be deducted by the employer from the employee's salary as defined in division (L) of section 742.01 of the Revised Code for each payroll period, irrespective of whether the minimum compensation provided by law for the employee is reduced thereby. Every employee shall be deemed to consent to the deductions, and payment to the employee less the deductions is a complete discharge and acquittance of all claims and demands for the services rendered by the employee during the period covered by such payment.

Sec. 742.311. (A) As used in this section, "entry age normal actuarial cost method" means an actuarial cost method under which the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings or service of the individual between the entry age and the assumed exit age, with the portion of the actuarial present value that is allocated to the valuation year to be the normal cost and the portion of the actuarial present value not provided for at the valuation date by the actuarial present value of future normal costs to be the actuarial accrued liability. Under this method, the actuarial gains or

losses are reflected as they occur in a decrease or increase in the unfunded actuarial accrued liability.

(B) The Ohio retirement study council shall annually review the adequacy of the contribution rates provided under sections 742.31, 742.33, and 742.34 of the Revised Code and the contribution rates recommended in a report by the actuary of the Ohio police and ~~firemen's disability and~~ fire pension fund for the forthcoming year.

The actuarial calculations used by the actuary shall be based on the entry age normal actuarial cost method, and the adequacy of the contribution rates shall be reported on the basis of that method. The Ohio retirement study council shall make recommendations to the general assembly that it finds necessary for the proper financing of the benefits of the Ohio police and ~~firemen's disability and~~ fire pension fund.

Sec. 742.32. The fiscal officer of each employer shall transmit monthly to the secretary of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund a report of employee deductions in such form as the board requires. The report shall show all deductions for the fund made pursuant to section 742.31 of the Revised Code and shall be accompanied by payments covering the total of such deductions. Separate payments shall be so transmitted for that portion of such deductions made from the salaries of members of the police department and for that portion of such deductions made from the salaries of members of the fire department. A penalty of five per cent of the total amount due for the particular reporting period shall be added when the report, together with payments to cover the total amount due from the salaries of all employees of the employer, is transmitted thirty or more days after the last day of the reporting period. The penalty shall be added to and collected on the next succeeding regular employer billing. If the penalty is not paid within three months after it is added to the regular employer billing, interest at a rate determined by the board may be charged on the amount of the penalty from the date the amount is due to the date of payment.

The secretary of the board, after making a record of all such receipts and crediting each employee's individual account with the amount deducted from the employee's salary, shall deposit the receipts with the treasurer of state for use as provided by this chapter. Where an employer fails to deduct contributions for any employee and transmit such amounts to the fund, the board may make a determination of the employee's liability for contributions and certify to the employer the amounts due for collection in the same manner and subject to the same penalties as payments due the employer's contributions funds.

Sec. 742.33. (A) Each employer shall pay quarterly, on such dates as the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund requires, from its general fund, or from a levy imposed pursuant to division (J) or (W) of section 5705.19 of the Revised Code, to the fund an amount known as the "police ~~employer's~~ officer employers' contribution," which shall be nineteen and one-half per cent of the salaries as defined in division (L) of section 742.01 of the Revised Code of the members of the police department of the employer.

(B) The taxing authority of each municipal corporation in which there was a police relief and pension fund on October 1, 1965, shall annually, in the manner provided for making other municipal levies and in addition to all other levies authorized by law, levy a tax of three-tenths of one mill upon all the real and personal property as listed for taxation in the municipal corporation for the purpose of paying the police ~~employer's~~ officer employers' contribution and the municipal corporation's accrued liability for its former police relief and pension fund and interest thereon, and of defraying the current operating expenses of the municipal corporation. The annual revenues derived from the tax shall be used in the following order:

(1) First, to pay the current police ~~employer's~~ officer employers' contribution and any interest related thereto;

(2) Second, to pay any accrued liability chargeable to the municipal corporation during the current calendar year for its former police relief and pension fund and any interest related thereto;

(3) Third, to defray the current operating expenses of the municipal corporation.

Sec. 742.34. (A) Each employer shall pay quarterly, on such dates as the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund requires, from its general fund, or from a levy imposed pursuant to division (I) or (W) of section 5705.19 of the Revised Code, to the fund an amount known as the "~~firefighters employer's~~ firefighter employers' contribution," which shall be twenty-four per cent of the salaries as defined in division (L) of section 742.01 of the Revised Code of the members of the fire department of the employer.

(B) The taxing authority of each municipal corporation in which there was a firemen's relief and pension fund on October 1, 1965, shall annually, in the manner provided for making other municipal levies and in addition to all other levies authorized by law, levy a tax of three-tenths of one mill upon all the real and personal property as listed for taxation in the municipal corporation for the purpose of paying the ~~firefighters employer's~~ firefighter employers' contribution and the municipal corporation's accrued liability for

its former firemen's relief and pension fund and interest thereon, and of defraying the current operating expenses of the municipal corporation. The annual revenues derived from the tax shall be used in the following order:

(1) First, to pay the current ~~firefighters employer's~~ firefighter employers' contribution and any interest related thereto;

(2) Second, to pay any accrued liability chargeable to the municipal corporation during the current calendar year for its former firemen's relief and pension fund and any interest related thereto;

(3) Third, to defray the current operating expenses of the municipal corporation.

Sec. 742.35. Each employer shall pay its annual police ~~employer's~~ officer employers' contribution and ~~firefighters employer's~~ firefighter employers' contribution in four equal installments promptly as provided in sections 742.33 and 742.34 of the Revised Code. Sixty days after the date an installment is due, any amounts which remain unpaid shall be subject to a penalty for late payment in the amount of five per cent. In addition, interest on past due accounts and penalties may be charged at a rate determined by the ~~retirement~~ board of trustees of the Ohio police and fire pension fund from the date the installment is due to the date of payment.

Upon certification by the board to the county auditor of an amount due from any employer within the county who is subject to this chapter, by reason of such employer's delinquency in making employer contribution payments to the fund for past years, such amount shall be withheld from such employer from any funds in the hands of the county treasurer for distribution to such employer. Upon receipt of such certification, the county auditor shall draw a warrant against such funds in favor of the fund for the amount.

Sec. 742.36. The treasurer of state shall pay in August 1981 and each August thereafter from appropriations made for such purposes to the Ohio police and ~~firemen's disability and~~ fire pension fund one million two hundred thousand dollars which shall be known as the "state contribution." Upon receipt of such state contribution, the board of trustees of the Ohio police and ~~firemen's~~ fire pension fund shall place the state contribution in the guarantee fund to be distributed in accordance with division (G) of section 742.59 of the Revised Code.

Sec. 742.361. On or before the first day of August in 1982 and on or before the first day of August in each year thereafter, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall certify to the treasurer of state the amount required to be paid in the preceding fiscal year to persons first receiving a benefit or allowance prior to July 1, 1981,

under divisions (D), (E), (F), and (H)(2), (3), and (4) of section 742.37 and by sections 742.377 and 742.3710 of the Revised Code. Upon receipt of such certification, the treasurer of state shall pay to the fund the amount certified.

Sec. 742.362. In lieu of an employer contribution to pay part of the cost of the benefits provided under section 742.52 of the Revised Code, the treasurer of state shall make a payment to the Ohio police and ~~firemen's disability and~~ fire pension fund in August~~,~~ 1981 and each August thereafter from appropriations made for the purpose by the general assembly.

Sec. 742.37. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall adopt rules for the management of the fund and for the disbursement of benefits and pensions as set forth in this section and section 742.39 of the Revised Code. Any payment of a benefit or pension under this section is subject to the provisions of section 742.461 of the Revised Code. Notwithstanding any other provision of this section, no pension or benefit paid or determined under division (B) or (C) of this section or section 742.39 of the Revised Code shall 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.

(A) Persons who were receiving benefit or pension payments from a police relief and pension fund established under former section 741.32 of the Revised Code, or from a firemen's relief and pension fund~~,~~ established under former section 521.02 or 741.02 of the Revised Code, at the time the assets of the fund were transferred to the Ohio police and fire pension fund, known at that time as the police and firemen's disability and pension fund, shall receive benefit and pension payments from the Ohio police and ~~firemen's disability and~~ fire pension fund in the same amount and subject to the same conditions as such payments were being made from the former fund on the date of the transfer.

(B) A member of the fund who, pursuant to law, elected to receive benefits and pensions from a police relief and pension fund established under former section 741.32 of the Revised Code, or from a firemen's relief and pension fund established under former section 741.02 of the Revised Code, in accordance with the rules of the fund governing the granting of benefits or pensions therefrom in force on April 1, 1947, shall receive benefits and pensions from the Ohio police and ~~firemen's disability and~~ fire pension fund in accordance with such rules; provided, that any member of the fund who is not receiving a benefit or pension from the fund on August 12, 1975, may, upon application for a benefit or pension to be received on or after August 12, 1975, elect to receive a benefit or pension in accordance

with division (C) of this section.

(C) Members of the fund who have not elected to receive benefits and pensions from a police relief and pension fund or a firemen's relief and pension fund in accordance with the rules of the fund in force on April 1, 1947, shall receive pensions and benefits in accordance with the following provisions:

(1) A member of the fund who has completed twenty-five years of active service in a police or fire department and has attained forty-eight years of age may, at the member's election, retire from the police or fire department, and upon notifying the board in writing of the election, shall receive an annual pension, payable in twelve monthly installments, in an amount equal to a percentage of the member's average annual salary. The percentage shall be the sum of two and one-half per cent for each of the first twenty years the member was in the active service of the department, plus two per cent for each of the twenty-first to twenty-fifth years the member was in the active service of the department, plus one and one-half per cent for each year in excess of twenty-five years the member was in the active service of the department. The annual pension shall not exceed seventy-two per cent of the member's average annual salary.

A member who completed twenty-five years of active service, has resigned or been discharged, and has left the sum deducted from the member's salary on deposit in the pension fund shall, upon attaining forty-eight years of age, be entitled to receive a normal service pension benefit computed and paid under division (C)(1) of this section.

(2) A member of the fund who has served fifteen or more years as an active member of a police or fire department and who voluntarily resigns or is discharged from the department for any reason other than dishonesty, cowardice, intemperate habits, or conviction of a felony, shall receive an annual pension, payable in twelve monthly installments, in an amount equal to one and one-half per cent of the member's average annual salary multiplied by the number of full years the member was in the active service of the department. The pension payments shall not commence until the member has attained the age of forty-eight years and until twenty-five years have elapsed from the date on which the member became a full-time regular police officer or firefighter in the department.

(3) A member of the fund who has completed fifteen or more years of active service in a police or fire department and who has attained sixty-two years of age, may retire from the department and, upon notifying the board in writing of the election to retire, shall receive an annual pension, payable in twelve monthly installments, in an amount equal to a percentage of the

member's average annual salary. The percentage shall be the sum of two and one-half per cent for each of the first twenty years the member was in the active service of the department, plus two per cent for each of the twenty-first to twenty-fifth years the member was in the active service of the department, plus one and one-half per cent for each year in excess of twenty-five years the member was in the active service of the department. The annual pension shall not exceed seventy-two per cent of the member's average annual salary.

(4) With the exception of those persons who may make application for benefits as provided in section 742.26 of the Revised Code, no person receiving a pension or other benefit under division (C) of this section on or after July 24, 1986, shall be entitled to apply for any new, changed, or different benefit.

If a member covered by division (C) of this section or section 742.38 of the Revised Code dies prior to the time the member has received a payment and leaves a surviving spouse or dependent child, the surviving spouse or dependent child shall receive a pension under division (D) or (E) of this section.

(D)(1) Except as provided in division (D)(2) of this section, a surviving spouse of a deceased member of the fund shall receive a monthly pension as follows:

(a) For the period beginning July 1, 1999, and ending June 30, 2000, five hundred fifty dollars;

(b) For the period beginning July 1, 2000, and the first day of July of each year thereafter and continuing for the following twelve months, an amount equal to the monthly amount paid during the prior twelve-month period plus an amount determined by multiplying five hundred fifty dollars by the average percentage change in the consumer price index, not exceeding three per cent, as determined each year by the board under section 742.3716 of the Revised Code.

(2) A surviving spouse of a deceased member of the fund shall receive a monthly pension of four hundred ten dollars if one of the following is the case:

(a) At the time of death, the deceased member had been awarded a pension under this chapter based on age and service;

(b) The surviving spouse is eligible for a benefit under section 742.3714 or division (B) or (D) of section 742.63 of the Revised Code. If the surviving spouse ceases to be eligible for a benefit under division (B) or (D) of section 742.63 of the Revised Code, the pension shall be increased, effective the first day of the first month following the day on which the

surviving spouse ceases to be eligible for the benefit, to the amount it would be under division (D)(1) of this section had the spouse never been eligible for a benefit under division (B) or (D) of section 742.63 of the Revised Code.

(3) A pension paid under this division shall continue during the natural life of the surviving spouse. Benefits to a deceased member's surviving spouse that were terminated under a former version of this section that required termination due to remarriage and were not resumed prior to September 16, 1998, shall resume on the first day of the month immediately following receipt by the board of an application on a form provided by the board.

(E) Each surviving child of a deceased member of the fund shall receive a monthly pension of one hundred fifty dollars until the child attains the age of eighteen years, or marries, whichever event occurs first. A pension under this division, however, shall continue to be payable to a child under age twenty-two who is a student in and 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 the institution, as determined by the board. If any surviving child, regardless of age at the time of the member's death, because of physical or mental disability, is totally dependent upon the deceased member for support at the time of death, the child shall receive a monthly pension under this division during the child's natural life or until the child has recovered from the disability.

(F) If a deceased member of the fund leaves no surviving spouse or surviving children, but leaves two parents dependent upon the deceased member for support, each parent shall be paid a monthly pension of one hundred dollars. If there is only one parent dependent upon the member for support, the parent shall be paid a monthly pension of two hundred dollars. The pensions provided for in this division shall be paid during the natural life of the surviving parents, or until dependency ceases, or until remarriage, whichever event occurs first.

(G) Subject to the provisions of section 742.461 of the Revised Code, a member of the fund who voluntarily resigns or is removed from active service in a police or fire department is entitled to receive an amount equal to the sums deducted from the member's salary and credited to the member's account in the fund, except that a member receiving a disability benefit or service pension is not entitled to receive any return of contributions to the fund.

(H) On and after January 1, 1970, all pensions shall be increased in

accordance with the following provisions:

(1) A member of the fund who retired prior to January 1, 1967, has attained age sixty-five on January 1, 1970, and was receiving a pension on December 31, 1969, pursuant to division (B) or (C)(1) of this section or former division (C)(2), (3), (4), or (5) of this section, shall have the pension increased by ten per cent.

(2) The monthly pension payable to eligible surviving spouses under division (D) of this section shall be increased by forty dollars for each surviving spouse receiving a pension on December 31, 1969.

(3) The monthly pension payable to each eligible child under division (E) of this section shall be increased by ten dollars for each child receiving a pension on December 31, 1969.

(4) The monthly pension payable to each eligible dependent parent under division (F) of this section shall be increased by thirty dollars for each parent receiving a pension on December 31, 1969.

(5) A member of the fund, including a survivor of a member, who is receiving a pension in accordance with the rules governing the granting of pensions and benefits in force on April 1, 1947, that provide an increase in the original pension from time to time pursuant to changes in the salaries of active members, shall not be eligible for the benefits provided in this division.

(I) On and after January 1, 1977, a member of the fund who was receiving a pension or benefit on December 31, 1973, under division (A), (B), (C)(1), or former division (C)(2) or (7) of this section shall have the pension or benefit increased as follows:

(1) If the member's annual pension or benefit is less than two thousand seven hundred dollars, it shall be increased to three thousand dollars.

(2) If the member's annual pension or benefit is two thousand seven hundred dollars or more, it shall be increased by three hundred dollars.

The following shall not be eligible to receive increased pensions or benefits as provided in this division:

(a) A member of the fund who is receiving a pension or benefit in accordance with the rules in force on April 1, 1947, governing the granting of pensions and benefits, which provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members;

(b) A member of the fund who is receiving a pension or benefit under division (A) or (B) of this section, based on funded volunteer or funded part-time service, or off-duty disability, or partial on-duty disability, or early vested service;

(c) A member of the fund who is receiving a pension under division (C)(1) of this section, based on funded volunteer or funded part-time service.

(J) On and after July 1, 1977, a member of the fund who was receiving an annual pension or benefit on December 31, 1973, pursuant to division (B) of this section, based upon partial disability, off-duty disability, or early vested service, or pursuant to former division (C)(3), (5), or (6) of this section, shall have such annual pension or benefit increased by three hundred dollars.

The following are not eligible to receive the increase provided by this division:

(1) A member of the fund who is receiving a pension or benefit in accordance with the rules in force on April 1, 1947, governing the granting of pensions and benefits, which provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members;

(2) A member of the fund who is receiving a pension or benefit under division (B) or (C)(2) of this section or former division (C)(3), (5), or (6) of this section based on volunteer or part-time service.

(K)(1) Except as otherwise provided in this division, every person who on July 24, 1986, is receiving an age and service or disability pension, allowance, or benefit pursuant to this chapter in an amount less than thirteen thousand dollars a year that is based upon an award made effective prior to February 28, 1984, shall receive an increase of six hundred dollars a year or the amount necessary to increase the pension or benefit to four thousand two hundred dollars after all adjustments required by this section, whichever is greater.

(2) Division (K)(1) of this section does not apply to the following:

(a) A member of the fund who is receiving a pension or benefit in accordance with rules in force on April 1, 1947, that govern the granting of pensions and benefits and that provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members;

(b) A member of the fund who is receiving a pension or benefit based on funded volunteer or funded part-time service.

(L) On and after July 24, 1986:

(1) The pension of each person receiving a pension under division (D) of this section on July 24, 1986, shall be increased to three hundred ten dollars per month.

(2) The pension of each person receiving a pension under division (E) of

this section on July 24, 1986, shall be increased to ninety-three dollars per month.

Sec. 742.371. (A) As used in this section, "lay off" has the same meaning as in division (A) of section 742.27 of the Revised Code.

(B) A member of the fund who has voluntarily resigned or who voluntarily resigns or who has been or is removed from active service in a police or fire department for any reason other than a lay off that was involuntary, as certified pursuant to division (C) of this section, and receives or has received from a police relief and pension fund under division (I) of former section 741.49 of the Revised Code, or from a firemen's relief and pension fund under division (I) of former section 741.18 of the Revised Code, or from a township firemen's relief and pension fund under division (I) of former section 521.11 of the Revised Code, or from the Ohio police and ~~firemen's disability and~~ fire pension fund under division (G) of section 742.37 of the Revised Code, an amount equal to the sum deducted from the member's salary and credited to one of such funds shall, upon reinstatement to the active service of such police or fire department, deposit with the Ohio police and ~~firemen's disability and~~ fire pension fund an amount equal to the sum so received by the member, with interest compounded annually thereon, at a rate to be determined by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, from the date of such receipt to the date of such deposit. The member may choose to purchase only part of such credit in any one payment, subject to board rules. Such member shall not be entitled to receive any pension or benefit payments under division (B) or (C) of section 742.37 or section 742.39 of the Revised Code until the member has made the deposit required by this section.

(C) A member of the fund who has been or is removed from active service in a police or fire department as a result of a lay off that was involuntary, as certified pursuant to this division, and receives or has received from a police relief and pension fund under division (I) of former section 741.49 of the Revised Code, or from a firemen's relief and pension fund under division (I) of former section 741.18 of the Revised Code, or from a township firemen's relief and pension fund under division (I) of former section 521.11 of the Revised Code, or from the Ohio police and ~~firemen's disability and~~ fire pension fund under division (G) of section 742.37 of the Revised Code, an amount equal to the sum deducted from the member's salary and credited to one of such funds may, upon reinstatement to the active service of such police or fire department, deposit with the Ohio police and ~~firemen's disability and~~ fire pension fund an amount equal to the sum so received by the member, with interest compounded annually

thereon, at a rate to be determined by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund from the date of such receipt to the date of such deposit. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

If any police or fire department reinstates a member of the fund who was removed from active service in that police or fire department as a result of a lay off that was involuntary, the police or fire department shall upon the request of that member certify to the fund that the member was removed from active service in that police or fire department as a result of a lay off that was involuntary.

Sec. 742.372. A member of the fund who is in the active service of a police department and is not receiving a pension or benefit payment from the Ohio police and ~~firemen's disability and~~ fire pension fund shall, in computing years of active service in such department under division (C) of section 742.37 or section 742.39 of the Revised Code, be given credit for the time served in the active service of another Ohio police or fire department, provided both of the following occur:

(A) The member was a member of a police or firemen's relief and pension fund or the Ohio police and ~~firemen's disability and~~ fire pension fund during the full time for which such active service credit is claimed.

(B) The member pays into the Ohio police and ~~firemen's disability and~~ fire pension fund the amount received by the member under division (I) of former section 521.11, division (I) of former section 741.18, division (I) of former section 741.49, or division (G) of section 742.37 of the Revised Code, with interest compounded annually thereon at a rate to be determined by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, from the date of such receipt to the date of such deposit, or there is to the member's credit in the ~~policemen's~~ police officers' contribution fund an amount equal to the sums contributed by the member to such police or firemen's relief and pension fund or to the Ohio police and ~~firemen's disability and~~ fire pension fund for the full time for which such active service credit is claimed.

Sec. 742.373. A member of the fund who is in the active service of a fire department and is not receiving a pension or benefit payment from the Ohio police and ~~firemen's disability and~~ fire pension fund shall, in computing years of active service in such department under division (C) of section 742.37 or section 742.39 of the Revised Code, be given credit for time served in the active service of another Ohio police or fire department, provided both of the following occur:

(A) The member was a member of a police or firemen's relief and

pension fund or the Ohio police and ~~firemen's disability and~~ fire pension fund during the full time for which such active service credit is claimed.

(B) The member pays into the Ohio police and ~~firemen's disability and~~ fire pension fund the amount received by the member under division (I) of former section 521.11, division (I) of former section 741.18, division (I) of former section 741.49, or division (G) of section 742.37 of the Revised Code, with compound interest thereon at a rate to be determined by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, from the date of such receipt to the date of such deposit, or there is to the member's credit in the ~~firemen's~~ firefighters' contribution fund an amount equal to the sums contributed by the member to such police or firemen's relief and pension fund or to the Ohio police and ~~firemen's disability and~~ fire pension fund for the full time for which such active service credit is claimed. A member may choose to purchase only part of such credit in any one payment, subject to board rules.

Sec. 742.374. On and after December 31, 1971, all persons who retired and were eligible to receive a pension that was payable prior to July 1, 1968, pursuant to division (B) of section 742.37 of the Revised Code, and all persons who qualified for a payment under division (C)(1) of such section or division (C)(2), (3), (4), or (5) of former section 742.37 of the Revised Code prior to such date shall receive an additional monthly payment of two dollars for each year between the member's effective date of retirement or disability and December 31, 1971, or an additional fifty dollars, whichever is less.

This section does not apply to persons included under division (H)(2) of section 742.37 of the Revised Code.

On or before the first day of August in each year, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall certify to the treasurer of state the amount required to be paid in the preceding fiscal year under this section. Upon receipt of such certification, the treasurer of state shall pay to the fund the amount certified.

Sec. 742.375. A member of the fund who is in the active service of a police or fire department and is not receiving a pension or benefit payment from the Ohio police and ~~firemen's disability and~~ fire pension fund shall, in computing years of active service in such department under division (C) of section 742.37 or section 742.39 of the Revised Code, be given full credit for the time served in the state highway patrol retirement system, provided such member pays into the Ohio police and ~~firemen's disability and~~ fire pension fund the amount received by the member under section 5505.19 of the Revised Code, with interest compounded annually thereon at a rate to be

determined by the board of trustees of the Ohio police and fire pension fund from the date of such receipt to the date of such deposit. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

Upon certification by the board ~~of the police and firemen's disability and pension fund~~ to the board of the state highway patrol retirement system of such payment by the member of the fund, the state highway patrol retirement board shall pay from the employer's accumulation fund under division (C) of section 5505.03 of the Revised Code to the Ohio police and ~~firemen's disability and~~ fire pension fund an amount equal to the payment of the member of the fund.

Sec. 742.376. A member of the fund who is in the active service of a police or fire department and is not receiving a pension or benefit payment from the Ohio police and ~~firemen's disability and~~ fire pension fund shall, in computing years of active service in such department under division (C) of section 742.37 or section 742.39 of the Revised Code, be given full credit for service as a full-time police officer or firefighter, provided that all of the following occur:

(A) Such service was rendered prior to January 1, 1967.

(B) The municipal corporation or township, at the time such service was rendered, had not established a police or firemen's relief and pension fund to which the member could otherwise have made pension contributions.

(C) The member was enrolled in the public employees retirement system, contributed thereto, and has withdrawn the member's retirement contributions.

(D) The member pays into the Ohio police and ~~firemen's disability and~~ fire pension fund the amount withdrawn by the member from the public employees retirement system, with interest compounded annually thereon at a rate to be determined by the board from the date of such withdrawal to the date of deposit. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

Purchase of such credit in the Ohio police and ~~firemen's disability and~~ fire pension fund shall forever bar the member from reinstating such credit in the public employees retirement system.

Sec. 742.379. (A) As used in this section:

(1) "Full-time service" has the meaning established by rule of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund.

(2) "Qualified contributions" means contributions to the public employees retirement system, school employees retirement system, or state teachers retirement system attributable to full-time service or purchase of

credit for service in the armed forces of the United States.

(B) In computing the pension and benefits payable under section 742.37 or 742.39 of the Revised Code, the Ohio police and ~~firemen's disability and~~ fire pension fund shall give a member of the fund who is in the active service of a police or fire department and is not receiving a pension or benefit payment from the fund full credit for service credit earned for full-time service as a member of the Cincinnati retirement system or purchased from the retirement system for service in the armed forces of the United States if, for each year of service credit, the fund receives the sum of the following:

(1) An amount, which shall be paid by the member, equal to the amount withdrawn by the member from the retirement system that is attributable to the year of service credit, with interest on that amount from the date of withdrawal to the date of payment;

(2) Interest, which shall be paid either by the member or the retirement system, on the amount withdrawn by the member from the retirement system that is attributable to the year of service from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the withdrawal was made;

(3) An amount, which shall be paid by either the member or the retirement system, equal to the lesser of the amount contributed by the employer to the retirement system for the year of service or the amount that would have been contributed by the employer for the year of service had the member been employed by the member's current employer as a member of a police or fire department, with interest on that amount from the last day of the year for which the service credit was earned or in which military service was purchased or obtained to the date the payment is made;

(4) If the member became a member of the fund on or after ~~the effective date of this amendment~~ September 16, 1998, the amount, which shall be paid by the member, determined pursuant to division (I) of this section.

Interest shall be determined in accordance with division (H) of this section.

(C) In computing the pension and benefits payable under section 742.37 or 742.39 of the Revised Code, the fund shall give a member of the fund who is in the active service of a police or fire department, is not receiving a pension or benefit payment from the fund, and has withdrawn the member's contributions from the public employees retirement system, school employees retirement system, or state teachers retirement system full credit for service credit earned for full-time service as a member of the public employees retirement system, school employees retirement system, or state

teachers retirement system or purchased from one of those retirement systems for service in the armed forces of the United States if, for each year of service, the fund receives the sum of the following:

(1) An amount, which shall be paid by the member, equal to the amount withdrawn by the member from the former retirement system that is attributable to that year of service credit, with interest on that amount from the date of withdrawal to the date of payment;

(2) Interest, which shall be transferred by the former retirement system, on the amount withdrawn by the member from the retirement system that is attributable to the year of service from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the withdrawal was made;

(3) An amount, which shall be transferred by the former retirement system, equal to the lesser of the amount contributed by the employer to the retirement system for the year of service or the amount that would have been contributed by the employer for the year of service had the member been employed by the member's current employer as a member of a police or fire department, with interest on the amount transferred from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the transfer is made;

(4) If the member became a member of the fund on or after ~~the effective date of this amendment~~ September 16, 1998, the amount, which shall be paid by the member, determined pursuant to division (I) of this section.

On receipt of payment from the member, the fund shall notify the former retirement system, and on receipt of the notice, the retirement system shall make the transfer. Interest shall be determined in accordance with division (H) of this section.

(D) In computing the pension and benefits payable under section 742.37 or 742.39 of the Revised Code, the fund shall give a member of the fund who is in the active service of a police or fire department, is not receiving a pension or benefit from the fund, and has contributions on deposit with the public employees retirement system, school employees retirement system, or state teachers retirement system full credit for service credit earned for full-time service as a member of one of those retirement systems or purchased from one of the retirement systems for service in the armed forces of the United States if both of the following occur:

(1) The retirement system transfers to the fund, for each year of service, the sum of the following:

(a) An amount equal to the member's qualified contributions;

(b) An amount equal to the lesser of the employer's qualified

contributions to the retirement system or the amount that would have been contributed by the employer for the full-time service had the member been employed by the member's current employer as a member of a police or fire department;

(c) Interest on the amounts specified in divisions (D)(1)(a) and (b) of this section from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the transfer is made.

(2) If the member became a member of the fund on or after ~~the effective date of this amendment~~ September 16, 1998, the member pays the amount determined pursuant to division (I) of this section.

On receipt of a request from the member, the appropriate retirement system shall make the transfer specified in division (D)(1) of this section. Interest shall be determined in accordance with division (H) of this section.

(E) Subject to board rules, a member of the fund may choose to purchase in any one payment only part of the credit the member is eligible to purchase under division (B) or (C)(1) of this section.

(F) At the request of the fund, the public employees retirement system, school employees retirement system, state teachers retirement system, or Cincinnati retirement system shall certify to the fund a copy of the records of the service and contributions of a member of the fund who seeks service credit under this section.

(G) A member of the fund is ineligible to receive credit under this section for service that is used in the calculation of any retirement benefit currently being paid or payable in the future to the member, or service rendered concurrently with any other period for which service credit has already been granted.

(H) Interest charged under this section shall be calculated separately for each year of service credit at the lesser of the actuarial assumption rate for that year of the fund or of the retirement system in which the credit was earned. The interest shall be compounded annually.

The board may, by rule, establish procedures for the receipt of service credit under this section.

(I) The amount to be paid pursuant to division (B)(4), (C)(4), or (D)(2) of this section is the sum of the following:

(1) An amount equal to the difference between the amount the member paid as employee contributions for the service and the amount the member would have paid had the member been employed by the member's current employer as a member of a police or fire department;

(2) An amount equal to the difference between the amount paid or

transferred under division (B)(3), (C)(3), or (D)(1)(b) of this section and the amount that would have been contributed by the employer for the service had the member been employed by the member's current employer as a member of a police or fire department;

(3) Interest, determined in accordance with division (H) of this section, on the amounts specified in divisions (I)(1) and (2) of this section.

At the request of a member, in lieu of requiring payment of all or part of the amount determined under this division the fund may grant the member an amount of service credit under division (B), (C), or (D) of this section that is less than the amount for which the member is eligible. The service credit granted shall be the same percentage of the service credit for which the member is eligible that the amount the fund receives under division (B), (C), or (D) of this section is of the total amount it would receive under those divisions if the full amount determined under this division was paid.

(J)(1) Except as provided in division (J)(2) of this section and notwithstanding any contrary provision of this section, the board shall, in computing a pension or benefit under section 742.37 or 742.39 of the Revised Code, give a member of the fund who is not receiving a pension or disability benefit from the fund full credit for service credit purchased under this section for service that was less than full-time service if the member provides evidence satisfactory to the board that, after receiving written notice from the fund indicating that the member would be permitted to purchase service credit for service that was less than full-time, the member changed or ceased the member's employment with the understanding that the credit identified in the notice would be used in computing a pension or benefit. If the board has canceled service credit purchased under this section for service that was less than full-time service and the member meets the requirements of division (J)(1) of this section, the board shall restore the service credit on repayment to the fund of the amount refunded to the member at the time of cancellation.

(2) If a member of the fund who is not receiving a pension or disability benefit from the fund purchased credit under this section for service that was less than full-time service and does not meet the requirements of division (J)(1) of this section, the board shall refund to the member any amounts paid to purchase the credit, with interest at a rate determined by the board from the date the member purchased the credit to the date of the refund.

(K) A member of the fund who has purchased service credit under this section, or the member's estate, is entitled to a refund of the amount or portion of the amount paid to purchase the credit if the purchased credit or portion of credit does not increase a pension or benefit payable under

section 742.37 or 742.39 of the Revised Code. The refund cancels an equivalent amount of service credit.

(L) If a member or former member of the fund who is not a current contributor and has not received a refund of accumulated contributions elects to receive credit under section 145.295, 3307.412, or 3309.351 of the Revised Code for service for which the member contributed to the fund or purchased credit for service in the armed forces of the United States, the fund shall transfer to the public employees retirement system, school employees retirement system, or state teachers retirement system the amount specified in division (A) of section 145.295 of the Revised Code, division (A) of section 3307.412 of the Revised Code, or division (A) of section 3309.351 of the Revised Code.

(M) The board shall adopt rules establishing a payroll deduction plan for the purchase of service credit under this section. The rules shall meet the requirements described in section 742.56 of the Revised Code.

Sec. 742.3711. (A) On application for retirement as provided in section 742.37 of the Revised Code, a member of the fund may elect to receive a retirement allowance payable throughout the member's life, or may elect, on the application for retirement, to receive the actuarial equivalent of the member's retirement allowance in a lesser amount payable for life and continuing after death to a surviving designated beneficiary under one of the following optional plans, provided the amount payable to the beneficiary shall not exceed the amount payable to the retiring member of the fund, and is certified by the actuary engaged by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund to be the actuarial equivalent of the member's retirement allowance and is approved by the board.

(1) Option 1. The member's lesser retirement allowance shall be paid for life to the sole beneficiary designated at the time of the member's retirement.

(2) Option 2. One-half or some other portion of the member's lesser retirement allowance shall be paid for life to the sole beneficiary designated at the time of the member's retirement.

(3) Option 3. Upon the member's death before the expiration of a certain period from the retirement date and elected by the member and approved by the retirement board, the member's lesser retirement allowance shall be continued for the remainder of that period to the beneficiary the member has nominated by written designation and filed with the retirement board.

Should the nominated beneficiary designated in writing become deceased prior to the expiration of the guarantee period, then for the purpose of completing payment for the remainder of the guarantee period, the

present value of such payments shall be paid to the estate of the beneficiary last receiving.

(B)(1) On or after February 28, 1980, the death of a spouse nominated as beneficiary or the death of any other nominated beneficiary following retirement shall cancel any optional plan of payment to provide continuing lifetime benefits to such nominated beneficiary and return the member of the fund to the member's single lifetime benefit equivalent, as determined by the board, to be effective the month following receipt by the board of notice of the death.

(2) On divorce, annulment, or marriage dissolution, a member receiving a retirement allowance under a plan that provides for continuation of all or part of the allowance after death for the lifetime of the member's surviving spouse may, with the written consent of the spouse or pursuant to an order of the court with jurisdiction over the termination of the marriage, elect to cancel the plan and receive the member's single lifetime benefit equivalent as determined by the ~~retirement~~ board. The election shall be made on a form provided by the board and shall be effective the month following its receipt by the board.

(C) Following marriage or remarriage, a member of the fund may elect not later than one year after the date of marriage or remarriage a new optional plan of payment based on the actuarial equivalent of the member's single lifetime benefit as determined by the board. The plan and the member's lesser retirement allowance shall become effective on the date the election is made on a form approved by the board.

(D)(1) Unless one of the following occurs, an application for retirement by a married person shall be considered an election of a benefit under option 2 as provided for in division (A)(2) of this section under which one-half of the lesser retirement allowance payable during the life of the retirant will be paid after death to the retirant's spouse for life as sole beneficiary:

(a) The retirant selects an optional plan under division (A) of this section providing for payment after death to the retirant's spouse for life as sole beneficiary of more than one-half of the lesser retirement allowance payable during the life of the retirant;

(b) The retirant submits to the retirement board a written statement signed by the spouse attesting that the spouse consents to the retirant's election to receive a single lifetime retirement allowance or a payment under an optional benefit plan under which after the death of the retirant the surviving spouse will receive less than one-half of the lesser retirement allowance payable during the life of the retirant.

(2) An application for retirement shall include an explanation of all of

the following:

(a) That, if the member is married, unless the spouse consents to another plan of payment, the member's retirement allowance will be paid under "option 2" and consist of the actuarial equivalent of the member's retirement allowance in a lesser amount payable for life and one-half of the lesser allowance continuing after death to the surviving spouse for the life of the spouse;

(b) A description of the alternative plans of payment available with the consent of the spouse;

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

(d) That consent is irrevocable once notice of consent is filed with the board.

Consent shall be valid only if it is signed, in writing, and witnessed by an employee of the board or a notary public.

(3) If the retirant does not select an optional plan as described in division (D)(1)(a) of this section and the board does not receive the written statement provided for in division (D)(1)(b) of this section, it shall determine and pay the retirement allowance in accordance with division (A)(2) of this section, except that the board may provide by rule for waiver by the board of the statement and payment of the allowance other than in accordance with division (A)(2) of this section if the retirant is unable to obtain the statement due to absence or incapacity of the spouse or other cause specified by the board.

(E) A member of the fund who has elected an optional plan under this section or section 742.3715 of the Revised Code may, with the consent of the designated beneficiary, cancel the optional plan and receive the retirement allowance payable throughout life the member would have received had the member not elected the optional plan, if the member makes a request to cancel the optional plan not later than one year after the later of September 9, 1988, or the date on which the member first receives a payment under this section or section 742.3715 of the Revised Code. Cancellation of the optional plan shall be effective the month after acceptance of the request by the trustees of the fund. No payment or adjustment shall be made in the retirement allowance payable throughout the member's life to compensate for the lesser allowance the member received under the optional plan.

The request to cancel the optional plan shall be made on a form provided by the fund and shall be valid only if the completed form includes a signed statement of the designated beneficiary's understanding of and

nsent to the cancellation. The signature shall be verified by the trustees of the fund prior to their acceptance of the cancellation.

(F) Any option elected and payments made under this section shall be in addition to any benefit payable under divisions (D), (E), and (F) of section 742.37 of the Revised Code.

(G)(1) Except as otherwise provided in this division, a person is eligible to receive an additional benefit under this division if the person is receiving a retirement allowance or benefit under an optional plan elected under this section or section 742.3715 of the Revised Code based on an award made prior to July 24, 1986, and it is the case that, had the member who elected the optional plan elected instead to receive a retirement allowance payable throughout the member's life, the amount of that retirement allowance would be less than the amount specified in division (G)(2) of this section. A person is not eligible to receive an additional benefit under this section if the person is receiving a pension or benefit in accordance with rules in force on April 1, 1947, that govern the granting of pensions and benefits and that provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members.

(2) In 1988, the amount used to determine eligibility under division (G)(1) of this section shall be eighteen thousand dollars. Each year thereafter, the amount shall be the prior year's amount plus five hundred dollars.

(3) On or before the fifteenth day of April of each year, the board shall determine the average percentage change in the consumer price index prepared by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "all items 1982-84=100") for ~~thetwelve-month~~ the twelve-month period prior to the first day of January over the next preceding twelve-calendar-month period, as reported by the bureau. On a determination by the board that this change is an increase or that the change plus the accumulation described in division (G)(3) of this section is an increase, the board shall increase all benefits payable under this section or section 742.3715 of the Revised Code to eligible persons by the actuarial equivalent of an amount determined by multiplying twelve thousand dollars by the percentage of the increase in the consumer price index, or that percentage plus the accumulation, except that the percentage shall not exceed three per cent and no benefit shall 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.

Any percentage of change in the consumer price index in any year that is in excess of three per cent shall be accumulated and used to determine

increases under this section in succeeding years. Any percentage of change in the consumer price index accumulated by an eligible person prior to September 27, 1996, shall be used in determining any future increases under this section. The first additional benefit is payable to all eligible persons on July 1, 1988. The additional benefit is payable for the ensuing twelve-month period or until the next increase is granted under this section, whichever is later.

The date of the first additional benefit payable under this section shall be the anniversary date for future additional benefits.

Sec. 742.3712. (A) Effective July 1, 1981, each person eligible to receive an age and service or disability pension, allowance, or benefit pursuant to Chapter 742. of the Revised Code that was based upon an award made effective before January 1, 1974, shall have ~~his~~ the person's monthly pension increased by five per cent, except that the twelve-month sum of such increase shall not exceed five per cent of the first five thousand dollars of the annual pension allowance or benefit.

A member of the Ohio police and ~~firemen's disability and~~ fire pension fund or a survivor who is receiving a pension or benefit in accordance with the rules in force on April 1, 1947, governing the granting of pensions and benefits, which provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members, shall not be eligible to receive the increase provided by this section.

(B) Effective July 1, 1981, each person eligible to receive a survivor's benefit pursuant to Chapter 742. of the Revised Code that was based upon an award made effective before July 1, 1981, shall have ~~his~~ the person's monthly benefit increased by five per cent, except that the twelve-month sum of such increases shall not exceed five per cent of the first five thousand dollars of the annual benefit.

(C) The increases provided in divisions (A) and (B) of this section shall be applied to the benefit payable on and after July 1, 1981.

(D) The benefits provided in divisions (A) and (B) of this section are a continuation of those first provided in Am. Sub. H. B. 204 as passed by the 113th general assembly.

(E) On or before ~~the first day of~~ August 1, 1982, and on or before the first day of August in each year thereafter, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall certify to the treasurer of state the amounts needed to pay the cost of the additional payments required under this section for the preceding fiscal year. Upon receipt of these certifications, the treasurer of state shall pay the amount certified.

Sec. 742.3713. (A) On and after November 15, 1981, a member of the Ohio police and ~~firemen's disability and~~ fire pension fund who is receiving a pension or benefit effective prior to February 28, 1980, under division (A), (B), or (C) of section 742.37 or division (C)(2), (3), (4), or (5) of former section 742.37 of the Revised Code shall have such pension or benefit increased by forty-six dollars.

The following are not eligible to receive the increase provided by this division:

(1) A member of the fund who is receiving a pension or benefit in accordance with the rules in force on April 1, 1947, governing the granting of pensions and benefits, which provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members;

(2) A member of the fund who is receiving a pension or benefit under division (A), (B), or (C) of section 742.37 of the Revised Code based on volunteer or part-time service.

(B) Each surviving spouse who on November 15, 1981, is receiving a pension pursuant to division (D) of section 742.37 of the Revised Code as it was in effect prior to such date shall have the monthly pension increased forty-six dollars.

Sec. 742.3714. As used in this section, "contingent dependent beneficiary" means a person so designated pursuant to this section by a member or former member of the Ohio police and ~~firemen's disability and~~ fire pension fund.

Prior to retiring under section 742.37 of the Revised Code, a member or former member of the fund who is, or within twelve months will be, eligible to retire and receive a pension or benefit under division (C)(1) or (3) of section 742.37 of the Revised Code may designate one dependent, not the member's or former member's spouse, as the contingent dependent beneficiary. The determination of what constitutes a dependent for the purposes of this section shall be made by the board of trustees of the fund in accordance with rules adopted pursuant to this section. The designation shall be made on a form provided by the board and shall be filed with the board. The designation may be changed or withdrawn in accordance with rules adopted by the board pursuant to this section. The designation shall be used only for the purposes of this section and shall cease to have effect if the member or former member retires under section 742.37 of the Revised Code, or dies prior to retirement and is survived by a spouse. The board shall annually inform members and eligible former members of the fund of the right to designate a contingent dependent beneficiary under this section.

In addition to any other pension, allowance, or benefit payable under this chapter, the surviving spouse of a deceased member or former member of the fund who at the time of the member's or former member's death was eligible to retire and receive a pension or benefit under division (C)(1) or (3) of section 742.37 of the Revised Code, but had not retired, shall receive an annual retirement allowance under this section, payable in twelve monthly installments. If on the date of death of the member or former member there is no surviving spouse, the allowance shall be paid to the contingent dependent beneficiary. If on such date there is no surviving spouse and no person designated as a contingent dependent beneficiary who is determined by the board of trustees to be a dependent of the member or former member, no allowance or benefit shall be paid under this section.

The allowance paid under this section shall be an amount equal to the amount the surviving spouse or contingent dependent beneficiary would have been entitled to receive had the member or former member retired effective the day following the date of death having selected an option 2 plan under division (A)(2) of section 742.3711 of the Revised Code providing for one-half of the member's or former member's lesser retirement allowance to be paid to the surviving spouse or contingent dependent beneficiary. Payments under this section are payable effective the first day of the first month following the death of the member or former member of the fund.

Sec. 742.3715. (A) A member of the Ohio police and ~~firemen's disability and~~ fire pension fund who retired under section 742.37 of the Revised Code before February 28, 1980, may elect to receive the actuarial equivalent of the member's retirement allowance in a lesser amount payable for the remainder of the member's life and continuing after death to the member's spouse under one of the optional plans described under division (A)(1) or (2) of section 742.3711 of the Revised Code, provided the amount payable under the optional plan elected is certified by the actuary engaged by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund to be the actuarial equivalent of the member's retirement allowance and is approved by the board. The election shall be made as follows:

(1) Not later than ninety days after September 26, 1984, the member shall file with the board a notice that the member wishes to be eligible to make the election authorized by this section. The board shall advise the member with respect to the choices available under the optional plans and have a determination made of the monthly benefits payable under the optional plan elected by the member for inclusion in the statement to be

filed under division (A)(2) of this section.

(2) Not later than one year after September 26, 1984, the member shall file a statement, on a form provided by the board, that the member elects to receive benefits under the optional benefit plan specified in the statement.

A request or form that is mailed to the board shall be considered to have been filed on its postmark date.

(B) A member of the fund who retired under section 742.37 of the Revised Code prior to September 16, 1998, was married at the time of retirement, and did not elect one of the optional plans under section 742.3711 of the Revised Code may elect to receive the actuarial equivalent of the member's retirement allowance in a lesser amount payable for the remainder of the member's life and continuing after death to the member's spouse under one of the optional plans described in division (A)(1) or (2) of section 742.3711 of the Revised Code, provided the amount payable under the optional plan elected is certified by the actuary engaged by the board to be the actuarial equivalent of the member's retirement allowance and is approved by the board.

Not later than thirty days after ~~the effective date of this amendment~~ December 21, 1998, the board shall provide to all members described in this division written notice of the election available under this division. The notice shall state that a member's failure to elect an optional plan under this division will result in the member's spouse, at the time of the member's death, being eligible only for a benefit under division (D) of section 742.37 of the Revised Code.

The election shall be made as follows:

(1) Not later than one hundred twenty days after ~~the effective date of this amendment~~ December 21, 1998, the member shall file with the board a notice that the member wishes to make the election authorized by this section. The board shall advise the member with respect to the choices available under the optional plans and have a determination made of the monthly benefits payable under the optional plan elected by the member for inclusion in the statement to be filed under division (B)(2) of this section.

(2) Not later than one year after ~~the effective date of this amendment~~ December 21, 1998, the member shall file a statement, on a form provided by the board, that the member elects to receive benefits under the optional plan specified in the statement. A request or form that is mailed to the board shall be considered to have been filed on its postmark date. Benefits under the optional plan shall begin on the first day of the first month following the date the statement is filed with the board.

(C)(1) The death of the member's spouse shall cancel any plan elected

pursuant to this section and return the member to the member's single lifetime benefit equivalent, as determined by the board, to be effective the month following receipt by the board of notice of the death.

(2) On divorce, annulment, or marriage dissolution, a member receiving a retirement allowance under a plan that provides for continuation of all or part of the allowance after death for the lifetime of the member's surviving spouse may, with the written consent of the spouse or pursuant to an order of the court with jurisdiction over the termination of the marriage, elect to cancel the plan and receive the member's single lifetime benefit equivalent as determined by the ~~retirement~~ board. The election shall be made on a form provided by the board and shall be effective the month following its receipt by the board.

(D) If the member remarries after cancellation under division (C)(1) or (2) of this section of an optional plan, the member may elect not later than one year after the date of remarriage a new optional plan based on the actuarial equivalent of the member's single lifetime benefit as determined by the board. The plan and the member's lesser retirement allowance shall become effective on the date the election is made on a form approved by the board.

(E) Any option elected and payments made under this section shall be in addition to any benefit payable under division (D) of section 742.37 of the Revised Code.

Sec. 742.3716. (A) As used in this section:

(1) "Eligible person" means a person who meets all of the following conditions:

(a) Has been receiving a pension or benefit under this chapter for one year or more based on an award made on or after July 24, 1986;

(b) Has not made the election provided for in division (B) of this section;

(c) Is not the spouse or survivor of a person who has made the election provided for in division (B) of this section;

(d) Is receiving a benefit in accordance with division (A), (B), or (C) of section 742.37, division (C)(2), (3), (4), or (5) of former section 742.37, section 742.3711, or section 742.39 of the Revised Code.

(2) "Recalculated average annual salary" means the highest average annual compensation of a member of the Ohio police and ~~firemen's disability and~~ fire pension fund during any three years of contributions, including amounts included in terminal pay attributable to such three years, determined by dividing the member's total earnings as an employee during such years by three.

(B)(1) Notwithstanding section 742.37 or 742.39 of the Revised Code, a member of the fund who is not receiving a pension or benefit under this chapter and who on January 1, 1989, has completed fifteen or more years of active service in a police or fire department may elect to have any future benefit or pension paid to the member or the member's spouse or survivors under this chapter calculated on the basis of the member's recalculated average annual salary rather than the member's average annual salary. The election shall be made by the member prior to or at the time of making an election under section 742.3711 of the Revised Code.

(2) If the member eligible to make the election under division (B)(1) of this section dies prior to making the election and at the time of death is eligible to retire and receive a pension or benefit under division (C)(1) or (3) of section 742.37 of the Revised Code, the person entitled to receive a benefit under section 742.3714 of the Revised Code may make the election provided for in division (B)(1) of this section.

(3) The election under division (B)(1) or (2) of this section shall be made on forms provided by the trustees of the fund. Once received by the fund, the election shall be irrevocable and shall bind the member and any other person who receives a pension or benefit based on the member's service. No person who receives a pension or benefit calculated in accordance with division (B) of this section is eligible to receive a cost-of-living allowance under this section. If the person making the election receives a benefit under section 742.3714 of the Revised Code, that person is not eligible to receive a cost-of-living allowance under section 742.3711 of the Revised Code.

(C)(1) On or before the fifteenth day of April of each year, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall determine the average percentage change in the consumer price index prepared by the United States bureau of labor statistics (U.S. City Average for Urban Wage Earners and Clerical Workers: "All Items 1982-84=100") for ~~thetwelve-month~~ the twelve-month period prior to the first day of January over the next preceding twelve-calendar-month period, as reported by the bureau. Upon a determination by the board that such change is an increase or that the change plus the accumulation described in division (C)(2) of this section is an increase, the board shall increase all benefits payable to eligible persons by a percentage equal to the percentage increase in the consumer price index or to that increase plus the accumulation, except that the increase shall not exceed three per cent and no benefit shall 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.

(2) Any percentage of change in the consumer price index in any year that is in excess of three per cent shall be accumulated and used to determine increases under this section in succeeding years. Any percentage of change in the consumer price index accumulated by an eligible person prior to September 27, 1996, shall be used in determining any future increases under this section. The first additional benefit is payable to all eligible persons who on July 1, 1988, have been receiving a pension or benefit for twelve months or longer. The additional benefit is payable for the ensuing twelve-month period or until the next increase is granted under this section, whichever is later.

The date of the first additional benefit paid under this section shall be the anniversary date for future additional benefits. The pension or benefit used in the first calculation of an additional benefit under this section shall remain as the base for all future additional benefits paid under this section, unless a new base is established by law.

(3) Additional benefits paid in years subsequent to the year of the first additional benefit paid under this section shall be paid to all eligible persons who, on the date that the additional benefit is authorized by the board, have been receiving a pension or benefit for twelve months.

Sec. 742.3717. (A)(1) Except as provided in division (A)(2) of this section, as used in this section, "eligible retirant" means a person who meets all of the following conditions:

(a) The person is receiving an annual pension or benefit under division (A), (B), or (C) of section 742.37 or division (C)(2), (3), (4), or (5) of former section 742.37~~,~~ of the Revised Code based on an award made prior to July 24, 1986.

(b) The person has not elected under section 742.3711 of the Revised Code to receive a retirement allowance under an optional benefit plan.

(c) The amount of the annual pension or benefit is less than the amount specified in division (B) of this section.

(2) A person is not an eligible retirant if the person is receiving a pension or benefit in accordance with rules in force on April 1, 1947, that govern the granting of pensions and benefits and that provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members.

(B) In 1988, the amount used to determine eligibility under division (A)(1)(c) of this section shall be eighteen thousand dollars. Each year thereafter, the amount shall be the prior year's amount plus five hundred dollars.

(C)(1) On or before the fifteenth day of April of each year, the board of

trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall determine the average percentage change in the consumer price index prepared by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "all items 1982-84=100") for ~~thetwelve-month~~ the twelve-month period prior to the first day of January over the next preceding twelve-calendar-month period, as reported by the bureau. Upon a determination by the board that this change is an increase or that the change plus the accumulation described in division (C)(2) of this section is an increase, the board shall increase all benefits payable to eligible persons by an amount determined by multiplying twelve thousand dollars by the percentage of the increase in the consumer price index, or that percentage plus the accumulation, except that the percentage shall not exceed three per cent and no benefit shall 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.

(2) Any percentage of change in the consumer price index in any year that is in excess of three per cent shall be accumulated and used to determine increases under this section in succeeding years. Any percentage of change in the consumer price index accumulated by an eligible person prior to September 27, 1996, shall be used in determining any future increases under this section. The first additional benefit is payable to all eligible retirants on July 1, 1988. The additional benefit is payable for the ensuing twelve-month period or until the next increase is granted under this section, whichever is later.

The date of the first additional benefit payable under this section shall be the anniversary date for future additional benefits.

Sec. 742.3718. (A) Except as otherwise provided in this division, each person who on September 9, 1988, is receiving a pension or benefit of less than five thousand dollars annually under division (A) or (B) of section 742.37 of the Revised Code on the basis of disability or service of twenty-five years or more, under division (C)(1) of that section, or under division (C)(2) or (5) of former section 742.37 of the Revised Code shall have the pension or benefit increased to five thousand dollars a year, effective July 1, 1988. This division does not apply to any person receiving a pension or benefit based on funded volunteer or funded part-time service.

(B) On and after July 1, 1988:

(1) The pension of each person receiving a pension or benefit under division (D) of section 742.37 of the Revised Code shall be increased to four hundred ten dollars a month.

(2) The pension of each person receiving a pension or benefit under

division (E) of section 742.37 of the Revised Code shall be increased to one hundred eighteen dollars a month.

(C) Notwithstanding any average annual salary limitation in section 742.37 of the Revised Code, each person who on July 1, 1999, is receiving an annual pension or benefit described in division (A), (B), or (C)(1) or (3) of that section of less than six thousand six hundred dollars shall have the pension increased to that amount, effective July 1, 1999. The increase granted under this division shall be included in a person's base for the purpose of determining future increases under section 742.3716 of the Revised Code.

(D)(1) This division applies to the following persons who are receiving a pension under division (D) of section 742.37 of the Revised Code:

(a) On ~~the effective date of this amendment~~ July 1, 1999, the person is the surviving spouse of a deceased member of the fund and is not receiving a benefit under division (B) or (D) of section 742.63 of the Revised Code.

(b) No later than one year after ~~the effective date of this amendment~~ July 1, 1999, the person is the surviving spouse of a deceased member of the fund who was retired under section 742.37 of the Revised Code with an effective date of retirement before September 16, 1998.

(2) The monthly pension of each person described in division (D)(1) of this section shall be increased as follows:

(a) For the period beginning July 1, 1999, and ending June 30, 2000, to five hundred fifty dollars;

(b) For the period beginning July 1, 2000, and the first day of July of each year thereafter and continuing for the following twelve months, to an amount equal to the monthly amount paid during the prior twelve-month period plus an amount determined by multiplying five hundred fifty dollars by the average percentage change in the consumer price index, not exceeding three per cent, as determined each year by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund under section 742.3716 of the Revised Code.

(3) If a person who is receiving a pension under division (D) of section 742.37 of the Revised Code and a benefit under division (B) or (D) of section 742.63 of the Revised Code ceases to be eligible for a benefit under division (B) or (D) of section 742.63 of the Revised Code, the person's monthly pension shall be increased, effective the first day of the first month following the date on which the person ceases to be eligible for the benefit, to the amount it would be under division (D)(2) of this section had the person never been eligible for a benefit under division (B) or (D) of section 742.63 of the Revised Code.

(E) The monthly pension of each person receiving a pension under division (E) of section 742.37 of the Revised Code shall be increased to one hundred fifty dollars effective July 1, 1999.

(F) Effective July 1, 1999, the monthly pension of each person receiving a pension under division (F) of section 742.37 of the Revised Code shall be increased as follows:

(1) If there are two dependent parents, to one hundred dollars;

(2) If there is one dependent parent, to two hundred dollars.

Sec. 742.3719. Whenever the limits established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended, are raised, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall increase the amount of the pension, benefit, or allowance of any person whose pension, benefit, or allowance payable under section 742.37, 742.3716, 742.3717, or 742.39 of the Revised Code was limited by the application of section 415. The amount of the increased pension, benefit, or allowance shall not exceed the lesser of the amount the person would have received if the limits established by section 415 had not been applied or the amount the person is eligible to receive subject to the new limits established by section 415.

Sec. 742.38. (A)(1) The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall adopt rules establishing minimum medical testing and diagnostic standards or procedures to be incorporated into physical examinations administered by physicians to prospective members of the fund. The standards or procedures shall include diagnosis and evaluation of the existence of any heart disease, cardiovascular disease, or respiratory disease. The rules shall specify the form of the physician's report and the information to be included in it.

The board shall notify all employers of the establishment of the minimum standards or procedures and shall include with the notice a copy of the standards or procedures. The board shall notify all employers of any changes made to the standards or procedures. Once the standards or procedures take effect, employers shall cause each prospective member of the fund to submit to a physical examination that incorporates the standards or procedures.

(2) Division (A)(2) of this section applies to an employee who becomes a member of the fund on or after the date the minimum standards or procedures described in division (A)(1) of this section take effect. Not later than thirty days after such an employee becomes a member of the fund, the employer shall forward to the board a copy of the physician's report of a physical examination that incorporates the standards or procedures

described in division (A)(1) of this section. If an employer fails to forward the report, the board shall assess against the employer a fine of one hundred dollars per day, beginning with the first day after the date the report is due and ending on the last day prior to the date the report is received by the board. Any amount due from an employer under division (A)(2) of this section may be collected from the county auditor in the same manner as is provided in section 742.35 of the Revised Code.

(B) Application for a disability benefit may be made by a member of the fund or, if the member is incapacitated as defined in rules adopted by the board, by a person acting on the member's behalf. Not later than fourteen days after receiving an application for a disability benefit from a member or a person acting on behalf of a member, the board shall notify the member's employer that an application has been filed. The notice shall state the member's position or rank. Not later than twenty-eight days after receiving the notice or filing an application on behalf of a member, the employer shall forward to the board a statement certifying the member's job description and any other information required by the board to process the application.

If the member applying for a disability benefit becomes a member of the fund prior to the date the minimum standards or procedures described in division (A)(1) of this section take effect, the board may request from the member's employer a copy of the physician's report of the member's physical examination taken on entry into the police or fire department. Not later than twenty-eight days after receiving a request from the board, the employer shall forward a copy of the report or, if the employer does not have a copy of the report, a written statement certifying that the employer does not have a copy of the report. If an employer fails to forward the report or statement, the board shall assess against the employer a fine of one hundred dollars per day, beginning with the first day after the date the report or statement is due and ending on the last day prior to the date the report or statement is received by the board. Any amount due from an employer under this division may be collected from the county auditor in the same manner as is provided in section 742.35 of the Revised Code. The board shall maintain the information submitted under this division and division (A)(2) of this section in the member's file.

(C) For purposes of determining under division (D) of this section whether a member of the fund is disabled, the board shall adopt rules establishing objective criteria under which the board shall make the determination. The rules shall include standards that provide for all of the following:

(1) Evaluating a member's illness or injury on which an application for

disability benefits is based;

(2) Defining the occupational duties of a police officer or firefighter;

(3) Providing for the board to assign competent and disinterested physicians and vocational evaluators to conduct examinations of a member;

(4) Requiring a written report for each disability application that includes a summary of findings, medical opinions, including an opinion on whether the illness or injury upon which the member's application for disability benefits is based was caused or induced by the actual performance of the member's official duties, and any recommendations or comments based on the medical opinions;

(5) Providing for the board to consider the member's potential for retraining or reemployment.

(D) This division does not apply to members of the fund who have elected to receive benefits and pensions in accordance with division (A) or (B) of section 742.37 of the Revised Code or from a police relief and pension fund or a firemen's relief and pension fund in accordance with the rules of that fund in force on April 1, 1947.

(1) As used in division (D)(1) of this section:

(a) "Totally disabled" means a member of the fund is unable to perform the duties of any gainful occupation for which the member is reasonably fitted by training, experience, and accomplishments. Absolute helplessness is not a prerequisite of being totally disabled.

(b) "Permanently disabled" means a condition of disability from which there is no present indication of recovery.

A member of the fund who is permanently and totally disabled as the result of the performance of the member's official duties as a member of a police or fire department shall be paid annual disability benefits in accordance with division (A) of section 742.39 of the Revised Code. In determining whether a member of the fund is permanently and totally disabled, the board shall consider standards adopted under division (C) of this section applicable to the determination.

(2) A member of the fund who is partially disabled as the result of the performance of the member's official duties as a member of a police or fire department shall, if the disability prevents the member from performing those duties and impairs the member's earning capacity, receive annual disability benefits in accordance with division (B) of section 742.39 of the Revised Code. In determining whether a member of the fund is partially disabled, the board shall consider standards adopted under division (C) of this section applicable to the determination.

(3) A member of the fund who is disabled as a result of heart disease or

any cardiovascular or respiratory disease of a chronic nature, which disease or any evidence of which disease was not revealed by the physical examination passed by the member on entry into the department, is presumed to have incurred the disease while performing the member's official duties, unless the contrary is shown by competent evidence.

(4) A member of the fund who has completed five or more years of active service in a police or fire department and has incurred a disability not caused or induced by the actual performance of the member's official duties as a member of the department, or by the member's own negligence, shall if the disability prevents the member from performing those duties and impairs the member's earning capacity, receive annual disability benefits in accordance with division (C) of section 742.39 of the Revised Code. In determining whether a member of the fund is disabled~~.~~, the board shall consider standards adopted under division (C) of this section applicable to the determination.

(5) The board shall notify a member of its final action awarding a disability benefit to the member within thirty days of the final action. The notice shall be sent by certified mail, return receipt requested. Not later than ninety days after receipt of notice from the board, the member shall elect, on a form provided by the board, either to accept or waive the disability benefit award. If the member elects to waive the disability benefit award or fails to make an election within the time period, the award is rescinded. A member who later seeks a disability benefit award shall be required to make a new application, which shall be dealt with in accordance with the procedures used for original disability benefit applications.

A person is not eligible to apply for or receive disability benefits under this division, section 742.39 of the Revised Code, or division (C)(2), (3), (4), or (5) of former section 742.37 of the Revised Code unless the person is a member of the fund on the date on which the application for disability benefits is submitted to the fund.

With the exception of persons who may make application for increased benefits as provided in division (2) or (4) of this section or division (C)(3) or (5) of former section 742.37 of the Revised Code on or after July 24, 1986, or persons who may make application for benefits as provided in section 742.26 of the Revised Code, no person receiving a pension or benefit under this section or division (C) of former section 742.37 of the Revised Code may apply for any new, changed, or different benefit.

Sec. 742.381. Not later than March 1, 2000, and each first day of March for the succeeding five years, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall make and submit a report for

the preceding fiscal year of the disability retirement experience of each employer. The report shall specify the total number of disability applications submitted, the status of each application as of the last day of the fiscal year, total applications granted or denied, and the percentage of disability benefit recipients to the total number of the employer's employees who are members of the fund. The report shall be submitted to the governor, the Ohio retirement study council, and the chairpersons of the standing committees and subcommittees of the senate and house of representatives with primary responsibility for retirement legislation.

Sec. 742.39. (A) A member of the Ohio police and ~~firemen's disability and~~ fire pension fund determined to be eligible for a disability benefit under division (D)(1) of section 742.38 of the Revised Code shall be paid annual disability benefits, payable in twelve monthly installments, in an amount equal to seventy-two per cent of the member's average annual salary.

(B) A member of the fund determined to be eligible for a disability benefit under division (D)(2) of section 742.38 of the Revised Code shall be paid annual disability benefits, payable in twelve monthly installments. If the member has fewer than twenty-five years of active service in a police or fire department, the benefit shall be in an amount fixed by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund. The board may increase or decrease the benefit whenever the board determines that the impairment of the member's earning capacity warrants an increase or decrease based on the standards adopted under division (C) of section 742.38 of the Revised Code applicable to the determination, but in no event shall the benefit exceed sixty per cent of the member's average annual salary.

A member who has completed twenty-five or more years of active service in the department shall receive annual disability benefits, payable in twelve monthly installments, in an amount equal to a percentage of the member's average annual salary. The percentage shall be the sum of two and one-half per cent for each of the first twenty years the member was in the active service of the department, plus two per cent for each of the twenty-first to twenty-fifth years the member was in the active service of the department, plus one and one-half per cent for each year in excess of twenty-five years the member was in the active service of the department. The annual disability benefit shall not exceed seventy-two per cent of the member's average annual salary.

(C) A member of the fund determined to be eligible for a disability benefit under division (D)(4) of section 742.38 of the Revised Code shall be paid annual disability benefits, payable in twelve monthly installments, in an

amount to be fixed by the board. The board may increase or decrease the benefits whenever the board determines that the impairment of the member's earning capacity warrants an increase or decrease based on the standards adopted under division (C) of section 742.38 of the Revised Code applicable to the determination, but in no event shall a benefit paid to the member exceed sixty per cent of the member's average annual salary.

(D) Each of the following persons who on July 1, 1999, is receiving annual benefits of less than six thousand six hundred dollars shall have the benefits increased to that amount effective July 1, 1999:

(1) A person receiving annual benefits described in division (A) of this section;

(2) A person receiving annual benefits described in division (C) of this section based on an award made prior to September 16, 1998.

(E) Benefits payable under this section continue until death unless adjusted under division (D)(5) of section 742.38 of the Revised Code or adjusted or terminated under division (C)(3) of section 742.40 of the Revised Code.

Sec. 742.40. (A) As used in this section, "disability benefit recipient" means a member of the Ohio police and ~~firemen's disability and~~ fire pension fund who is receiving a disability benefit pursuant to division (C)(2), (3), (4), or (5) of former section 742.37 of the Revised Code or pursuant to section 742.38 of the Revised Code.

(B) The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall adopt rules requiring a disability benefit recipient, as a condition of continuing to receive a disability benefit, to agree in writing to obtain any medical treatment recommended by the board's physician or physicians and submit medical reports regarding the treatment. If the board determines that a disability benefit recipient is not obtaining the medical treatment or the board does not receive a required medical report, the disability benefit shall be suspended until the treatment is obtained, the report is received by the board, or the board's physician certifies that the treatment is no longer helpful or advisable. Should the recipient's failure to obtain treatment or submit a medical report continue for one year, the recipient's right to the disability benefit shall be terminated as of the effective date of the original suspension.

(C)(1) A disability benefit recipient shall be considered on leave of absence from the recipient's position of employment as a member of a police or fire department during the first five years following the effective date of the recipient's disability benefit, notwithstanding any contrary provisions of this chapter.

(2)(a) The board shall require a disability benefit recipient who has been a member of the fund for less than twenty-five years and has not attained age forty-eight to undergo an annual medical examination, except that the board may waive the medical examination if the board's physician or physicians certify that the recipient's disability is ongoing.

(b) The board may require a disability benefit recipient not described in division (C)(2)(a) of this section to undergo a medical examination at any time it considers necessary.

(c) If a disability benefit recipient refuses to submit to a medical examination, the recipient's disability benefit shall be suspended until the recipient withdraws the refusal. If the refusal continues for one year, the recipient's rights under and to the disability benefit are terminated as of the effective date of the original suspension.

(3) The board shall designate one or more physicians to conduct an examination required under this division. After completing the examination, the physician shall determine and certify to the board whether the disability benefit recipient continues to meet the disability standard set forth in division (D)(1), (2), or (4) of section 742.38 of the Revised Code or division (C)(2), (3), or (5) of former section 742.37 of the Revised Code on which the recipient was originally determined to be disabled. If the physician's determination is that the recipient no longer meets the standard and the board concurs in the physician's determination, or the recipient becomes employed as a police officer or firefighter, the disability benefit shall be terminated the earlier of ninety days after the date of the board's concurrence or on the date the recipient returns to employment as a police officer or firefighter, except that if the recipient was receiving a benefit pursuant to division (D)(1) of section 742.38 of the Revised Code or division (C)(2) of former section 742.37 of the Revised Code, the board shall reevaluate the recipient's disability under division (D)(2) of section 742.38 of the Revised Code and award a benefit under that division if the recipient qualifies for it. A recipient may appeal the board's concurrence in the physician's determination. The board shall adopt rules establishing procedures for the appeal. If the leave of absence provided under division (C)(1) of this section has not expired when a disability benefit is terminated under this division, the board shall certify to the recipient's last employer before being found disabled that the recipient is no longer incapable of resuming service. At the recipient's request, the employer shall restore the recipient to the previous position and salary or to a position and salary similar to it, with all previous rights, including civil service status. The employer is not required to restore the recipient to employment if the recipient was dismissed or resigned in

lieu of dismissal for dishonesty, misfeasance, malfeasance, or conviction of a felony.

(D) Each disability benefit recipient shall file with the board an annual statement of earnings and any other information required in rules adopted by the board. The board may waive the requirement that a disability benefit recipient file the annual statement of earnings if the board's physician certifies that the recipient's disability is ongoing.

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

Sec. 742.41. (A) As used in this section:

(1) "Other system retirant" has the same meaning as in section 742.26 of the Revised Code.

(2) "Personal history record" includes a member's, former member's, or other system retirant's name, address, ~~phone~~ telephone number, social security number, record of contributions, correspondence with the Ohio police and ~~firemen's disability and~~ fire pension fund, status of any application for benefits, and any other information deemed confidential by the trustees of the fund.

(B) The treasurer of state shall furnish annually to the board of trustees of the fund a sworn statement of the amount of the funds in the treasurer of state's custody belonging to the Ohio police and ~~firemen's disability and~~ fire pension fund. The records of the board shall be open for public inspection except for the following, which shall be excluded, except with the written authorization of the individual concerned:

(1) The individual's personal history record;

(2) Any information identifying, by name and address, the amount of a monthly allowance or benefit paid to the individual.

(C) All medical reports and recommendations required are privileged, except that copies of such medical reports or recommendations shall be made available to the personal physician, attorney, or authorized agent of the individual concerned upon written release received from the individual or the individual's agent or, when necessary for the proper administration of the fund, to the board-assigned physician.

(D) Any person who is a member of the fund or an other system retirant shall be furnished with a statement of the amount to the credit of the person's individual account upon the person's written request. The board

need not answer more than one such request of a person in any one year.

(E) Notwithstanding the exceptions to public inspection in division (B) of this section, the board may furnish the following information:

(1) If a member, former member, or other system retirant is subject to an order issued under section 2907.15 of the Revised Code or is convicted of or pleads guilty to a violation of section 2921.41 of the Revised Code, on written request of a 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 section 3113.21 of the Revised Code, the board shall furnish to a court or child support enforcement agency the information required under that section.

(3) At the request of any organization or association of members of the fund, the board of trustees of the fund shall provide a list of the names and addresses of members of the fund and other system retirants. The board shall comply with the request of such organization or association at least once a year and may impose a reasonable charge for the list.

(4) Within fourteen days after receiving from the director of human 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 or other system retirant whose name and social security number are the same as that of a person whose name or social security number was submitted by the director. The board and its employees shall, except for purposes of furnishing the auditor of state with information required by this section, preserve the confidentiality of recipients of public assistance in compliance with division (A) of section 5101.181 of the Revised Code.

(F) A statement that contains information obtained from the board's records that is signed by the secretary of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund and to which the board's official seal is affixed, or copies of the board's records to which the signature and seal are attached, shall be received as true copies of the board's records in any court or before any officer of this state.

Sec. 742.42. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall provide for the maintenance of an individual account with each member of the fund and other system retirant showing the amount of ~~his~~ the member's or retirant's contributions.

Sec. 742.43. Except as provided in sections 742.01 to ~~742.49, inclusive,~~ 742.61 of the Revised Code, no trustee and no employee of the board of

trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall have any interest, direct or indirect, in the gains or profits of any investment made by the board nor as such, directly or indirectly, receive any pay or annual emolument for ~~his~~ the trustee's or employee's services. No trustee or employee of said board shall, directly or indirectly, for ~~himself~~ self or as an agent or partner of others, borrow any funds or deposits over which the board has jurisdiction or use the same except to make such current and necessary payments as are authorized by the board; nor shall any member or employee of the said board become an endorser or surety or become in any manner an obligor for money loaned by or borrowed from the board.

Sec. 742.44. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall estimate annually the amount required to pay its expenses for the ensuing year, and shall fix the amount which shall be transferred from the guarantee fund to the expense fund.

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

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

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

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

(B) If the board provides health, medical, hospital, or surgical benefits through any means other than a health insuring corporation, it shall offer to each individual eligible for the benefits the alternative of receiving benefits through enrollment in a health insuring corporation, if all of the following apply:

(1) The health insuring corporation provides health care services in the geographical area in which the individual lives;

(2) The eligible individual was receiving health care benefits through a health or a health insuring corporation before retirement;

(3) The rate and coverage provided by the health insuring corporation to eligible individuals is comparable to that currently provided by the board under division (A) of this section. If the rate or coverage provided by the health insuring corporation is not comparable to that currently provided by the board under division (A) of this section, the board may deduct the additional cost from the eligible individual's monthly benefit.

The health insuring corporation shall accept as an enrollee any eligible individual who requests enrollment.

The board shall permit each eligible individual to change from one plan to another at least once a year at a time determined by the board.

(C) The board shall, beginning the month following receipt of satisfactory evidence of the payment for coverage, pay monthly to each recipient of service, disability, or survivor benefits under the Ohio police and ~~firemen's disability and~~ fire pension fund who is eligible for medical insurance coverage under part B of "The Social Security Amendments of 1965," 79 Stat. 301, 42 U.S.C.A. 1395j, as amended, an amount equal to the basic premiums for such coverage.

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

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

Sec. 742.46. The granting of a benefit or pension to any person under sections 742.01 to ~~742.49, inclusive,~~ 742.61 of the Revised Code, vests a right in such person to obtain and receive the amount of such benefit or pension granted to ~~him~~ the person subject to sections 742.01 to ~~742.49, inclusive,~~ 742.61 of the Revised Code.

Such right may be enforced by an action in mandamus instituted in the

court of common pleas in the county in which the person granted such benefit or pension resides.

Sec. 742.461. (A) Notwithstanding any other provision of this chapter, any payment that is to be made under a pension or other type of benefit, other than a survivorship benefit, that has been granted to a person under this chapter, any payment of accumulated contributions standing to a person's credit under this chapter, and any payment of any other amounts to be paid to a person under this chapter upon the person's withdrawal of contributions pursuant to this chapter shall be subject to any withholding order issued pursuant to section 2907.15 of the Revised Code or division (C)(2)(b) of section 2921.41 of the Revised Code, and the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall comply with that withholding order in making the payment.

(B) Notwithstanding any other provision of this chapter, if the board receives notice pursuant to section 2907.15 of the Revised Code or division (D) of section 2921.41 of the Revised Code that a person who has accumulated contributions standing to the person's credit pursuant to this chapter is charged with a violation of section 2907.02, 2907.03, 2907.04, 2907.05, or 2921.41 of the Revised Code, no payment of those accumulated contributions or of any other amounts to be paid under this chapter upon the person's withdrawal of contributions pursuant to this chapter shall be made prior to whichever of the following is applicable:

(1) If the person is convicted of or pleads guilty to the charge and no motion for a withholding order for purposes of restitution has been filed under section 2907.15 of the Revised Code or division (C)(2)(b)(i) of section 2921.41 of the Revised Code, thirty days after the day on which final disposition of the charge is made;

(2) If the person is convicted of or pleads guilty to the charge and a motion for a withholding order for purposes of restitution has been filed under section 2907.15 of the Revised Code or division (C)(2)(b)(i) of section 2921.41 of the Revised Code, the day on which the court decides the motion;

(3) If the charge is dismissed or the person is found not guilty or not guilty by reason of insanity of the charge, the day on which final disposition of the charge is made.

Sec. 742.47. Except as provided in sections 742.461, 3111.23, and 3113.21 of the Revised Code, sums of money due or to become due to any person from the Ohio police and ~~firemen's disability and~~ fire pension fund are not liable to attachment, garnishment, levy, or seizure under any legal or equitable process, whether such sums remain with the treasurer of the fund

or any officer or agent of the board of trustees of the fund, or is in the course of transmission to the person entitled thereto, but shall inure wholly to the benefit of such person.

Sec. 742.48. Any person who is receiving, or becomes eligible to receive, a pension, or other benefit, or any increase under Chapter 742. of the Revised Code, may, at any time, waive ~~his~~ the person's rights thereto, or to a portion thereof, by filing a written notice of waiver with the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund. Such waiver shall remain in effect until the first day of the month following ~~his~~ the person's death, or the person's filing of ~~his~~ a written cancellation of such waiver with the board ~~of trustees of the police and firemen's disability and pension fund~~ Any amount so waived shall forever be forfeited.

Sec. 742.50. As used in this section, "member's contribution" means the total amount deducted from the salary of a member of the Ohio police and ~~firemen's disability and~~ fire pension fund and credited to the member's account in the fund.

If a member of the fund dies before receiving pension and benefit payments from the fund in an amount equal to the member's contribution and leaves no surviving spouse, surviving children, or dependent parent eligible for monthly pension payments under section 742.37 of the Revised Code, the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall pay to the estate of such deceased member an amount equal to the member's contribution, less the total amount received by such member as benefit or pension payments from such fund.

If a member who dies before receiving pension and benefit payments from the fund in an amount equal to the member's contribution leaves one or more survivors eligible for monthly pension payments under section 742.37 of the Revised Code but the total amount paid all survivors under that section is less than the member's contribution, the fund shall pay to the survivors or their estates, in equal shares, an amount equal to the member's contribution, less the total amount received by the member and all survivors as benefit or pension payments from the fund.

Sec. 742.51. Any person serving as a full-time regular member of a township fire department, or a municipal fire or police department who was serving in that capacity on December 31, 1966, and was a member of the public employees retirement system on that date and who has continued to serve in the same capacity and has continued as a member of the public employees retirement system until filing ~~his~~ an election after November 20, 1973, may elect prior to January 1, 1985, to transfer from the public employees retirement system to the Ohio police and ~~firemen's disability and~~

fire pension fund. When such an election is made, the public employees retirement system shall certify to the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the records of the service and contributions of such member and shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund all contributions to the credit of the member as a member of a police or fire department, and an amount equal to the total employer contribution paid on service as a member of a police or fire department, at the respective rates in effect during ~~his~~ the member's employment.

The Ohio police and ~~firemen's disability and~~ fire pension fund shall obtain from its actuary a certification of the accrued liability for the member being transferred, less the amounts transferred from the public employees retirement system, and such unfunded accrued liability shall be charged to the municipal corporation or township in which the member is employed and paid in full or paid by the employer at the rate of at least five per cent per annum with interest at four per cent per annum on unpaid balances; payment and interest to be paid semiannually on dates to be fixed by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund. The Ohio police and ~~firemen's disability and~~ fire pension fund may require any affected municipal corporation or township to certify the period of full-time service and salary of any member requesting transfer. A member transferred in accordance with this section shall be given service credit by the Ohio police and ~~firemen's disability and~~ fire pension fund equal to the period of full-time service on which both member and employer made contributions to the public employees retirement system, which contributions were transferred to the Ohio police and ~~firemen's disability and~~ fire pension fund.

Sec. 742.511. In computing years of active service under division (C) of section 742.37 or section 742.39 of the Revised Code for a full-time regular police officer who, prior to December 1, 1983, was appointed to the police department of a newly incorporated municipal corporation, whether pursuant to section 124.41 of the Revised Code or otherwise, directly from a police department of the township from which such municipal corporation was incorporated, such members shall be given full credit for service as a full-time township police officer and as a full-time police officer in the municipal corporation after the date of incorporation and for which contributions were made to the public employees retirement system, if, within thirty days after December 1, 1983, the member makes a written request to the public employees retirement system to withdraw accumulated contributions attributable to such service from the public employees

ment system and, thirty days after receiving such contributions, the member pays into the Ohio police and ~~firemen's disability and~~ fire pension fund the amount withdrawn from the public employees retirement system for the period of service being obtained.

When such an election is made, the public employees retirement system shall certify to the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the records of the service and contributions of the member and shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund an amount equal to the total employer contributions paid on service as a full-time township police officer and on service as a full-time municipal police officer at the rates in effect during such employment, as set forth in section 145.01 of the Revised Code.

Sec. 742.512. In computing years of active service under division (C) of section 742.37 or section 742.39 of the Revised Code for a full-time regular police officer who, on or after December 1, 1983, but prior to June 14, 1988, was appointed pursuant to section 124.41 or 124.411 of the Revised Code to a police department of a newly incorporated municipal corporation directly from a police department of the township from which the municipal corporation was incorporated, full credit for service as a full-time township police officer shall be given if, within thirty days after such appointment, the member made a written request to the public employees retirement system to withdraw accumulated contributions attributable to such service from the public employees retirement system and, within thirty days after receiving such contributions, the member paid into the Ohio police and ~~firemen's disability and~~ fire pension fund the amount withdrawn from the public employees retirement system for the period of service being obtained.

When such an election is made, the public employees retirement system shall certify to the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the records of the service and contributions of the member and shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund an amount equal to the total employer contributions paid on service as a full-time township police officer at the rates in effect during such employment, as set forth in section 145.01 of the Revised Code.

Sec. 742.513. A member of the public employees retirement system who is a full-time regular police officer may elect to transfer from the public employees retirement system to the Ohio police and ~~firemen's disability and~~ fire pension fund if ~~he~~ the member has become a member of a municipal police department as a result of the merger under sections 709.43 to 709.48 of the Revised Code of the municipal corporation with a township that employed the police officer or has, on or after December 1, 1983, been

appointed pursuant to section 124.41 or 124.411 of the Revised Code to a police department of a newly incorporated municipal corporation directly from a police department of the township from which the municipal corporation was incorporated. The election shall be made by the police officer by giving notice to the Ohio police and ~~firemen's disability and~~ fire pension fund. Any such election shall occur not later than sixty days after the effective date of the merger or of the member's initial appointment following the incorporation or not later than sixty days after ~~the effective date of this section~~ June 14, 1988, whichever occurs later. When such an election is made, the Ohio police and ~~firemen's disability and~~ fire pension fund shall notify the public employees retirement system, which shall certify to the fund a copy of the records of the service and contributions of the police officer and shall transfer to the fund all contributions to the credit of the police officer that are based on full-time service, excluding any contributions made by the member's employer.

A member transferred to the Ohio police and ~~firemen's disability and~~ fire pension fund under this section shall be given service credit by the fund equal to the period of full-time service on which the contributions transferred under this section were based.

Sec. 742.514. (A) As used in this section, "park police officer" means a park police officer appointed or employed pursuant to the Cincinnati municipal code.

(B) With approval of the Cincinnati retirement system, a member of the retirement system who is a full-time regular member of the Cincinnati police department and, prior to being reclassified as a member of the police department, served as a full-time park police officer may elect to transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund by giving notice to the Cincinnati retirement system not later than December 31, 1990. The notice shall be on a form provided by the Cincinnati retirement system and shall include a statement signed by the member authorizing the retirement system, if it approves the transfer, to transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund the total employee contributions to the credit of the member as a full-time regular member of the Cincinnati police department and as a park police officer.

If the retirement system approves the transfer, it shall certify to the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the records of service and contributions to the credit of the member as a member of the Cincinnati police department and as a park police officer. On receipt of the records, the fund shall obtain from its actuary a certification of the accrued liability to the fund resulting from the transfer.

(C) The Ohio police and ~~firemen's disability and~~ fire pension fund shall accept the transfer of a member under this section if both of the following occur:

(1) The Cincinnati retirement system transfers to the fund all of the following:

(a) The total employee contributions to the credit of the member as a full-time regular member of the Cincinnati police department and as a park police officer;

(b) The total employer contributions paid on the member's service as a full-time regular member of the Cincinnati police department and as a park police officer, plus compound interest;

(c) Any amount paid by the member or the employer to the retirement system for the purchase of service credit, including credit for military service and any other credit the member or employer was eligible to purchase for the benefit of the member.

(2) The city of Cincinnati agrees to pay to the fund the difference, if any, between the amounts transferred under division (C)(1) of this section and the amount certified as the accrued liability to the fund resulting from the transfer of the member.

The city may pay the amount it agrees to pay under division (C)(2) of this section in full at the time the member is transferred or at the rate of at least five per cent of the balance per year, plus interest on unpaid balances with payments and interest paid in semiannual payments on dates to be fixed by the trustees of the fund.

(D) If the total of the amounts transferred from the Cincinnati retirement system and paid by the city of Cincinnati under division (C) of this section exceeds the amount certified as the accrued liability to the Ohio police and ~~firemen's disability and~~ fire pension fund resulting from the transfer of the member, the amount of the excess shall be paid to the retirement system.

(E) A member transferred pursuant to this section shall be given full credit by the Ohio police and ~~firemen's disability and~~ fire pension fund for ~~his~~ the member's service as a full-time regular police officer of the city of Cincinnati and as a park police officer and for any service credit purchased by ~~him~~ the member, or by ~~his~~ the member's employer on ~~his~~ the member's behalf, from the Cincinnati retirement system.

(F) Interest charged under this section shall be charged at the rate that is the Ohio police and ~~firemen's disability and~~ fire pension fund's actuarial interest assumption rate on ~~the effective date of this section~~ July 13, 1990.

Sec. 742.515. (A) As used in this section, "fire department employer" means a fire department that employs a firefighter.

(B) A full-time firefighter who, on November 8, 1990, is a member of the public employees retirement system, in the employ of a fire department employer, and in a position in which the firefighter is required to satisfactorily complete or have satisfactorily completed a firefighter training course approved under former section 3303.07 or section 4765.55 or conducted under section 3737.33 of the Revised Code may, by giving notice to the Ohio police and ~~firemen's disability and~~ fire pension fund within ninety days of November 8, 1990, elect to transfer to the fund.

When a firefighter makes such an election, the Ohio police and ~~firemen's disability and~~ fire pension fund shall notify the public employees retirement system. All of the firefighter's credit as a full-time firefighter shall be transferred to the Ohio police and ~~firemen's disability and~~ fire pension fund. The public employees retirement system shall certify to the Ohio police and ~~firemen's disability and~~ fire pension fund a copy of the firefighter's records of service and contributions and for each year or portion of a year of credit to be transferred shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund all of the following:

(1) All contributions to the credit of the firefighter as a full-time firefighter;

(2) An amount equal to the total employer contributions paid on service as a full-time firefighter at the rates in effect during that year;

(3) Any amount paid by the member or the employer to the retirement system for the purchase of service credit for full-time service, including credit for military service and any other credit the member or employer was eligible to purchase for the benefit of the member.

(C) The fire department employer by which a firefighter is employed at the time of a transfer made pursuant to division (B) of this section shall, at the request of the Ohio police and ~~firemen's disability and~~ fire pension fund, certify to the fund the firefighter's salary as a firefighter.

(D) In computing years of active service under division (C) of section 742.37 or section 742.39 of the Revised Code, a member transferred pursuant to this section shall be given full credit by the Ohio police and ~~firemen's disability and~~ fire pension fund for the firefighter's service as a full-time firefighter and for any service credit for full-time service purchased by the firefighter, or by the firefighter's employer on the firefighter's behalf, from the public employees retirement system.

Sec. 742.516. (A) Not later than ninety days after ~~the effective date of this section~~ September 16, 1998, a member of the Ohio police and ~~firemen's disability and~~ fire pension fund who became a member of the fund as a result of the member's employer changing from a fire department consisting

primarily of part-time employees to a fire department consisting primarily of full-time employees or who elected to transfer to the fund from the public employees retirement system under section 742.515 of the Revised Code may elect to transfer to the public employees retirement system in accordance with this section. An election shall be made by giving notice to the fund on a form provided by the board of trustees of the fund and shall be irrevocable.

(B) When a member makes the election described in this section, the fund shall notify the system. The fund shall transfer all of the member's service credit to the system and shall certify to the system a copy of the member's records of service and contributions. The fund shall transfer to the system all of the following:

(1) Any amount transferred from the system to the fund pursuant to the election made under section 742.515 of the Revised Code;

(2) An amount equal to the member's contributions to the fund;

(3) An amount equal to the total employer contributions paid on behalf of the member;

(4) Any amount paid by the member or employer to the fund for the purchase of service credit.

At the request of the system, the employer of a member who makes an election under this section shall certify to the system the member's salary.

(C) The system shall give the member full credit for all service as a member of the fund. If the system has on deposit contributions made by, or on behalf of, a member of the fund who makes an election in accordance with this section, the system shall credit the contributions in accordance with Chapter 145. of the Revised Code.

(D) A member of the fund who fails to make an election in accordance with this section shall remain a member of the fund.

Sec. 742.52. (A) A member of the Ohio police and ~~firemen's disability and~~ fire pension fund who is not receiving a disability benefit or pension from the fund may purchase service credit, which shall be used in computing the member's years of service, for each year of service incurred by reason of having been on 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 member is absent from a position of employment for the purpose of an examination to determine the fitness of the member to perform a duty, as a member of the armed forces of the United States if the member is honorably discharged. Credits which are not authorized under former sections 742.18, 742.19, 742.20, and 742.21 or section 742.521 of the Revised Code may be purchased at any time. The number of years

purchased under this division shall not exceed five.

(B) For the purposes of this division, "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the armed forces of the United States who was captured, separated, and incarcerated by an enemy of the United States.

A member may purchase service credit which shall be considered as the equivalent of Ohio service for each year of service the member was a prisoner of war. The number of years purchased under this division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division (A) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) The total number of years purchased under this section shall not exceed the member's total accumulated number of years of Ohio service.

(D) For each year of service purchased under division (A) or (B) of this section, the member shall pay to the fund for credit to the member's accumulated account an amount determined by the member rate of contribution in effect at the time the military service began or four per cent, whichever is greater, multiplied by the annual compensation for full-time employment during the first year of full-time service in Ohio covered by any state or municipal retirement system of this state following termination of military service. To this amount shall be added an amount equal to compound interest at a rate established by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund from the date active military service terminated to date of payment. For the purpose of this section, the board may define full-time service in Ohio covered by any state or municipal retirement system of this state.

(E) A member is ineligible to purchase service credit under this section for any year of military service that was:

(1) Used in the calculation of any retirement benefit currently being paid to the member or payable in the future under any other retirement program, except for retired pay for non-regular service under Chapter 1223. of Section 1662 of Title XVI of the "National Defense Authorization Act for Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social security;

(2) Used to obtain service credit under former section 742.18, 742.19, 742.20, or 742.21 or section 742.521 of the Revised Code. At the time the credit is purchased the member shall certify on a form furnished by the trustees that the member does and will conform to this requirement. Any benefit paid under this section to which the member is not entitled shall be

recovered by any recovery procedures available under this chapter.

"Armed forces" of the United States includes army, navy, air force, marine corps, coast guard, or any reserve component of such forces; national guard; the commissioned corps of the United States public health service; the merchant marine service during wartime; auxiliary corps as established by congress; service as a red cross nurse with the army, navy, air force, hospital service of the United States, army nurse corps, navy nurse corps, or serving full-time with the American red cross in a combat zone; and such other service as may be designated by congress as included therein.

A member of the fund who has purchased service credit under this section, or the member's estate, is entitled to be refunded the amount paid to purchase such credit, or a pro rata portion thereof, provided that the purchased service credit, or a portion of the purchased service credit, does not serve to increase a pension or benefit paid under section 742.37 or 742.39 of the Revised Code. The refund of any amount paid to purchase credit under this section, or a pro rata portion thereof, shall cancel an equivalent amount of service credit.

Sec. 742.521. (A) As used in this section, "armed forces" of the United States means the army, navy, air force, marine corps, coast guard, or any reserve components of such forces; the national guard; the commissioned corps of the United States public health service; the merchant marine service during wartime; auxiliary corps as established by congress; service as a red cross nurse with the army, navy, air force, hospital service of the United States, army nurse corps, navy nurse corps, or serving full-time with the American red cross in a combat zone; and such other service as may be designated by congress.

(B) A member of the fund who is an employee of a police or fire department and who enlisted or enlists, was inducted or is inducted, was or is called into active duty, or accepted or accepts a commission in the armed forces, in computing years of service in such police or fire department, shall be given full credit for such time served in the armed forces, provided the person has been honorably discharged from the armed forces or from active duty therein, has made application for reinstatement in the active service of the police or fire department within ninety days from the date of discharge, and employer contributions have been paid pursuant to this section. Service credit given under this section for time served in the armed forces shall not exceed five years.

(C) A member of the fund is ineligible to receive service credit under this section for any time served in the armed forces that is used to obtain service credit under former section 742.18, 742.19, 742.20, or 742.21 or

section 742.52 of the Revised Code.

At the time such credit is requested, the member shall certify on a form supplied by the retirement board that the member does and will conform to this requirement. Any benefit paid under this section to which the member is not entitled shall be recovered by any recovery procedures available under this chapter. This section does not cancel any military service credit earned under this chapter prior to ~~the effective date of this section~~ October 29, 1996.

(D) An employer of a member entitled to service credit under this section shall pay the Ohio police and ~~firemen's disability and~~ fire pension fund an amount equal to that which would have been paid under section 742.33 or 742.34 of the Revised Code had the member continued police or fire employment during the period of military service. The board of trustees may adopt rules setting the manner in which the employer contribution is calculated and paid.

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

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

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

(B) The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall establish a program under which members of the fund, employers on behalf of members, and persons receiving service or disability pensions or survivor benefits are permitted to participate in contracts for long-term care insurance. Participation may include dependents and family members. If a participant in a contract for long-term care insurance leaves employment, the participant and the participant's dependents and family members may, at their election, continue to participate in a program established under this section in the same manner as if the participant had not left employment, except that no part of the cost of the insurance shall be paid by the participant's former employer.

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

(C) The fund may enter into an agreement with insurance companies, health insuring corporations, or government agencies authorized to do business in the state for issuance of a long-term care policy or contract. However, prior to entering into such an agreement with an insurance company or health insuring corporation, the fund shall request the superintendent of insurance to certify the financial condition of the company or corporation. The fund shall not enter into the agreement if, according to

that certification, the company or corporation is insolvent, is determined by the superintendent to be potentially unable to fulfill its contractual obligations, or is placed under an order of rehabilitation or conservation by a court of competent jurisdiction or under an order of supervision by the superintendent.

(D) The board shall adopt rules in accordance with section 111.15 of the Revised Code governing the program. The rules shall establish methods of payment for participation under this section, which may include establishment of a payroll deduction plan under section 742.56 of the Revised Code, deduction of the full premium charged from a person's service or disability pension 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. 742.55. Each expense voucher of an employee, officer, or board member of the Ohio police and ~~firemen's disability and~~ fire pension fund shall itemize all purchases and expenditures included.

Sec. 742.56. (A) The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund may by rule establish a payroll deduction plan for payment of the following:

(1) The cost of service credit members of the fund are eligible to purchase under this chapter;

(2) Charges for participation in programs established under section 742.53 of the Revised Code.

(B) In addition to any other matter considered relevant by the trustees, the rules shall specify all of the following:

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

(2) The procedure to be followed by a member to inform ~~his~~ the member's employer and the Ohio police and ~~firemen's disability and~~ fire pension fund that ~~he~~ the member wishes to purchase service credit under this chapter or pay for participation in programs established under section 742.53 of the Revised Code and chooses to pay for it through payroll deduction;

(3) The procedure to be followed by the fund to determine for each request the amount to be deducted, the number of deductions to be made, and the interval at which deductions will be made. The rules may provide for a minimum amount for each deduction or a maximum number of

deductions for the purchase of any type of credit, but shall provide that no deduction may exceed the member's net compensation after all deductions and withholdings required by law.

(4) The procedure to be followed by employers in transmitting amounts deducted from the salaries of their employees to the fund;

(5) The procedure to be followed by the fund in crediting service credit to members who choose to purchase it through payroll deduction.

(C) If the trustees of the fund establish a payroll deduction plan under this section, the trustees shall certify to the member's employer for each member for which deductions are to be made, the amount of each deduction and the payrolls from which deductions are to be made. The employer shall make the deductions as certified and transmit the amounts deducted in accordance with the rules established by the trustees under this section.

(D) Rules adopted under this section shall not affect any right to purchase service credit conferred by any other section of the Revised Code, including the right of a member under any such section to purchase only part of the service credit ~~he~~ the member is eligible to purchase.

Sec. 742.57. All amounts due the Ohio police and ~~firemen's disability and~~ fire pension fund from the state treasury pursuant to this chapter shall be promptly paid upon warrant of the auditor of state pursuant to a voucher approved by the director of budget and management.

Sec. 742.58. On the death of a member of the Ohio police and ~~firemen's disability and~~ fire pension fund who at the time of death is receiving a retirement pension or disability benefits, a lump-sum payment of one thousand dollars shall be paid to the member's surviving spouse or, if there is no surviving spouse, to the beneficiary the member designated on a form provided by the fund. If there is no surviving spouse or designated beneficiary, the payment shall be made to the member's estate.

Application for the payment shall be made on a form provided by the fund.

Sec. 742.59. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall be the trustee of the funds created as follows:

(A) The "~~policemen's~~ police officers' contribution fund" is the fund in which shall be credited the contributions deducted from the salaries of members of police departments and paid into the Ohio police and ~~firemen's disability and~~ fire pension fund, as provided by section 742.31 of the Revised Code, and that percentage of the employers' accrued liability that is attributable to deductions previously made from the salaries of members of the police department who are still in the active service at the time that

portion of the ~~employer's~~ employers' accrued liability is paid. The accumulated contributions of a member of a police department shall be transferred at the member's retirement from the ~~policemen's~~ police officers' contribution fund to the ~~policemen's~~ police officers' pension reserve fund.

(B) The "~~firemen's~~ firefighters' contribution fund" is the fund in which shall be credited contributions deducted from the salaries of members of fire departments and paid into the Ohio police and ~~firemen's disability and~~ fire pension fund, as provided by section 742.31 of the Revised Code, and that percentage of the employers' accrued liability that is attributable to deductions previously made from the salaries of members of the fire department who are still in the active service at the time that portion of the employers' accrued liability is paid. The accumulated contributions of a member of a fire department shall be transferred at the member's retirement from the ~~firemen's~~ firefighters' contribution fund to the ~~firemen's~~ firefighters' pension reserve fund.

(C) The "~~policemen~~ police officer employers' contribution fund" is the fund to which the ~~policemen employers'~~ police officer employers' contribution, as provided by section 742.33 of the Revised Code, and that percentage of the employers' accrued liability that is attributable to the employers' liability for prior service of members of the police department who are still in the active service at the time that portion of the employers' accrued liability is paid, and that portion of the state contribution allocated to such fund, as provided by section 742.36 of the Revised Code, shall be credited, and in which shall be accumulated the reserves held in trust for the payment of all pensions or other benefits provided by sections 742.01 to 742.61 of the Revised Code to members of a police department retiring in the future or their qualified beneficiaries and from which the reserves for such pensions and other benefits shall be transferred to the ~~policemen's~~ police officers' pension reserve fund.

(D) The "~~firemen~~ firefighter employers' contribution fund" is the fund to which the ~~firemen~~ firefighter employers' contribution, as provided in section 742.34 of the Revised Code, and that percentage of the employers' accrued liability that is attributable to the employers' liability for prior service for members of the fire department who are still in the active service at the time that portion of the employers' accrued liability is paid, and that portion of the state contribution allocated to such fund, as provided by section 742.36 of the Revised Code, shall be credited, and in which shall be accumulated the reserves held in trust for the payment of all pensions and other benefits provided by sections 742.01 to 742.61 of the Revised Code to members of a fire department retiring in the future or their qualified beneficiaries and from

which the reserves for such pensions and other benefits shall be transferred to the ~~firemen's~~ firefighters' pension reserve fund.

(E) The "~~policemen's~~ police officers' pension reserve fund" is the fund from which shall be paid all pensions and other benefits for which reserves have been transferred from the ~~policemen's~~ police officers' contribution fund and the ~~policemen~~ police officer employers' contribution fund, and to which shall be credited that percentage of the employers' accrued liability that is attributable to the total of deductions previously made from the salaries of members of the police department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid, and that percentage of the employers' accrued liability that is attributable to prior service of members of the police department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid.

(F) The "~~firemen's~~ firefighters' pension reserve fund" is the fund from which shall be paid all pensions and other benefits for which reserves have been transferred from the ~~firemen's~~ firefighters' contribution fund and the ~~firemen~~ firefighter employers' contribution fund, and to which shall be credited that percentage of the employers' accrued liability that is attributable to the total of deductions previously made from the salaries of members of the fire department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid, and that percentage of the employers' accrued liability that is attributable to prior service of members of the fire department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid.

(G) The "guarantee fund" is the fund from which interest is transferred and credited on the amounts in the funds described in divisions (C), (D), (E), and (F) of this section, and is a contingent fund from which the special requirements of said funds may be paid by transfer from this fund. All income derived from the investment of funds by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund as trustee under section 742.11 of the Revised Code, together with all gifts and bequests or the income therefrom, shall be paid into this fund.

Any deficit occurring in any other fund that will not be covered by payments to that fund, as otherwise provided by sections 742.01 to 742.61 of the Revised Code, shall be paid by transfers of amounts from the guarantee fund to such fund or funds. Should the amount in the guarantee

fund be insufficient at any time to meet the amounts payable therefrom, the amount of such deficiency, with regular interest, shall be paid by an additional employer rate of current contribution as determined by the actuary and shall be approved by the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, and the amount of such additional employer contribution shall be credited to the guarantee fund.

The board ~~of trustees of the police and firemen's disability and pension fund~~ may accept gifts and bequests. Any funds that may come into the possession of the board in this manner, or any other funds whose disposition is not otherwise provided for, shall be credited to the guarantee fund.

(H) The "expense fund" is the fund from which shall be paid the expenses for the administration and management of the Ohio police and ~~firemen's disability and~~ fire pension fund, as provided by sections 742.01 to 742.61 of the Revised Code, and to which shall be credited from the guarantee fund an amount sufficient to pay the expenses of operation.

Sec. 742.60. Wherever in sections 742.01 to 742.61 of the Revised Code~~,~~ reference is made to the ~~policemen's~~ police officers' contribution fund, the ~~firemen's~~ firefighters' contribution fund, the ~~policemen~~ police officer employers' contribution fund, the ~~firemen~~ firefighter employers' contribution fund, the ~~policemen's~~ police officers' pension reserve fund, the ~~firemen's~~ firefighters' pension reserve fund, the guarantee fund, or the expense fund, such reference shall be construed to have been made to each as a separate legal entity. This section does not prevent the deposit or investment of all such moneys intermingled for such purpose, but such funds shall be separate and distinct legal entities for all other purposes.

Sec. 742.61. The treasurer of state shall be the custodian of all funds under the control and management of the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund, and all disbursements of such funds shall be paid by the treasurer of state only upon instruments duly authorized by the board and bearing the signatures of the chairperson and secretary of the board. The signatures of the chairperson and secretary may be facsimile signatures.

The treasurer of state shall give a separate and additional bond in such amount as is fixed by the board, conditioned upon the faithful performance of the treasurer of state's duties as custodian of the funds under the control and management of the board and to be executed by a surety company selected by the board that is authorized to transact business in this state. Such bond shall be deposited with the secretary of state and kept in the secretary of state's office. The board may require the treasurer of state to give other and additional bonds, as the funds under the control and

nagement of the board increase, in such amounts and at such times as are fixed by the board, which additional bonds shall be conditioned, filed, and executed as is provided for the original bond of the treasurer of state covering the funds under the control and management of the board. The premium on all bonds shall be paid by the board.

The treasurer of state shall deposit any portion of the funds under the control and management of the board not needed for immediate use in the same manner as state funds are deposited, and subject to all provisions of law with respect to the deposit of state funds, by the treasurer of state, and all interest earned on such funds so deposited shall be collected by the treasurer of state and placed to the credit of the board.

Sec. 742.62. The ~~firemen and policemen's~~ Ohio public safety officers death benefit fund is hereby created as the fund to which shall be credited contributions paid by the state and any moneys resulting from gifts made to the fund. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall be the trustees of the ~~firemen and policemen's~~ Ohio public safety officers death benefit fund. The board shall have the same powers as provided in section 742.10 of the Revised Code~~,~~ in administering the ~~firemen and policemen's~~ Ohio public safety officers death benefit fund.

Sec. 742.63. The board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund shall adopt rules for the management of the ~~firemen and policemen's~~ Ohio public safety officers death benefit fund and for disbursements of benefits as set forth in this section.

(A) As used in this section:

(1) "Member" means a member of the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system, or a member of the public employees retirement system who at the time of the member's death was a county sheriff or deputy sheriff, a full-time regular police officer in a municipal corporation or township, a full-time regular firefighter employed by the state, an instrumentality of the state, a municipal corporation, a township, a joint fire district, or another political subdivision, a full-time park district ranger or patrol trooper, a full-time law enforcement officer of the department of natural resources, a full-time department of public safety enforcement agent, a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation, a full-time law enforcement officer of a conservancy district, 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, a state university law enforcement officer,

or 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.

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

(3) "Firefighter or police officer" includes a state highway patrol trooper, a county sheriff or deputy sheriff, 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, a police officer employed by a township or municipal corporation, a firefighter employed by the state, an instrumentality of the state, a municipal corporation, a township, a joint fire district, or another political subdivision, a full-time park district ranger or patrol trooper, a full-time law enforcement officer of the department of natural resources, a full-time department of public safety enforcement agent, a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation, a full-time law enforcement officer of a conservancy district, and a state university law enforcement officer.

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

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

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

Code.

(7) "Conservancy district" means a conservancy district created under the authority of Chapter 6101. of the Revised Code.

(8) "Law enforcement officer" means an officer commissioned to make arrests, execute warrants, and preserve the peace upon lands under the control of the governmental entity granting the commission.

(9) "Department of natural resources law enforcement officer" includes a forest officer designated pursuant to section 1503.29 of the Revised Code, a preserve officer designated pursuant to section 1517.10 of the Revised Code, a wildlife officer designated pursuant to section 1531.13 of the Revised Code, a park officer designated pursuant to section 1541.10 of the Revised Code, and a state watercraft officer designated pursuant to section 1547.521 of the Revised Code.

(10) "Retirement eligibility date" means the last day of the month in which a deceased member would have first become eligible, had the member lived, for the retirement pension provided under section 145.33, division (C)(1) of section 742.37, or division (A)(1) of section 5505.17 of the Revised Code or provided by a retirement system operated by a municipal corporation.

(11) "Death benefit amount" means an amount equal to the full monthly salary received by a deceased member prior to death, minus an amount equal to the benefit received under section 145.45, 742.37, 742.3714, or 5505.17 of the Revised Code or the benefit received from a retirement system operated by a municipal corporation, plus any increases in salary that would have been granted the deceased member.

(12) "Killed in the line of duty" means either of the following:

(a) Death in the line of duty;

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

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

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

these children.

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

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

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

(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 becomes ineligible to continue receiving a death benefit due to remarriage or death, 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 becomes ineligible to receive a benefit due to remarriage or death, 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 month equal to one-half of the full death benefit amount.

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

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

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

(F) A surviving spouse whose benefits are terminated in accordance with division (B) or (D)(3) of this section on the deceased member's retirement eligibility date, or who would qualify for a benefit under division (B) or (D) of this section except that the deceased member reached the member's retirement eligibility date prior to the member's death, shall receive a monthly death benefit under this division. The monthly death benefit shall be one-half of an amount equal to the monthly salary received by the deceased member prior to the member's death, plus any salary increases the deceased member would have received prior to the member's retirement eligibility date. The benefit shall terminate on the surviving spouse's remarriage or death. A death benefit payable under this division shall be reduced by an amount equal to any allowance or benefit payable to the surviving spouse under section 742.3714 of the Revised Code.

(G)(1) If there is not a surviving spouse eligible to receive a death benefit under division (F) of this section or the surviving spouse receiving a death benefit under that division becomes ineligible to receive the benefit due to remarriage or death, a surviving child or children whose benefits under division (C) or (D) of this section are or have been terminated pursuant to division (C)(3) or (D)(3) of this section or who would qualify for

a benefit under division (C) or (D) of this section except that the deceased member reached the member's retirement eligibility date prior to the member's death shall receive a monthly death benefit under this division. The monthly death benefit shall be one-half of an amount equal to the monthly salary received by the deceased member prior to the member's death, plus any salary increases the member would have received prior to the member's retirement eligibility date. If there is more than one surviving child, the benefit shall be divided equally among the surviving children.

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

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

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

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

(2) The child is unmarried, under age twenty-two, and a student in and 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 the institution, as determined by the trustees of the fund.

(I) Acceptance of any death benefit under this section does not prohibit a spouse or child from receiving other benefits provided under the Ohio police and ~~firemen's disability and~~ fire pension fund, the state highway patrol retirement system, the public employees retirement system, or a retirement system operated by a municipal corporation.

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

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

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

(3) In the case of a full-time park district ranger or patrol trooper, a full-time law enforcement officer of the department of natural resources, a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation, a full-time law enforcement officer of a conservancy district, a correction officer at an institution under the control of a county, group of counties, or municipal corporation, or a member of a retirement system operated by a municipal corporation who at the time of the member's death was a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of the municipal corporation, the member died prior to April 9, 1981, in the case of a benefit under division (B), (C), or (D) of this section, or prior to January 1, 1980, in the case of a benefit under division (E) of this section.

(4) In the case of a full-time department of public safety enforcement agent who prior to ~~the effective date of this amendment~~ June 30, 1999, was a liquor control investigator of the department of public safety, the member died prior to December 23, 1986;

(5) In the case of a full-time department of public safety enforcement agent other than an enforcement agent who, prior to ~~the effective date of this amendment~~ June 30, 1999, was a liquor control investigator, the member died prior to ~~the effective date of this amendment~~ June 30, 1999.

Sec. 902.10. All bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio

police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provision of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and are acceptable as security for the deposit of public moneys.

Sec. 1555.08. (A) Subject to the limitations provided in Section 15 of Article VIII, Ohio Constitution, the commissioners of the sinking fund, upon certification by the director of the Ohio coal development office of the amount of moneys or additional moneys needed in the coal research and development fund for the purpose of making grants or loans for allowable costs, or needed for capitalized interest, for funding reserves, and for paying costs and expenses incurred in connection with the issuance, carrying, securing, paying, redeeming, or retirement of the obligations or any obligations refunded thereby, including payment of costs and expenses relating to letters of credit, lines of credit, insurance, put agreements, standby purchase agreements, indexing, marketing, remarketing and administrative arrangements, interest swap or hedging agreements, and any other credit enhancement, liquidity, remarketing, renewal, or refunding arrangements, all of which are authorized by this section, or providing moneys for loan guarantees, shall issue obligations of the state under this section in amounts authorized by the general assembly; provided that such obligations may be issued to the extent necessary to satisfy the covenants in contracts of guarantee made under section 1555.05 of the Revised Code to issue obligations to meet such guarantees, notwithstanding limitations otherwise applicable to the issuance of obligations under this section except the one-hundred-million-dollar limitation provided in Section 15 of Article VIII, Ohio Constitution. The proceeds of such obligations, except for the portion to be deposited in the coal research and development bond service fund as may be provided in the bond proceedings, shall as provided in the bond proceedings be deposited in the coal research and development fund. The commissioners of the sinking fund may appoint trustees, paying agents, and transfer agents and may retain the services of financial advisors, accounting experts, and attorneys, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in their judgment to carry out this section.

(B) The full faith and credit of the state of Ohio is hereby pledged to obligations issued under this section except as otherwise provided in section 1555.12 of the Revised Code. The right of the holders and owners to payment of bond service charges is limited to all or that portion of the moneys pledged thereto pursuant to the bond proceedings in accordance

with this section, and each such obligation shall bear on its face a statement to that effect.

(C) Obligations shall be authorized by resolution of the commissioners of the sinking fund on request of the director of the Ohio coal development office as provided in section 1555.02 of the Revised Code and the bond proceedings shall provide for the purpose thereof and the principal amount or amounts, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding forty years from the date of issuance, the interest rate or rates or the maximum interest rate, the date of the obligations and the dates of payment of interest thereon, their denomination, and the establishment within or without the state of a place or places of payment of bond service charges. Sections 9.98 to 9.983 of the Revised Code apply to obligations issued under this section, subject to any applicable limitation under section 1555.12 of the Revised Code. The purpose of such obligations may be stated in the bond proceedings in terms describing the general purpose or purposes to be served. The bond proceedings shall also provide, subject to the provisions of any other applicable bond proceedings, for the pledge of all, or such part as the commissioners of the sinking fund may determine, of the moneys credited to the coal research and development bond service fund to the payment of bond service charges, which pledges may be made either prior or subordinate to other expenses, claims, or payments and may be made to secure the obligations on a parity with obligations theretofore or thereafter issued, if and to the extent provided in the bond proceedings. The moneys so pledged and thereafter received by the state are immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledges is valid and binding against all parties having claims of any kind against the state or any governmental agency of the state, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created or any certificate, statement or other document with respect thereto; and the pledge of such moneys is effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation. Every pledge, and every covenant and agreement made with respect thereto, made in the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(D) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at the option of the commissioners of the sinking fund at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

(4) The terms of any trust agreement or indenture securing the obligations or under which the obligations may be issued;

(5) The deposit, investment, and application of the coal research and development bond service fund, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this chapter, with respect to particular moneys; provided, that any bank or trust company which acts as depository of any moneys in the fund may furnish such indemnifying bonds or may pledge such securities as required by the commissioners of the sinking fund;

(6) Any other provision of the bond proceedings being binding upon the commissioners of the sinking fund, or such other body or person as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision which may be made in a trust agreement or indenture;

(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under this chapter.

(E) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations shall be signed by such members of the commissioners of the sinking fund as are designated in the resolution authorizing the obligations or bear the facsimile signatures of such members. Any coupons attached to the obligations shall bear the facsimile signature of the treasurer of state. Any obligations may be executed by the persons who, on the date of execution, are the commissioners although on the date of such bonds the persons were not the commissioners. Any coupons may be executed by the person who, on the date of execution, is the treasurer of state although on the date of such coupons the person was not the treasurer of state. In case any officer or commissioner whose signature or a facsimile of whose signature appears on any such obligations or any coupons ceases to be such officer or commissioner before delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the individual had

remained such officer or commissioner until such delivery; and in case the seal to be affixed to obligations has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal shall continue to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(F) All obligations except loan guarantees are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the commissioners of the sinking fund determine. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(G) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.

(H) Pending preparation of definitive obligations, the commissioners of the sinking fund may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(I) In the discretion of the commissioners of the sinking fund, obligations may be secured additionally by a trust agreement or indenture between the commissioners and a corporate trustee, which may be any trust company or bank having its principal place of business within the state. Any such agreement or indenture may contain the resolution authorizing the issuance of the obligations, any provisions that may be contained in any bond proceedings, and other provisions that are customary or appropriate in an agreement or indenture of such type, including, but not limited to:

(1) Maintenance of each pledge, trust agreement, indenture, or other instrument comprising part of the bond proceedings until the state has fully paid the bond service charges on the obligations secured thereby, or provision therefor has been made;

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the commissioners of the sinking fund made as a part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

(3) The rights and remedies of the holders of obligations and of the

trustee, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(5) Such other provisions as the trustee and the commissioners of the sinking fund agree upon, including limitations, conditions, or qualifications relating to any of the foregoing.

(J) Any holder of obligations or a trustee under the bond proceedings, except to the extent that ~~his~~ the holder's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the commissioners of the sinking fund, the director of development or the Ohio coal development office required by this chapter and Chapter 1551. of the Revised Code or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the commissioners, the director, or the office in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the moneys pledged, other than those in the custody of the treasurer of state, that are pledged to the payment of the bond service charges on such obligations or that are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the commissioners of the sinking fund or the state or governmental agencies of the state to the payment of such principal and interest and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any project.

Each duty of the commissioners of the sinking fund and their employees, and of each governmental agency and its officers, members, or employees, undertaken pursuant to the bond proceedings or any grant, loan, or loan guarantee agreement made under authority of this chapter, and in every agreement by or with the commissioners, is hereby established as a duty of the commissioners, and of each such officer, member, or employee having authority to perform such duty, specifically enjoined by the law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

The persons who are at the time the commissioners of the sinking fund,

or their employees, are not liable in their personal capacities on any obligations issued by the commissioners or any agreements of or with the commissioners.

(K) The commissioners of the sinking fund may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued by the commissioners. Such obligations may be issued in amounts sufficient for payment of the principal amount of the prior obligations, any redemption premiums thereon, principal maturities of any such obligations maturing prior to the redemption of the remaining obligations on a parity therewith, interest accrued or to accrue to the maturity dates or dates of redemption of such obligations, and any allowable costs including expenses incurred or to be incurred in connection with such issuance and such refunding, funding, and retirement. Subject to the bond proceedings therefor, the portion of proceeds of the sale of obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate account held by the trustee for such prior or new obligations or to the appropriate account in the coal research and development bond service fund for such obligations. Obligations authorized under this division are deemed to be issued for those purposes for which such prior obligations were issued and are subject to the provisions of this section pertaining to other obligations, except as otherwise provided in this section; provided that, unless otherwise authorized by the general assembly, any limitations imposed by the general assembly pursuant to this section with respect to bond service charges applicable to the prior obligations applies to the obligations issued under this division to refund, fund, advance refund, or retire such prior obligations.

(L) The authority to issue obligations under this section includes authority to issue obligations in the form of bond anticipation notes and to renew the notes from time to time by the issuance of new notes. The holders of such notes or interest coupons pertaining thereto shall have a right to be paid solely from the moneys that may be pledged to the payment of the bonds anticipated, or from the proceeds of such bonds or renewal notes, or both, as the commissioners of the sinking fund provide in any resolution authorizing such notes. Such notes may be additionally secured by covenants of the commissioners to the effect that they and the state will do such or all things necessary for the issuance of such bonds or renewal notes in appropriate amount, and apply the proceeds thereof to the extent necessary, to make full payment of the principal of and interest on such notes at the time or times contemplated, as provided in such resolution. For

such purpose, the commissioners may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide funds to pay when required the principal of and interest on such notes, notwithstanding any limitations prescribed by or for purposes of this section except the one-hundred-million-dollar limitation provided in Section 15 of Article VIII, Ohio Constitution. Subject to this division, all provisions for and references to obligations in this section apply to notes authorized under this division.

The commissioners of the sinking fund in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for such bonds an estimated interest rate and a schedule of principal payments for such bonds and the annual maturity dates thereof.

(M) Obligations issued under this section are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(N) If the law or the instrument creating a trust pursuant to division (I) of this section expressly permits investment in direct obligations of the United States or an agency of the United States, unless expressly prohibited by the instrument, such moneys also may be invested in no-front-end-load money market mutual funds consisting exclusively of obligations of the United States or an agency of the United States and in repurchase agreements, including those issued by the fiduciary itself, secured by obligations of the United States or an agency of the United States; and in collective investment funds established in accordance with section 1111.14 of the Revised Code and consisting exclusively of any such securities, notwithstanding division (A)(1)(c) of that section. The income from such investments shall be credited to such funds as the commissioners of the sinking fund determine, and such investments may be sold at such times as the commissioners determine or authorize.

(O) Provision may be made in the applicable bond proceedings for the

establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges on obligations pertinent to such accounts and bond service fund and for other accounts therein within the general purposes of such fund. Moneys to the credit of the bond service fund shall be disbursed on the order of the treasurer of state; provided, that no such order is required for the payment from the bond service fund when due of bond service charges on obligations.

(P) The commissioners of the sinking fund may pledge all, or such portion as they determine, of the receipts of the bond service fund to the payment of bond service charges on obligations issued under this section, and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to pledged receipts as authorized by this chapter, which provisions control notwithstanding any other provisions of law pertaining thereto.

(Q) The commissioners of the sinking fund may covenant in the bond proceedings, and any such covenants control notwithstanding any other provision of law, that the state and applicable officers and governmental agencies of the state, including the general assembly, so long as any obligations are outstanding, shall:

(1) Maintain statutory authority for and cause to be levied and collected taxes so that the pledged receipts are sufficient in amount to meet bond service charges, and the establishment and maintenance of any reserves and other requirements provided for in the bond proceedings, and, as necessary, to meet covenants contained in any loan guarantees made under this chapter;

(2) Take or permit no action, by statute or otherwise, that would impair the exemption from federal income taxation of the interest on the obligations.

(R) There is hereby created in the state treasury the coal research and development bond service fund. All moneys received by or on account of the state and required by the applicable bond proceedings, consistent with this section, to be deposited, transferred, or credited to the bond service fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be credited to such fund and to any separate accounts therein, subject to applicable provisions of the bond proceedings, but without necessity for any act of appropriation. During the period beginning with the date of the first issuance of obligations and continuing during such time as any such obligations are outstanding, and so long as moneys in the bond service fund are insufficient to pay all bond service charges on such obligations becoming due in each year, a sufficient amount

of moneys of the state except as provided in section 1555.12 of the Revised Code are committed and shall be paid to the bond service fund in each year for the purpose of paying the bond service charges becoming due in that year without necessity for further act of appropriation for such purpose. The bond service fund is a trust fund and is hereby pledged to the payment of bond service charges to the extent provided in the applicable bond proceedings, and payment thereof from such fund shall be made or provided for by the treasurer of state in accordance with such bond proceedings without necessity for any act of appropriation. All investment earnings of the fund shall be credited to the fund.

(S) For purposes of establishing the limitations contained in Section 15 of Article VIII, Ohio Constitution, the "principal amount" refers to the aggregate of the offering price of the bonds or notes. "Principal amount" does not refer to the aggregate value at maturity or redemption of the bonds or notes.

Sec. 1557.03. (A)(1) The commissioners of the sinking fund are authorized to issue and sell, as provided in this section and in amounts from time to time authorized by the general assembly, general obligations of this state for the purpose of financing or assisting in the financing of the costs of projects. The full faith and credit, revenues, and taxing power of the state are and shall be pledged to the timely payment of debt charges on outstanding obligations, all in accordance with Section 2l of Article VIII, Ohio Constitution, and sections 1557.03 to 1557.05 of the Revised Code, excluding from that pledge fees, excises, or taxes relating to the registration, operation, or use of vehicles on the public highways, or to fuels used for propelling those vehicles, and so long as such obligations are outstanding there shall be levied and collected excises and taxes, excluding those excepted above, in amount sufficient to pay the debt charges on such obligations and financing costs relating to credit enhancement facilities.

(2) For meetings of the commissioners of the sinking fund pertaining to the obligations under this chapter, each of the commissioners may designate an employee or officer of that commissioner's office to attend meetings when that commissioner is absent for any reason, and such designee, when present, shall be counted in determining whether a quorum is present at any meeting and may vote and participate in all proceedings and actions of the commissioners at that meeting pertaining to the obligations, provided, that such designee shall not execute or cause a facsimile of ~~his~~ the designee's signature to be placed on any obligation, or execute any trust agreement or indenture of the commissioners. Such designation shall be in writing, executed by the designating member, and shall be filed with the secretary of

the commissioners and such designation may be changed from time to time by a similar written designation.

(B) The total principal amount of obligations outstanding at any one time shall not exceed two hundred million dollars, and not more than fifty million dollars in principal amount of obligations to pay costs of projects may be issued in any fiscal year, all determined as provided in sections 1557.03 to 1557.05 of the Revised Code.

(C) The state may participate by grants or contributions in financing projects under this section made by local government entities. Of the proceeds of the first two hundred million dollars principal amount in obligations issued under this section to pay costs of projects, at least twenty per cent shall be allocated in accordance with section 1557.06 of the Revised Code to grants or contributions to local government entities. The director of budget and management shall establish and maintain records in such manner as to show that the proceeds credited to the Ohio parks and natural resources fund have been expended for the purposes and in accordance with the limitations set forth herein.

(D) Each issue of obligations shall be authorized by resolution of the commissioners of the sinking fund. The bond proceedings shall provide for the principal amount or maximum principal amount of obligations of an issue, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding the earlier of twenty-five years from the date the debt represented by the particular obligations was originally contracted, the interest rate or rates, the date of and the dates of payment of interest on the obligations, their denominations, and the establishment within or without the state of a place or places of payment of debt charges. Sections 9.96 and 9.98 to 9.983 of the Revised Code are applicable to the obligations. The purpose of the obligations may be stated in the bond proceedings as "financing or assisting in the financing of projects as provided in Section 2l of Article VIII, Ohio Constitution."

(E) The proceeds of the obligations, except for any portion to be deposited in special funds, or in escrow funds for the purpose of refunding outstanding obligations, all as may be provided in the bond proceedings, shall be deposited in the Ohio parks and natural resources fund established by section 1557.02 of the Revised Code.

(F) The commissioners of the sinking fund may appoint paying agents, bond registrars, securities depositories, and transfer agents, and may retain the services of financial advisers and accounting experts, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors,

including printing services, as are necessary in the judgment of the commissioners to carry out sections 1557.01 to 1557.05 of the Revised Code. Financing costs are payable, as provided in the bond proceedings, from the proceeds of the obligations, from special funds, or from other moneys available for the purpose.

(G) The bond proceedings, including any trust agreement, may contain additional provisions customary or appropriate to the financing or to the obligations or to particular obligations, including, but not limited to:

(1) The redemption of obligations prior to maturity at the option of the state or of the holder or upon the occurrence of certain conditions at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) The form of and other terms of the obligations;

(3) The establishment, deposit, investment, and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, provided that any bank or trust company that acts as a depository of any moneys in special funds may furnish such indemnifying bonds or may pledge such securities as required by the commissioners of the sinking fund;

(4) Any or every provision of the bond proceedings binding upon the commissioners of the sinking fund and such state agency or local government entities, officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(5) The maintenance of each pledge, any trust agreement, or other instrument composing part of the bond proceedings until the state has fully paid or provided for the payment of the debt charges on the obligations or met other stated conditions;

(6) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the commissioners of the sinking fund made as part of a contract under which the obligations were issued or secured, the enforcement of such payments or agreements by mandamus, suit in equity, action at law, or any combination of the foregoing;

(7) The rights and remedies of the holders of obligations and of the trustee under any trust agreement, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(8) The replacement of any obligations that become mutilated or are

estroyed, lost, or stolen;

(9) Provision for the funding, refunding, or advance refunding or other provision for payment of obligations which will then no longer be or be deemed to be outstanding for purposes of this section or of the bond proceedings;

(10) Any provision that may be made in bond proceedings or a trust agreement, including provision for amendment of the bond proceedings;

(11) Such other provisions as the commissioners of the sinking fund determine, including limitations, conditions, or qualifications relating to any of the foregoing;

(12) Any other or additional agreements with the holders of the obligations relating to the obligations or the security for the obligations.

(H) The great seal of the state or a facsimile of that seal may be affixed to or printed on the obligations. The obligations shall be signed by or bear the facsimile signatures of two or more of the commissioners of the sinking fund as provided in the bond proceedings. Any obligations may be signed by the person who, on the date of execution, is the authorized signer although on the date of such obligations such person was not a commissioner. In case the individual whose signature or a facsimile of whose signature appears on any obligation ceases to be a commissioner before delivery of the obligation, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the individual had remained the member until such delivery, and in case the seal to be affixed to or printed on obligations has been changed after the seal has been affixed to or a facsimile of the seal has been printed on the obligations, that seal or facsimile seal shall continue to be sufficient as to those obligations and obligations issued in substitution or exchange therefor.

(I) Obligations may be issued in coupon or in fully registered form, or both, as the commissioners of the sinking fund determine. Provision may be made for the registration of any obligations with coupons attached as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion. Pending preparation of definitive obligations, the commissioners of the sinking fund may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(J) Obligations may be sold at public sale or at private sale, and at such price at, above, or below par, as determined by the commissioners of the

sinking fund in the bond proceedings.

(K) In the discretion of the commissioners of the sinking fund, obligations may be secured additionally by a trust agreement between the state and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any trust agreement may contain the resolution authorizing the issuance of the obligations, any provisions that may be contained in the bond proceedings, and other provisions that are customary or appropriate in an agreement of the type.

(L) Except to the extent that their rights are restricted by the bond proceedings, any holder of obligations, or a trustee under the bond proceedings, may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by the bond proceedings. Such rights include the right to compel the performance of all duties of the commissioners and the state. Each duty of the commissioners and employees of the commissioners, and of each state agency and local public entity and its officers, members, or employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the commissioners, and of each such agency, local government entity, officer, member, or employee having authority to perform such duty, specifically enjoined by the law and resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The persons who are at the time the commissioners, or employees of the commissioners, are not liable in their personal capacities on any obligations or any agreements of or with the commissioners relating to obligations or under the bond proceedings.

(M) The commissioners of the sinking fund may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued. Such refunding obligations may be issued in amounts sufficient to pay or to provide for payment of the principal amount, including principal amounts maturing prior to the redemption of the remaining obligations, any redemption premium, and interest and other accreted amounts accrued or to accrue to the maturity or redemption date or dates, payable on the refunded obligations, and related financing costs and any expenses incurred or to be incurred in connection with such issuance and refunding. Subject to the bond proceedings therefor, the portion of the proceeds of the sale of refunding obligations issued under this division to be applied to debt charges on the prior obligations shall be credited to an appropriate separate account in the bond service fund and held in trust for the purpose by the commissioners or by a corporate trustee. Obligations authorized under this division shall be considered to be issued for those

purposes for which such prior obligations were issued, and, except as otherwise provided in sections 1557.03 to 1557.05 of the Revised Code pertaining to other obligations.

(N) The commissioners of the sinking fund may authorize and issue obligations in the form of bond anticipation notes and renew those notes from time to time by the issuance of new notes. The holders of such notes or appertaining interest coupons have the right to have debt charges on those notes paid solely from the moneys and special funds that are or may be pledged to the payment of debt charges on those notes, including the proceeds of such bonds or renewal notes, or both, as the commissioners provide in the bond proceedings authorizing the notes. Such notes may be additionally secured by covenants of the commissioners to the effect that the commissioners and the state will do such or all things necessary for the issuance of bonds or renewal notes in appropriate amount, and apply the proceeds thereof to the extent necessary, to make full and timely payment of the debt charges on such notes as provided in such bond proceedings. For such purposes, the commissioners may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide moneys to pay when due the debt charges on such notes. Except as otherwise provided in sections 1557.03 to 1557.05 of the Revised Code, notes authorized pursuant to this division are subject to sections 1557.03 to 1557.05 of the Revised Code pertaining to other obligations.

The commissioners of the sinking fund shall set forth in the bond proceedings authorizing the issuance of bond anticipation notes an estimated schedule of annual principal payments for the bonds anticipated by such notes over a period of not to exceed the maximum period permitted by division (D) of this section. While the notes are outstanding there shall be deposited, as shall be provided in the bond proceedings for those notes, from the sources authorized for payment of debt charges on the bonds, amounts sufficient to pay the principal of the bonds anticipated as set forth in that estimated schedule during the time the notes are outstanding, which amounts shall be used solely to pay the principal of those notes or of the bonds anticipated.

(O) Refunding or renewal obligations issued pursuant to division (M) or (N) of this section shall not be counted against the limitation on principal amount provided for in division (B) of this section and shall be in addition to the amount authorized by the general assembly as provided for in division (A) of this section, to the extent the principal amount of those obligations does not exceed the then outstanding principal amount of the obligations to be refunded, renewed, or retired.

(P) Obligations are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(Q) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the commissioners of the sinking fund only in notes, bonds, or other direct obligations of the United States or of any agency or instrumentality of the United States, in obligations of this state or any political subdivision of this state, in certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions, in the Ohio subdivision's fund established pursuant to section 135.45 of the Revised Code, in no-front-end-load money market mutual funds consisting exclusively of direct obligations of the United States or of an agency or instrumentality of the United States, and in repurchase agreements, including those issued by any fiduciary, secured by direct obligations of the United States or an agency or instrumentality of the United States, and in collective investment funds established in accordance with section 1111.14 of the Revised Code and consisting exclusively of direct obligations of the United States or of an agency or instrumentality of the United States, notwithstanding division (A)(1)(c) of that section. The income from investments shall be credited to such special funds or otherwise as the commissioners of the sinking fund determine in the bond proceedings, and the investments may be sold or exchanged at such times as the commissioners determine or authorize.

(R) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in a special fund shall be disbursed on the order of the commissioners of the sinking fund, provided that no such order is required for the payment from the bond service fund or other special fund

when due of debt charges or required payments under credit enhancement facilities.

(S) The commissioners of the sinking fund may covenant in the bond proceedings, and any such covenants shall be controlling notwithstanding any other provision of law, that the state and the applicable officers and agencies of the state, including the general assembly, so long as any obligations are outstanding in accordance with their terms, shall maintain statutory authority for and cause to be charged and collected taxes, excises, and other receipts of the state so that the receipts to the bond service fund shall be sufficient in amounts to meet debt charges and for the establishment and maintenance of any reserves and other requirements, including payment of the costs of credit enhancement facilities, provided for in the bond proceedings.

(T) The obligations, the transfer thereof, and the interest, other accreted amounts, and other income therefrom, including any profit made on the sale thereof, at all times shall be free from taxation, direct or indirect, within the state.

Sec. 2329.66. (A) Every person who is domiciled in this state may hold property exempt from execution, garnishment, attachment, or sale to satisfy a judgment or order, as follows:

(1)(a) In the case of a judgment or order regarding money owed for health care services rendered or health care supplies provided to the person or a dependent of the person, one parcel or item of real or personal property that the person or a dependent of the person uses as a residence. Division (A)(1)(a) of this section does not preclude, affect, or invalidate the creation under this chapter of a judgment lien upon the exempted property but only delays the enforcement of the lien until the property is sold or otherwise transferred by the owner or in accordance with other applicable laws to a person or entity other than the surviving spouse or surviving minor children of the judgment debtor. Every person who is domiciled in this state may hold exempt from a judgment lien created pursuant to division (A)(1)(a) of this section the person's interest, not to exceed five thousand dollars, in the exempted property.

(b) In the case of all other judgments and orders, the person's interest, not to exceed five thousand dollars, in one parcel or item of real or personal property that the person or a dependent of the person uses as a residence.

(2) The person's interest, not to exceed one thousand dollars, in one motor vehicle;

(3) The person's interest, not to exceed two hundred dollars in any particular item, in wearing apparel, beds, and bedding, and the person's

interest, not to exceed three hundred dollars in each item, in one cooking unit and one refrigerator or other food preservation unit;

(4)(a) The person's interest, not to exceed four hundred dollars, in cash on hand, money due and payable, money to become due within ninety days, tax refunds, and money on deposit with a bank, savings and loan association, credit union, public utility, landlord, or other person. Division (A)(4)(a) of this section applies only in bankruptcy proceedings. This exemption may include the portion of personal earnings that is not exempt under division (A)(13) of this section.

(b) Subject to division (A)(4)(d) of this section, the person's interest, not to exceed two hundred dollars in any particular item, in household furnishings, household goods, appliances, books, animals, crops, musical instruments, firearms, and hunting and fishing equipment, that are held primarily for the personal, family, or household use of the person;

(c) Subject to division (A)(4)(d) of this section, the person's interest in one or more items of jewelry, not to exceed four hundred dollars in one item of jewelry and not to exceed two hundred dollars in every other item of jewelry;

(d) Divisions (A)(4)(b) and (c) of this section do not include items of personal property listed in division (A)(3) of this section.

If the person does not claim an exemption under division (A)(1) of this section, the total exemption claimed under division (A)(4)(b) of this section shall be added to the total exemption claimed under division (A)(4)(c) of this section, and the total shall not exceed two thousand dollars. If the person claims an exemption under division (A)(1) of this section, the total exemption claimed under division (A)(4)(b) of this section shall be added to the total exemption claimed under division (A)(4)(c) of this section, and the total shall not exceed one thousand five hundred dollars.

(5) The person's interest, not to exceed an aggregate of seven hundred fifty dollars, in all implements, professional books, or tools of the person's profession, trade, or business, including agriculture;

(6)(a) The person's interest in a beneficiary fund set apart, appropriated, or paid by a benevolent association or society, as exempted by section 2329.63 of the Revised Code;

(b) The person's interest in contracts of life or endowment insurance or annuities, as exempted by section 3911.10 of the Revised Code;

(c) The person's interest in a policy of group insurance or the proceeds of a policy of group insurance, as exempted by section 3917.05 of the Revised Code;

(d) The person's interest in money, benefits, charity, relief, or aid to be

paid, provided, or rendered by a fraternal benefit society, as exempted by section 3921.18 of the Revised Code;

(e) The person's interest in the portion of benefits under policies of sickness and accident insurance and in lump-sum payments for dismemberment and other losses insured under those policies, as exempted by section 3923.19 of the Revised Code.

(7) The person's professionally prescribed or medically necessary health aids;

(8) The person's interest in a burial lot, including, but not limited to, exemptions under section 517.09 or 1721.07 of the Revised Code;

(9) The person's interest in the following:

(a) Moneys paid or payable for living maintenance or rights, as exempted by section 3304.19 of the Revised Code;

(b) Workers' compensation, as exempted by section 4123.67 of the Revised Code;

(c) Unemployment compensation benefits, as exempted by section 4141.32 of the Revised Code;

(d) Cash assistance payments under the Ohio works first program, as exempted by section 5107.75 of the Revised Code;

(e) Disability assistance payments, as exempted by section 5115.07 of the Revised Code.

(10)(a) Except in cases in which the person was convicted of or pleaded guilty to a violation of section 2921.41 of the Revised Code and in which an order for the withholding of restitution from payments was issued under division (C)(2)(b) of that section or in cases in which an order for withholding was issued under section 2907.15 of the Revised Code, and only to the extent provided in the order, and except as provided in sections 3105.171, 3105.63, 3111.23, and 3113.21 of the Revised Code, the person's right to a pension, benefit, annuity, retirement allowance, or accumulated contributions, the person's right to a participant account in any deferred compensation program offered by the Ohio public employees deferred compensation board, a government unit, or a municipal corporation, or the person's other accrued or accruing rights, as exempted by section 145.56, 145.75, 146.13, 742.47, 3307.71, 3309.66, or 5505.22 of the Revised Code, and the person's right to benefits from the ~~firemen and policemen's~~ Ohio public safety officers death benefit fund;

(b) Except as provided in sections 3111.23 and 3113.21 of the Revised Code, the person's right to receive a payment under any pension, annuity, or similar plan or contract, not including a payment from a stock bonus or profit-sharing plan or a payment included in division (A)(6)(b) or (10)(a) of

this section, on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the person and any of the person's dependents, except if all the following apply:

(i) The plan or contract was established by or under the auspices of an insider that employed the person at the time the person's rights under the plan or contract arose.

(ii) The payment is on account of age or length of service.

(iii) The plan or contract is not qualified under the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended.

(c) Except for any portion of the assets that were deposited for the purpose of evading the payment of any debt and except as provided in sections 3111.23 and 3113.21 of the Revised Code, the person's right in the assets held in, or to receive any payment under, any individual retirement account, individual retirement annuity, "Roth IRA," or education individual retirement account that provides benefits by reason of illness, disability, death, or age, to the extent that the assets, payments, or benefits described in division (A)(10)(c) of this section are attributable to any of the following:

(i) Contributions of the person that were less than or equal to the applicable limits on deductible contributions to an individual retirement account or individual retirement annuity in the year that the contributions were made, whether or not the person was eligible to deduct the contributions on the person's federal tax return for the year in which the contributions were made;

(ii) Contributions of the person that were less than or equal to the applicable limits on contributions to a Roth IRA or education individual retirement account in the year that the contributions were made;

(iii) Contributions of the person that are within the applicable limits on rollover contributions under subsections 219, 402(c), 403(a)(4), 403(b)(8), 408(b), 408(d)(3), 408A(c)(3)(B), 408A(d)(3), and 530(d)(5) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(d) Except for any portion of the assets that were deposited for the purpose of evading the payment of any debt and except as provided in sections 3111.23 and 3113.21 of the Revised Code, the person's right in the assets held in, or to receive any payment under, any Keogh or "H.R. 10" plan that provides benefits by reason of illness, disability, death, or age, to the extent reasonably necessary for the support of the person and any of the person's dependents.

(11) The person's right to receive spousal support, child support, an allowance, or other maintenance to the extent reasonably necessary for the support of the person and any of the person's dependents;

(12) The person's right to receive, or moneys received during the preceding twelve calendar months from, any of the following:

(a) An award of reparations under sections 2743.51 to 2743.72 of the Revised Code, to the extent exempted by division (D) of section 2743.66 of the Revised Code;

(b) A payment on account of the wrongful death of an individual of whom the person was a dependent on the date of the individual's death, to the extent reasonably necessary for the support of the person and any of the person's dependents;

(c) Except in cases in which the person who receives the payment is an inmate, as defined in section 2969.21 of the Revised Code, and in which the payment resulted from a civil action or appeal against a government entity or employee, as defined in section 2969.21 of the Revised Code, a payment, not to exceed five thousand dollars, on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the person or an individual for whom the person is a dependent;

(d) A payment in compensation for loss of future earnings of the person or an individual of whom the person is or was a dependent, to the extent reasonably necessary for the support of the debtor and any of the debtor's dependents.

(13) Except as provided in sections 3111.23 and 3113.21 of the Revised Code, personal earnings of the person owed to the person for services in an amount equal to the greater of the following amounts:

(a) If paid weekly, thirty times the current federal minimum hourly wage; if paid biweekly, sixty times the current federal minimum hourly wage; if paid semimonthly, sixty-five times the current federal minimum hourly wage; or if paid monthly, one hundred thirty times the current federal minimum hourly wage that is in effect at the time the earnings are payable, as prescribed by the "Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 U.S.C. 206(a)(1), as amended;

(b) Seventy-five per cent of the disposable earnings owed to the person.

(14) The person's right in specific partnership property, as exempted by division (B)(3) of section 1775.24 of the Revised Code;

(15) A seal and official register of a notary public, as exempted by section 147.04 of the Revised Code;

(16) The person's interest in a tuition credit or a payment under section 3334.09 of the Revised Code pursuant to a tuition credit contract, as exempted by section 3334.15 of the Revised Code;

(17) Any other property that is specifically exempted from execution, attachment, garnishment, or sale by federal statutes other than the

Bankruptcy Reform Act of 1978," 92 Stat. 2549, 11 U.S.C.A. 101, as amended;

(18) The person's interest, not to exceed four hundred dollars, in any property, except that division (A)(18) of this section applies only in bankruptcy proceedings.

(B) As used in this section:

(1) "Disposable earnings" means net earnings after the garnishee has made deductions required by law, excluding the deductions ordered pursuant to section 3111.23 or 3113.21 of the Revised Code.

(2) "Insider" means:

(a) If the person who claims an exemption is an individual, a relative of the individual, a relative of a general partner of the individual, a partnership in which the individual is a general partner, a general partner of the individual, or a corporation of which the individual is a director, officer, or in control;

(b) If the person who claims an exemption is a corporation, a director or officer of the corporation; a person in control of the corporation; a partnership in which the corporation is a general partner; a general partner of the corporation; or a relative of a general partner, director, officer, or person in control of the corporation;

(c) If the person who claims an exemption is a partnership, a general partner in the partnership; a general partner of the partnership; a person in control of the partnership; a partnership in which the partnership is a general partner; or a relative in, a general partner of, or a person in control of the partnership;

(d) An entity or person to which or whom any of the following applies:

(i) The entity directly or indirectly owns, controls, or holds with power to vote, twenty per cent or more of the outstanding voting securities of the person who claims an exemption, unless the entity holds the securities in a fiduciary or agency capacity without sole discretionary power to vote the securities or holds the securities solely to secure to debt and the entity has not in fact exercised the power to vote.

(ii) The entity is a corporation, twenty per cent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the person who claims an exemption or by an entity to which division (B)(2)(d)(i) of this section applies.

(iii) A person whose business is operated under a lease or operating agreement by the person who claims an exemption, or a person substantially all of whose business is operated under an operating agreement with the person who claims an exemption.

(iv) The entity operates the business or all or substantially all of the property of the person who claims an exemption under a lease or operating agreement.

(e) An insider, as otherwise defined in this section, of a person or entity to which division (B)(2)(d)(i), (ii), (iii), or (iv) of this section applies, as if the person or entity were a person who claims an exemption;

(f) A managing agent of the person who claims an exemption.

(3) "Participant account" has the same meaning as in section 145.71 of the Revised Code.

(4) "Government unit" has the same meaning as in section 145.74 of the Revised Code.

(C) For purposes of this section, "interest" shall be determined as follows:

(1) In bankruptcy proceedings, as of the date a petition is filed with the bankruptcy court commencing a case under Title 11 of the United States Code;

(2) In all cases other than bankruptcy proceedings, as of the date of an appraisal, if necessary under section 2329.68 of the Revised Code, or the issuance of a writ of execution.

An interest, as determined under division (C)(1) or (2) of this section, shall not include the amount of any lien otherwise valid pursuant to section 2329.661 of the Revised Code.

Sec. 2907.15. (A) As used in this section:

(1) "Public retirement system" means the public employees retirement system, state teachers retirement system, school employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state highway patrol retirement system, or a municipal retirement system of a municipal corporation of this state.

(2) "Government deferred compensation program" means such a program offered by the Ohio public employees deferred compensation board; a municipal corporation; or a governmental unit, as defined in section 145.74 of the Revised Code.

(3) "Deferred compensation program participant" means a "participating employee" or "continuing member," as defined in section 145.71 of the Revised Code, or any other public employee who has funds in a government deferred compensation program.

(4) "Prosecutor" has the same meaning as in section 2935.01 of the Revised Code.

In any case in which a sentencing court orders restitution to the victim under section 2929.18 of the Revised Code for a violation of section

2907.02, 2907.03, 2907.04, or 2907.05 of the Revised Code and in which the offender is a government deferred compensation program participant or is a member of, or receiving a pension, benefit, or allowance, other than a survivorship benefit, from, a public retirement system and committed the offense against a child, student, patient, or other person with whom the offender had contact in the context of the offender's public employment, at the request of the victim the prosecutor shall file a motion with the sentencing court specifying the government deferred compensation program or public retirement system and requesting that the court issue an order requiring the government deferred compensation program or public retirement system to withhold the amount required as restitution from one or more of the following: any payment to be made from a government deferred compensation program or under a pension, annuity, allowance, or any other benefit, other than a survivorship benefit, that has been or is in the future granted to the offender; from any payment of accumulated employee contributions standing to the offender's credit with the government deferred compensation program or public retirement system; or from any payment of any other amounts to be paid to the offender pursuant to Chapter 145., 742., 3307., 3309., or 5505. of the Revised Code on withdrawal of contributions. The motion may be filed at any time subsequent to the conviction of the offender or entry of a guilty plea. On the filing of the motion, the clerk of the court in which the motion is filed shall notify the offender and the government deferred compensation program or public retirement system, in writing, of all of the following: that the motion was filed; that the offender will be granted a hearing on the issuance of the requested order if the offender files a written request for a hearing with the clerk prior to the expiration of thirty days after the offender receives the notice; that, if a hearing is requested, the court will schedule a hearing as soon as possible and notify the offender and the government deferred compensation program or public retirement system of the date, time, and place of the hearing; that, if a hearing is conducted, it will be limited to a consideration of whether the offender can show good cause why the order should not be issued; that, if a hearing is conducted, the court will not issue the order if the court determines, based on evidence presented at the hearing by the offender, that there is good cause for the order not to be issued; that the court will issue the order if a hearing is not requested or if a hearing is conducted but the court does not determine, based on evidence presented at the hearing by the offender, that there is good cause for the order not to be issued; and that, if the order is issued, the government deferred compensation program or public retirement system specified in the motion will be required to withhold

the amount required as restitution from payments to the offender.

(B) In any case in which a motion requesting the issuance of a withholding order as described in division (A) of this section is filed, the offender may receive a hearing on the motion by delivering a written request for a hearing to the court prior to the expiration of thirty days after the offender's receipt of the notice provided pursuant to division (A) of this section. If the offender requests a hearing within the prescribed time, the court shall schedule a hearing as soon as possible after the request is made and notify the offender and the government deferred compensation program or public retirement system of the date, time, and place of the hearing. A hearing scheduled under this division shall be limited to a consideration of whether there is good cause, based on evidence presented by the offender, for the requested order not to be issued. If the court determines, based on evidence presented by the offender, that there is good cause for the order not to be issued, the court shall deny the motion and shall not issue the order. Good cause for not issuing the order includes a determination by the court that the order would severely impact the offender's ability to support the offender's dependents.

If the offender does not request a hearing within the prescribed time or the court conducts a hearing but does not determine, based on evidence presented by the offender, that there is good cause for the order not to be issued, the court shall order the government deferred compensation program or public retirement system~~,~~ to withhold the amount required as restitution from one or more of the following: any payments to be made from a government deferred compensation program or under a pension, annuity, allowance, or under any other benefit, other than a survivorship benefit, that has been or is in the future granted to the offender; from any payment of accumulated employee contributions standing to the offender's credit with the government deferred compensation program or public retirement system; or from any payment of any other amounts to be paid to the offender upon withdrawal of contributions pursuant to Chapter 145., 742., 3307., 3309., or 5505. of the Revised Code and to continue the withholding for that purpose, in accordance with the order, out of each payment to be made on or after the date of issuance of the order, until further order of the court. On receipt of an order issued under this division, the government deferred compensation program or public retirement system shall withhold the amount required as restitution, in accordance with the order, from any such payments and immediately forward the amount withheld to the clerk of the court in which the order was issued for payment to the person to whom restitution is to be made. The order shall not apply to any portion of

payments made from a government deferred compensation program or public retirement system to a person other than the offender pursuant to a previously issued domestic court order.

(C) Service of a notice required by division (A) or (B) of this section shall be effected in the same manner as provided in the Rules of Civil Procedure for the service of process.

(D) Upon the filing of charges under section 2907.02, 2907.03, 2907.04, or 2907.05 of the Revised Code against a person who is a deferred compensation program participant or a member of, or receiving a pension benefit, or allowance, other than a survivorship benefit, from a public retirement system for an offense against a child, student, patient, or other person with whom the offender had contact in the context of the offender's public employment, the prosecutor shall send written notice that charges have been filed against that person to the appropriate government deferred compensation program or public retirement system. The notice shall specifically identify the person charged.

Sec. 2921.41. (A) No public official or party official shall commit any theft offense, as defined in division (K) of section 2913.01 of the Revised Code, when either of the following applies:

(1) The offender uses the offender's office in aid of committing the offense or permits or assents to its use in aid of committing the offense;

(2) The property or service involved is owned by this state, any other state, the United States, a county, a municipal corporation, a township, or any political subdivision, department, or agency of any of them, is owned by a political party, or is part of a political campaign fund.

(B) Whoever violates this section is guilty of theft in office. Except as otherwise provided in this division, theft in office is a felony of the fifth degree. If the value of property or services stolen is five hundred dollars or more and is less than five thousand dollars, theft in office is a felony of the fourth degree. If the value of property or services stolen is five thousand dollars or more, theft in office is a felony of the third degree.

(C)(1) A public official or party official who is convicted of or pleads guilty to theft in office is forever disqualified from holding any public office, employment, or position of trust in this state.

(2)(a) A court that imposes sentence for a violation of this section based on conduct described in division (A)(2) of this section shall require the public official or party official who is convicted of or pleads guilty to the offense to make restitution for all of the property or the service that is the subject of the offense, in addition to the term of imprisonment and any fine imposed. A court that imposes sentence for a violation of this section based

on conduct described in division (A)(1) of this section and that determines at trial that this state or a political subdivision of this state if the offender is a public official, or a political party in the United States or this state if the offender is a party official, suffered actual loss as a result of the offense shall require the offender to make restitution to the state, political subdivision, or political party for all of the actual loss experienced, in addition to the term of imprisonment and any fine imposed.

(b)(i) In any case in which a sentencing court is required to order restitution under division (C)(2)(a) of this section and in which the offender, at the time of the commission of the offense or at any other time, was a member of the public employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, the state teachers retirement system, the school employees retirement system, or the state highway patrol retirement system; was an electing employee, as defined in section 3305.01 of the Revised Code, participating in an alternative retirement plan provided pursuant to Chapter 3305. of the Revised Code; was a participating employee or continuing member, as defined in section 145.71 of the Revised Code, in a deferred compensation program offered by the Ohio public employees deferred compensation board; was an officer or employee of a municipal corporation who was a participant in a deferred compensation program offered by that municipal corporation; was an officer or employee of a government unit~~;~~, as defined in section 145.74 of the Revised Code, who was a participant in a deferred compensation program offered by that government unit, or was a participating employee, continuing member, or participant in any deferred compensation program described in this division and a member of a retirement system specified in this division or a retirement system of a municipal corporation, the entity to which restitution is to be made may file a motion with the sentencing court specifying any retirement system, any entity providing any benefit under an alternative retirement plan, and any deferred compensation program of which the offender was a member, electing employee, participating employee, continuing member, or participant and requesting the court to issue an order requiring the specified retirement system, the specified entity providing the benefit under the alternative retirement plan, or the specified deferred compensation program, or, if more than one is specified in the motion, the applicable combination of these, to withhold the amount required as restitution from any payment that is to be made under a pension, annuity, or allowance, under a participant account, as defined in section 145.71 of the Revised Code, or under any other type of benefit, other than a survivorship benefit, that has been or is in the future granted to the offender, from any

payment of accumulated employee contributions standing to the offender's credit with that retirement system, that entity providing the payment under the alternative retirement plan, or that deferred compensation program, or, if more than one is specified in the motion, the applicable combination of these, and from any payment of any other amounts to be paid to the offender upon the offender's withdrawal of the offender's contributions pursuant to Chapter 145., 742., 3307., 3309., or 5505. of the Revised Code. A motion described in this division may be filed at any time subsequent to the conviction of the offender or entry of a guilty plea. Upon the filing of the motion, the clerk of the court in which the motion is filed shall notify the offender, the specified retirement system, the specified entity providing the benefit under the alternative retirement plan, or the specified deferred compensation program, or, if more than one is specified in the motion, the applicable combination of these, in writing, of all of the following: that the motion was filed; that the offender will be granted a hearing on the issuance of the requested order if the offender files a written request for a hearing with the clerk prior to the expiration of thirty days after the offender receives the notice; that, if a hearing is requested, the court will schedule a hearing as soon as possible and notify the offender, any specified retirement system, any specified entity providing any benefit under an alternative retirement plan, and any specified deferred compensation program of the date, time, and place of the hearing; that, if a hearing is conducted, it will be limited only to a consideration of whether the offender can show good cause why the requested order should not be issued; that, if a hearing is conducted, the court will not issue the requested order if the court determines, based on evidence presented at the hearing by the offender, that there is good cause for the requested order not to be issued; that the court will issue the requested order if a hearing is not requested or if a hearing is conducted but the court does not determine, based on evidence presented at the hearing by the offender, that there is good cause for the requested order not to be issued; and that, if the requested order is issued, any retirement system, any entity providing any benefit under an alternative retirement plan, and any deferred compensation program specified in the motion will be required to withhold the amount required as restitution from payments to the offender.

(ii) In any case in which a sentencing court is required to order restitution under division (C)(2)(a) of this section and in which a motion requesting the issuance of a withholding order as described in division (C)(2)(b)(i) of this section is filed, the offender may receive a hearing on the motion by delivering a written request for a hearing to the court prior to the expiration of thirty days after the offender's receipt of the notice provided

pursuant to division (C)(2)(b)(i) of this section. If a request for a hearing is made by the offender within the prescribed time, the court shall schedule a hearing as soon as possible after the request is made and shall notify the offender, the specified retirement system, the specified entity providing the benefit under the alternative retirement plan, or the specified deferred compensation program, or, if more than one is specified in the motion, the applicable combination of these, of the date, time, and place of the hearing. A hearing scheduled under this division shall be limited to a consideration of whether there is good cause, based on evidence presented by the offender, for the requested order not to be issued. If the court determines, based on evidence presented by the offender, that there is good cause for the order not to be issued, the court shall deny the motion and shall not issue the requested order. If the offender does not request a hearing within the prescribed time or if the court conducts a hearing but does not determine, based on evidence presented by the offender, that there is good cause for the order not to be issued, the court shall order the specified retirement system, the specified entity providing the benefit under the alternative retirement plan, or the specified deferred compensation program, or, if more than one is specified in the motion, the applicable combination of these, to withhold the amount required as restitution under division (C)(2)(a) of this section from any payments to be made under a pension, annuity, or allowance, under a participant account, as defined in section 145.71 of the Revised Code, or under any other type of benefit, other than a survivorship benefit, that has been or is in the future granted to the offender, from any payment of accumulated employee contributions standing to the offender's credit with that retirement system, that entity providing the benefit under the alternative retirement plan, or that deferred compensation program, or, if more than one is specified in the motion, the applicable combination of these, and from any payment of any other amounts to be paid to the offender upon the offender's withdrawal of the offender's contributions pursuant to Chapter 145., 742., 3307., 3309., or 5505. of the Revised Code, and to continue the withholding for that purpose, in accordance with the order, out of each payment to be made on or after the date of issuance of the order, until further order of the court. Upon receipt of an order issued under this division, the public employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, the state teachers retirement system, the school employees retirement system, the state highway patrol retirement system, a municipal corporation retirement system, the entity providing the benefit under the alternative retirement plan, and the deferred compensation program offered by the Ohio public employees deferred compensation board, a municipal

corporation, or a government unit, as defined in section 145.74 of the Revised Code, whichever are applicable, shall withhold the amount required as restitution, in accordance with the order, from any such payments and immediately shall forward the amount withheld to the clerk of the court in which the order was issued for payment to the entity to which restitution is to be made.

(iii) Service of a notice required by division (C)(2)(b)(i) or (ii) of this section shall be effected in the same manner as provided in the Rules of Civil Procedure for the service of process.

(D) Upon the filing of charges against a person under this section, the prosecutor, as defined in section 2935.01 of the Revised Code, who is assigned the case shall send written notice that charges have been filed against that person to the public employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, the state teachers retirement system, the school employees retirement system, the state highway patrol retirement system, the entity providing any benefit under an alternative retirement plan, any municipal corporation retirement system in this state, and the deferred compensation program offered by the Ohio public employees deferred compensation board, a municipal corporation, or a government unit, as defined in section 145.74 of the Revised Code. The written notice shall specifically identify the person charged.

Sec. 3111.20. (A) As used in sections 3111.20 to 3111.29 of the Revised Code:

(1) "Obligor" means the person required to pay support under an administrative support order.

(2) "Obligee" means the person entitled to receive the support payments under an administrative support order.

(3) "Administrative support order" means an administrative order for the payment of support that is issued by a child support enforcement agency.

(4) "Support" means child support.

(5) "Personal earnings" means compensation paid or payable for personal services, however denominated, and includes, but is not limited to, wages, salary, commissions, bonuses, draws against commissions, profit sharing, and vacation pay.

(6) "Financial institution" means a bank, savings and loan association, or credit union, or a regulated investment company or mutual fund in which a person who is required to pay support has funds on deposit that are not exempt under the law of this state or the United States from execution, attachment, or other legal process.

(7) "Title IV-D case" means any case in which the child support

ement agency is enforcing the support order pursuant to Title IV-D of the "Social Security Act," 88 Stat. 2351 (1975), 42 U.S.C. 651, as amended.

(8) "Payor" means any person or entity that distributes income to an obligor including~~,~~ the obligor, if the obligor is self-employed; an employer; an employer that is paying the obligor's workers' compensation benefits; the public employees retirement board; the governing entity of any municipal retirement system; the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund; the state teachers retirement board; the school employees retirement board; the state highway patrol retirement board; a person paying or otherwise distributing an obligor's income; the bureau of workers' compensation; or any other person or entity, except the bureau of employment services with respect to unemployment compensation benefits paid pursuant to Chapter 4141. of the Revised Code.

(9) "Income" means any form of monetary payment including~~,~~ personal earnings; unemployment compensation benefits to the extent permitted by, and in accordance with, section 2301.371 of the Revised Code, division (D)(4) of section 4141.28 of the Revised Code, and federal law governing the bureau of employment services; workers' compensation payments; pensions; annuities; allowances; retirement benefits; disability or sick pay; insurance proceeds; lottery prize awards; federal, state, or local government benefits to the extent that the benefits can be withheld or deducted under the law governing the benefits; any form of trust fund or endowment; lump-sum payments; and any other monetary payments.

(B) A man who is presumed to be the natural father of a child pursuant to section 3111.03 of the Revised Code assumes the parental duty of support with respect to the child.

(C) Notwithstanding section 3109.01 of the Revised Code, a parent's duty of support for a child shall continue beyond the age of majority as long as the child continuously attends on a full-time basis any recognized and accredited high school or a court-issued child support order provides that the duty of support continues beyond the age of majority. Except in cases in which a child support order requires the duty of support to continue for any period after the child reaches nineteen years of age, the duty does not continue after the child reaches nineteen years of age. The parental duty of support shall continue during seasonal vacations.

A parent, guardian, or legal custodian of a child, the person with whom the child resides, or the child support enforcement agency of the county in which the child, parent, guardian, or legal custodian of the child resides may file a complaint pursuant to section 2151.231 of the Revised Code in the juvenile court of that county requesting the court to order a parent who

glects or does not assume the parental duty of support to pay an amount for the support of the child and to provide for the health care needs of the child ~~and to provide for the health care needs of the child~~, may contact a child support enforcement agency for assistance in obtaining the order, or may request an administrative officer of a child support enforcement agency to issue an administrative order for the payment of child support and providing for the health care needs of the child pursuant to division (D) of this section. Upon the filing of the complaint or the making of the request, the court shall issue an order requiring the payment of support for the child and providing for the health care needs of the child, pursuant to section 2151.231 of the Revised Code, or the administrative officer, pursuant to division (D) of this section, shall issue an order requiring the payment of support for the child and providing for the health care needs of the child.

A party to a request made under this division may raise the issue of the existence or nonexistence of a parent-child relationship between the presumed natural father and the child unless the presumption is based on acknowledgment of paternity that has become final pursuant to section 2151.232, 3111.211, or 5101.314 of the Revised Code. If a request is made for an administrative order providing for support and health care needs pursuant to division (D) of this section and the issue of the existence or nonexistence of a parent-child relationship is raised, the administrative officer shall treat the request as a request made pursuant to section 3111.22 of the Revised Code and determine the issue pursuant to that section. An administrative order issued pursuant to division (D) of this section does not preclude a party from requesting a determination of the issue of the existence or nonexistence of a ~~parent and child~~ parent-child relationship pursuant to this chapter if the issue was not determined with respect to the party in the proceedings conducted pursuant to division (D) of this section or pursuant to an acknowledgment of paternity that has become final under section 2151.232, 3111.211, or 5101.314 of the Revised Code. An order issued pursuant to division (D) of this section shall remain effective until a final and enforceable determination is made pursuant to this chapter that a parent-child relationship does not exist between the presumed natural father and the child or until the occurrence of an event described in division (E)(4)(a) of section 3111.23 of the Revised Code that requires the order to be terminated.

(D) If a request is made pursuant to division (C) of this section or division (A) of section 3111.211 of the Revised Code for an administrative order requiring the payment of child support and providing for the health care needs of the child, the administrative officer shall schedule an

administrative hearing to determine, in accordance with sections 3111.23 to 3111.29 and 3113.215 of the Revised Code, the amount of child support either parent is required to pay, the method of paying that child support, and the method of providing for the child's health care. The hearing shall be held not later than sixty days after the request is made pursuant to division (A) of this section or division (A) of section 3111.211 of the Revised Code nor earlier than thirty days after the officer gives the mother and father of the child notice of the action. When an administrative officer issues an administrative order for the payment of support and provision for the child's health care, all of the following apply:

(1) The administrative support order shall require periodic payments of support that may vary in amount, except that, if it is in the best interest of the child, the administrative officer may order a lump sum payment or the purchase of an annuity in lieu of periodic payments of support.

(2) The administrative support order shall require the parents to provide for the health care needs of the child in accordance with section 3111.241 of the Revised Code.

The administrative support order shall include a notice stating that the mother or the father may object to the administrative order by bringing an action for the payment of support and provision for the child's health care under section 2151.321 of the Revised Code in the juvenile court of the county in which the child or the guardian or legal custodian of the child resides, that the action may be brought no later than thirty days after the date of the issuance of the administrative support order, and that, if neither the mother nor the father brings an action for the payment of support and provision for the child's health care within that thirty-day period, the administrative support order is final and enforceable by a court and may be modified and enforced only as provided in sections 3111.20 to 3111.28 and 3113.21 to 3113.219 of the Revised Code.

Sec. 3113.21. (A)(1) In any action in which support is ordered under Chapter 3115. or under section 2151.23, 2151.231, 2151.232, 2151.33, 2151.36, 2151.49, 3105.18, 3105.21, 3109.05, 3109.19, 3111.13, 3113.04, 3113.07, 3113.216, or 3113.31 of the Revised Code, the court shall require the withholding or deduction of income or assets of the obligor in accordance with division (D) of this section or require the issuance of another type of appropriate court order in accordance with division (D)(3) or (4) or (H) of this section to ensure that withholding or deduction from the income or assets of the obligor is available from the commencement of the support order for the collection of the support and any arrearages that occur. The court shall determine the specific withholding or deduction

requirements or other appropriate requirements applicable to the obligor under the support order in accordance with divisions (D) and (H) of this section and section 2301.371 of the Revised Code and shall include the specific requirements in the notices described in divisions (A)(2) and (D) of this section or in the court orders described in divisions (A)(2), (D)(3) or (4), and (H) of this section. Any person required to comply with any withholding or deduction requirement shall determine the manner of withholding or deducting from the specific requirement included in the notices described in those divisions without the need for any amendment to the support order, and any person required to comply with a court order described in division (D)(3), (D)(4), or (H) of this section shall comply with the court order without the need for any amendment to the support order. The court shall include in any action in which support is ordered as described in division (A)(1) of this section a general provision that states the following:

"All child support and spousal support under this order shall be withheld or deducted from the income or assets of the obligor pursuant to a withholding or deduction notice or appropriate court order issued in accordance with section 3113.21 of the Revised Code or a withdrawal directive issued pursuant to section 3113.214 of the Revised Code and shall be forwarded to the obligee in accordance with sections 3113.21 to 3113.213 of the Revised Code."

(2) In any action in which support is ordered or modified as described in division (A)(1) of this section, the court shall determine in accordance with divisions (D) and (H) of this section the types of withholding or deduction requirements or other appropriate requirements that should be imposed relative to the obligor under the support order to collect the support due under the order. Within fifteen days after the obligor under the support order is located subsequent to the issuance of the support order or within fifteen days after the default under the support order, whichever is applicable, the court or the child support enforcement agency, as determined by agreement of the court and the agency, shall send a notice by regular mail to each person required to comply with a withholding or deduction requirement. The notice shall specify the withholding or deduction requirement and shall contain all of the information set forth in division (D)(1)(b) or (2)(b) of this section that is applicable to the requirement. If the appropriate requirement is an order of the type described in division (D)(3), (D)(4), or (H) of this section, the court shall issue and send a court order in accordance with that division. The notices and court orders, and the notices provided by the court or child support enforcement agency that require the obligor to notify the agency of any change in the obligor's employment status or of any other

change in the status of the obligor's assets, are final and are enforceable by the court. When the court or agency issues a notice, it shall provide the notice to the obligor in accordance with division (D)(1)(c) or (D)(2)(c) of this section, whichever is applicable, and shall include with the notice the additional notices described in the particular division that is applicable.

(3)(a) If support is ordered or modified on or after December 31, 1993, under Chapter 3115. or under section 2151.23, 2151.231, 2151.232, 2151.33, 2151.36, 2151.49, 3105.18, 3105.21, 3109.05, 3109.19, 3111.13, 3113.04, 3113.07, 3113.216, or 3113.31 of the Revised Code, if the court has determined in accordance with division (A)(2) of this section the types of withholding or deduction requirements or other appropriate requirements that should be imposed relative to the obligor under the support order to collect the support due under the order, if the court or a child support enforcement agency has mailed the appropriate notice to the person required to comply with the withholding or deduction requirements that the court has determined should be imposed or the court has issued and sent a court order described in division (D)(3), (D)(4), or (H) of this section containing the other appropriate requirements that the court determined should be imposed, and if the child support enforcement agency is notified or otherwise determines that the employment status or other circumstances of the obligor have changed and that it is more appropriate to impose another type of or an additional withholding or deduction requirement or another type of or additional court order containing another appropriate requirement, the agency immediately shall comply with section 3113.212 of the Revised Code. The notices and court orders issued under this division and section 3113.212 of the Revised Code, and the notices provided by the court or child support enforcement agency that require the obligor to notify the agency of any change in the obligor's employment status or of any other change in the status of the obligor's assets, are final and are enforceable by the court.

(b) All orders for support issued prior to December 31, 1993, under Chapter 3115. or under section 2151.23, 2151.231, 2151.33, 2151.36, 2151.49, 3105.18, 3105.21, 3109.05, 3109.19, 3111.13, 3113.04, 3113.07, 3113.216, or 3113.31 of the Revised Code that have not been modified or subject to division (B) of this section regarding a default under the order on or after that date shall be considered to contain the general provision described in division (A)(1) of this section and shall be enforced and modified in the same manner as an order for support issued on or after December 31, 1993.

(4) The department of human services shall adopt standard forms for the

support withholding and deduction notices that are prescribed by divisions (A)(1) to (3) and (B) of this section. All courts and child support enforcement agencies shall use the forms in issuing withholding and deduction notices in compliance with this section.

(B)(1)(a) In any action in which support is ordered under Chapter 3115. or under section 2151.23, 2151.231, 2151.232, 2151.33, 2151.36, 2151.49, 3105.18, 3105.21, 3109.05, 3109.19, 3111.13, 3111.20, 3111.211, 3111.22, 3113.04, 3113.07, 3113.216, or 3113.31 of the Revised Code and in which there has been a default under the order, the court shall comply with divisions (B)(1) to (6) of this section.

If the support was ordered prior to December 31, 1993, or pursuant to section 3111.20, 3111.211, or 3111.22 of the Revised Code, the court that issued the order, or in the case of an order pursuant to section 3111.20, 3111.211, or 3111.22 of the Revised Code, the common pleas court of the county in which the child support enforcement agency that issued the order is located, shall reissue the support order under which there has been a default and shall include in the reissued order a general provision as described in this division requiring the withholding or deduction of income or assets of the obligor in accordance with division (D) of this section or requiring the issuance of a court order containing another type of appropriate requirement in accordance with division (D)(3), (D)(4), or (H) of this section to ensure that withholding or deduction from the income or assets is available for the collection of current support and any arrearages that occur. If the support was ordered pursuant to section 3111.20, 3111.211, or 3111.22 of the Revised Code and the support order includes a general provision similar to the one described in this division, the court shall replace the similar general provision with the general provision described in this division. Except for the inclusion or replacement of the general provision, the provisions of the reissued order required under this division shall be identical to those of the support order under which there has been a default.

When support has been ordered under any chapter or section described in this division, the child support enforcement agency shall initiate support withholding when the order is in default. Immediately after the identification of a default under the support order, the child support enforcement agency shall conduct the investigation described in division (B)(1)(b) of this section. Additionally, within fifteen calendar days after the identification of a default under the support order, the child support enforcement agency shall investigate the default and, if it is before July 1, 1999, send advance notice to the obligor. On and after that date, the division of child support in

the department of human services shall send the advance notice to the obligor. The advance notice shall include a notice describing the actions that may be taken against the obligor pursuant to sections 2301.353, 2301.373, 2301.374, 2301.375, 2301.42 to 2301.45, and 3113.214 of the Revised Code if the court or agency makes a final and enforceable determination that the obligor is in default pursuant to this division. If the location of the obligor is unknown at the time of the identification of a default under the support order, the division shall send the advance notice to the obligor within fifteen days after the agency locates the obligor. The general provision for the withholding or deduction of income or assets to be included in the reissued support order specifically shall include the following statement:

"All child support and spousal support under this order shall be withheld or deducted from the income or assets of the obligor pursuant to a withholding or deduction notice or appropriate court order issued in accordance with section 3113.21 of the Revised Code or a withdrawal directive issued pursuant to section 3113.214 of the Revised Code and shall be forwarded to the obligee in accordance with sections 3113.21 to 3113.213 of the Revised Code."

(b) After the identification of a default under a support order as described in division (B)(1)(a) of this section, the child support enforcement agency immediately shall conduct an investigation to determine the employment status of the obligor, the obligor's social security number, the name and business address of the obligor's employer, whether the obligor is in default under a support order, the amount of any arrearages, and any other information necessary to enable the court or agency to impose any withholding or deduction requirements and issue the related notices described in division (D) of this section or to issue any court orders described in division (D)(3) or (4) of this section. The agency also shall conduct an investigation under this division when required by division (C)(1)(a) or (b) of this section, shall complete the investigation within twenty days after the obligor or obligee files the motion with the court under division (C)(1)(a) of this section or the court orders the investigation under division (C)(1)(b) of this section.

(2) An advance notice to an obligor required by division (B)(1) of this section shall contain all of the following:

(a) A statement of the date on which the advance notice is sent, the amount of arrearages owed by the obligor as determined by the court or the child support enforcement agency, the types of withholding or deduction requirements and related notices described in division (D) of this section or the types of court orders described in division (D)(3), (D)(4), or (H) of this

section that will be issued to pay support and any arrearages, and the amount that will be withheld or deducted pursuant to those requirements;

(b) A statement that any notice for the withholding or deduction of an amount from income or assets apply to all current and subsequent payors of the obligor and financial institutions in which the obligor has an account and that any withholding or deduction requirement and related notice described in division (D) of this section or any court order described in division (D)(3), (D)(4), or (H) of this section that is issued will not be discontinued solely because the obligor pays any arrearages;

(c) An explanation of the administrative and court action that will take place if the obligor contests the inclusion of any of the provisions;

(d) A statement that the contents of the advance notice are final and are enforceable by the court unless the obligor files with the child support enforcement agency, within seven days after the date on which the advance notice is sent, a written request for an administrative hearing to determine if a mistake of fact was made in the notice.

(3) If the obligor requests a hearing regarding the advance notice in accordance with division (B)(2)(d) of this section, the child support enforcement agency shall conduct an administrative hearing no later than ten days after the date on which the obligor files the request for the hearing. No later than five days before the date on which the hearing is to be conducted, the agency shall send the obligor and the obligee written notice of the date, time, place, and purpose of the hearing. The notice to the obligor and obligee also shall indicate that the obligor may present testimony and evidence at the hearing only in regard to the issue of whether a mistake of fact was made in the advance notice.

At the hearing, the child support enforcement agency shall determine whether a mistake of fact was made in the advance notice. If it determines that a mistake of fact was made, the agency shall determine the provisions that should be changed and included in a corrected notice and shall correct the advance notice accordingly. The agency shall send its determinations to the obligor. The agency's determinations are final and are enforceable by the court unless, within seven days after the agency makes its determinations, the obligor files a written motion with the court for a court hearing to determine if a mistake of fact still exists in the advance notice or corrected advance notice.

(4) If, within seven days after the agency makes its determinations under division (B)(3) of this section, the obligor files a written motion for a court hearing to determine if a mistake of fact still exists in the advance notice or the corrected advance notice, the court shall hold a hearing on the

request as soon as possible, but no later than ten days, after the request is filed. If the obligor requests a court hearing, no later than five days before the date on which the court hearing is to be held, the court shall send the obligor and the obligee written notice by ordinary mail of the date, time, place, and purpose of the court hearing. The hearing shall be limited to a determination of whether there is a mistake of fact in the advance notice or the corrected advance notice.

If, at a hearing conducted under this division, the court detects a mistake of fact in the advance notice or the corrected advance notice, it immediately shall correct the notice.

(5) Upon exhaustion of all rights of the obligor to contest the withholding or deduction on the basis of a mistake of fact and no later than the expiration of forty-five days after the issuance of the advance notice under division (B)(1) of this section, the court or child support enforcement agency shall issue one or more notices requiring withholding or deduction of income or assets of the obligor in accordance with divisions (A)(2) and (D) of this section, or the court shall issue one or more court orders imposing other appropriate requirements in accordance with division (A)(2) and division (D)(3), (D)(4), or (H) of this section. Thereafter, section 3113.212 of the Revised Code applies in relation to the issuance of the notices and court orders. The notices and court orders issued under this division or section 3113.212 of the Revised Code are final and are enforceable by the court. The court or agency shall send to the obligor by ordinary mail a copy of the withholding or deduction notice, in accordance with division (D) of this section. The failure of the court or agency to give the notice required by this division does not affect the ability of any court to issue any notice or order under this section or any other section of the Revised Code for the payment of support, does not provide any defense to any notice or order for the payment of support that is issued under this section or any other section of the Revised Code, and does not affect any obligation to pay support.

(6) The department of human services shall adopt standard forms for the advance notice prescribed by divisions (B)(1) to (5) of this section. All courts and child support enforcement agencies shall use those forms, and the support withholding and deduction notice forms adopted under division (A)(4) of this section, in complying with this section.

(C)(1) In any action in which support is ordered under Chapter 3115. or under section 2151.23, 2151.231, 2151.232, 2151.33, 2151.36, 2151.49, 3105.18, 3105.21, 3109.05, 3109.19, 3111.13, 3113.04, 3113.07, 3113.216, or 3113.31 of the Revised Code, all of the following apply:

(a) The obligor or obligee under the order may file a motion with the

ourt that issued the order requesting the issuance of one or more withholding or deduction notices as described in division (D) of this section to pay the support due under the order. The motion may be filed at any time after the support order is issued. Upon the filing of a motion pursuant to this division, the child support enforcement agency immediately shall conduct, and shall complete within twenty days after the motion is filed, an investigation in accordance with division (B)(1)(b) of this section. Upon the completion of the investigation and the filing of the agency's report under division (B)(1)(b) of this section, the court shall issue one or more appropriate orders described in division (D) of this section.

(b) If any proceedings involving the support order are commenced in the court and if the court has not issued any orders under division (D) of this section as it existed prior to December 31, 1993, with respect to the support order, if the court determines that any orders issued under division (D) of this section as it existed prior to December 31, 1993, no longer are appropriate, if the court on or after December 31, 1993, has not modified or reissued the support order under division (A) or (B) of this section and issued any notices under division (D) or court orders under division (D)(3) or (4) of this section, or if the court on or after December 31, 1993, has modified or reissued the support order under division (A) or (B) of this section and issued one or more notices under division (D) or one or more court orders under division (D)(3) or (4) of this section but determines that the notices or court orders no longer are appropriate, the court, prior to or during any hearings held with respect to the proceedings and prior to the conclusion of the proceedings, shall order the child support enforcement agency to conduct an investigation pursuant to division (B)(1)(b) of this section. Upon the filing of the findings of the agency following the investigation, the court, as necessary, shall issue one or more notices described in division (D) or one or more court orders described in division (D)(3) or (4) of this section or modify any notices previously issued under division (D) or any court orders previously issued under division (D)(3) or (4) of this section.

(c)(i) If a child support enforcement agency, in accordance with section 3113.216 of the Revised Code, requests the court to issue a revised child support order in accordance with a revised amount of child support calculated by the agency, the court shall proceed as described in this division. If neither the obligor nor the obligee requests a court hearing on the revised amount of child support, the court shall issue a revised child support order requiring the obligor to pay the revised amount of child support calculated by the agency. However, if the obligor or the obligee

requests a court hearing on the revised amount of child support calculated by the agency, the court, in accordance with division (C)(1)(c)(ii) of this section, shall schedule and conduct a hearing to determine if the revised amount of child support is the appropriate amount and if the amount of child support being paid under the child support order otherwise should be revised.

(ii) If the court is required to schedule and conduct a hearing pursuant to division (C)(1)(c)(i) of this section, the court shall give the obligor, obligee, and agency at least thirty days' notice of the date, time, and location of the hearing; order the obligor to provide the court with a copy of the obligor's federal income tax return from the previous year, a copy of all pay stubs obtained by the obligor within the preceding six months, a copy of all other records evidencing the receipt of any other salary, wages, or compensation by the obligor within the preceding six months, a list of the group health insurance and health care policies, contracts, and plans available to the obligor and their costs, and the current health insurance or health care policy, contract, or plan under which the obligor is enrolled and its cost, if the obligor failed to provide any of those documents to the agency, and order the obligee to provide the court with a copy of the obligee's federal income tax return from the previous year, a copy of all pay stubs obtained by the obligee within the preceding six months, a copy of all other records evidencing the receipt of any other salary, wages, or compensation by the obligee within the preceding six months, a list of the group health insurance and health care policies, contracts, and plans available to the obligee and their costs, and the current health insurance or health care policy, contract, or plan under which the obligee is enrolled and its cost, if the obligee failed to provide any of those documents to the agency; give the obligor and the obligee notice that any willful failure to comply with that court order is contempt of court and, upon a finding by the court that the party is in contempt of court, the court and the agency will take any action necessary to obtain the information or make any reasonable assumptions necessary with respect to the information the person in contempt of court did not provide to ensure a fair and equitable review of the child support order; issue a revised child support order requiring the obligor to pay the revised amount of child support calculated by the agency, if the court determines at the hearing that the revised amount of child support calculated by the agency is the appropriate amount; and determine the appropriate amount of child support and, if necessary, issue a revised child support order requiring the obligor to pay the amount of child support determined by the court, if the court determines that the revised amount of child support calculated by the agency

is not the appropriate amount.

(iii) In determining, at a hearing conducted under divisions (C)(1)(c)(i) and (ii) of this section, the appropriate amount of child support to be paid by the obligor, the court shall consider, in addition to all other factors required by law to be considered, the appropriate person, whether it is the obligor, obligee, or both, to be required in accordance with section 3113.217 of the Revised Code to provide health insurance coverage for the children specified in the order, and the cost of health insurance which the obligor, the obligee, or both have been ordered in accordance with section 3113.217 of the Revised Code to obtain for the children specified in the order.

(d)(i) An obligee under a child support order may file a motion with the court that issued the order requesting the court to modify the order to require the obligor to obtain health insurance coverage for the children who are the subject of the order, and an obligor under a child support order may file a motion with the court that issued the order requesting the court to modify the order to require the obligee to obtain health insurance coverage for those children. Upon the filing of such a motion, the court shall order the child support enforcement agency to conduct an investigation to determine whether the obligor or obligee has satisfactory health insurance coverage for the children. Upon completion of its investigation, the agency shall inform the court, in writing, of its determination. If the court determines that neither the obligor nor the obligee has satisfactory health insurance coverage for the children, it shall modify the child support order in accordance with section 3113.217 of the Revised Code.

(ii) An obligor or obligee under a child support order may file a motion with the court that issued the order requesting the court to modify the amount of child support required to be paid under the order because that amount does not adequately cover the medical needs of the child. Upon the filing of such a motion, the court shall determine whether the amount of child support required to be paid under the order adequately covers the medical needs of the child and whether to modify the order, in accordance with division (B)(4) of section 3113.215 of the Revised Code.

(e) Whenever a court modifies, reviews, or otherwise reconsiders a child support order, it may reconsider which parent may claim the children who are the subject of the child support order as dependents for federal income tax purposes as set forth in section 151 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, and shall issue its determination on this issue as part of the child support order. The court in its order may permit the parent who is not the residential parent and legal custodian to claim the children as dependents for federal income tax

purposes only if the payments for child support are current in full as ordered by the court for the year in which the children will be claimed as dependents. If the court determines that the parent who is not the residential parent and legal custodian may claim the children as dependents for federal income tax purposes, it shall order the residential parent to take whatever action is necessary pursuant to section 152 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, to enable the parent who is not the residential parent and legal custodian to claim the children as dependents for federal income tax purposes in accordance with the order of the court. Any willful failure of the residential parent to comply with the order of the court is contempt of court.

(f) When issuing or modifying a child support order, the court shall include in the order all of the requirements, specifications, and statements described in division (B) of section 3113.218 of the Revised Code. If the obligor or obligee does not request a court hearing on the revised amount of child support determined by the agency and filed with the court pursuant to section 3113.216 of the Revised Code and the court modifies the order to include the revised amount pursuant to division (C)(1)(c)(i) of this section, the modification shall relate back to the first day of the month following the date certain on which the review of the child support order began pursuant to division (C)(1)(a) of section 3113.216 of the Revised Code. If the obligor or obligee requests a court hearing on the revised amount of child support pursuant to this section and section 3113.216 of the Revised Code and the court, after conducting a hearing, modifies the child support amount under the order, the modification shall relate back to the first day of the month following the date certain on which the review of the child support order began pursuant to division (C)(1)~~(A)~~(a) of section 3113.216 of the Revised Code.

(2) In any action in which a support order is issued under Chapter 3115. or under section 2151.23, 2151.231, 2151.232, 2151.33, 2151.36, 2151.49, 3105.18, 3105.21, 3109.05, 3109.19, 3111.13, 3113.04, 3113.07, 3113.216, or 3113.31 of the Revised Code, the court issuing the order also shall conduct a hearing, prior to or at the time of the issuance of the support order, to determine the employment status of the obligor, the obligor's social security number, the name and business address of the obligor's employer, and any other information necessary to enable the court or a child support enforcement agency to issue any withholding or deduction notice described in division (D) of this section or for the court to issue a court order described in division (D)(3) or (4) of this section. The court, prior to the hearing, shall give the obligor notice of the hearing that shall include the date on which the

notice is given and notice that the obligor is subject to a requirement for the withholding of a specified amount from income if employed and to one or more other types of withholding or deduction requirements described in division (D) or one or more types of court orders described in division (D)(3) or (4) of this section and that the obligor may present evidence and testimony at the hearing to prove that any of the requirements would not be proper because of a mistake of fact.

The court or child support enforcement agency, immediately upon the court's completion of the hearing, shall issue one or more of the types of notices described in division (D) of this section imposing a withholding or deduction requirement, or the court shall issue one or more types of court orders described in division (D)(3) or (4) of this section.

(D) If a court or child support enforcement agency is required under division (A), (B), or (C) of this section or any other section of the Revised Code to issue one or more withholding or deduction notices described in this division or court orders described in division (D)(3) or (4) of this section, the court shall issue one or more of the following types of notices or court orders, or the agency shall issue one or more of the following types of notices to pay the support required under the support order in question and also, if required by any of those divisions, any other section of the Revised Code, or the court, to pay any arrearages:

(1)(a) If the court or the child support enforcement agency determines that the obligor is receiving income from a payor, the court or agency shall require the obligor's payor to withhold from the obligor's income a specified amount for support in satisfaction of the support order, to begin the withholding no later than fourteen working days following the date the notice was mailed to the employer under divisions (A)(2) or (B) and (D)(1)(b) of this section or, if the payor is an employer, no later than the first pay period that occurs after fourteen working days following the date the notice was mailed, to send the amount withheld to the division of child support in the department of human services pursuant to section 5101.325 of the Revised Code, to send that amount to the division immediately but not later than seven days after the date the obligor is paid, and to continue the withholding at intervals specified in the notice until further notice from the court or child support enforcement agency. To the extent possible, the amount specified in the notice to be withheld shall satisfy the amount ordered for support in the support order plus any arrearages that may be owed by the obligor under any prior support order that pertained to the same child or spouse, notwithstanding any applicable limitations of sections 2329.66, 2329.70, 2716.02, 2716.041, and 2716.05 of the Revised Code.

However, in no case shall the sum of the amount specified in the notice to be withheld and any fee withheld by the payor as a charge for its services exceed the maximum amount permitted under section 303(b) of the "Consumer Credit Protection Act," 15 U.S.C. 1673(b).

(b) If the court or agency imposes a withholding requirement under division (D)(1)(a) of this section, it, within the applicable period of time specified in division (A), (B), or (C) of this section, shall send to the obligor's payor by regular mail a notice that contains all of the information set forth in divisions (D)(1)(b)(i) to (xi) of this section. The notice is final and is enforceable by the court. The notice shall contain all of the following:

(i) The amount to be withheld from the obligor's income and a statement that the amount actually withheld for support and other purposes, including the fee described in division (D)(1)(b)(xi) of this section, shall not be in excess of the maximum amounts permitted under section 303(b) of the "Consumer Credit Protection Act," 15 U.S.C. 1673(b);

(ii) A statement that the payor is required to send the amount withheld to the division of child support immediately, but not later than seven working days, after the obligor is paid and is required to report to the agency the date on which the amount was withheld from the obligor's income;

(iii) A statement that the withholding is binding upon the payor until further notice from the agency;

(iv) A statement that if the payor is an employer, the payor is subject to a fine to be determined under the law of this state for discharging the obligor from employment, refusing to employ the obligor, or taking any disciplinary action against the obligor because of the withholding requirement;

(v) A statement that, if the payor fails to withhold income in accordance with the provisions of the notice, the payor is liable for the accumulated amount the payor should have withheld from the obligor's income;

(vi) A statement that the withholding in accordance with the notice and under the provisions of this section has priority over any other legal process under the law of this state against the same income;

(vii) The date on which the notice was mailed and a statement that the payor is required to implement the withholding no later than fourteen working days following the date the notice was mailed or, if the payor is an employer, no later than the first pay period that occurs after fourteen working days following the date the notice was mailed and is required to continue the withholding at the intervals specified in the notice;

(viii) A requirement that the payor promptly notify the child support enforcement agency, in writing, within ten working days after the date of any situation that occurs including, termination of employment, layoff of the

obligor from employment, any leave of absence of the obligor from employment without pay, termination of workers' compensation benefits, or termination of any pension, annuity, allowance, or retirement benefit, in which the payor ceases to pay income in an amount sufficient to comply with the order to the obligor, provide the agency with the obligor's last known address, notify the agency of any new employer or income source, if known, and provide the agency with any new employer's or income source's name, address, and telephone number, if known;

(ix) A requirement that, if the payor is an employer, identify in the notification given under division (D)(1)(b)(viii) of this section any types of benefits other than personal earnings that the obligor is receiving or is eligible to receive as a benefit of employment or as a result of the obligor's termination of employment, including, but not limited to, unemployment compensation, workers' compensation benefits, severance pay, sick leave, lump-sum payments of retirement benefits or contributions, and bonuses or profit-sharing payments or distributions, and the amount of such benefits, and include in the notification the obligor's last known address and telephone number, date of birth, social security number, and court case number and, if known, the name and business address of any new employer of the obligor;

(x) A requirement that, no later than the earlier of forty-five days before the lump-sum payment is to be made or, if the obligor's right to the lump-sum payment is determined less than forty-five days before it is to be made, the date on which that determination is made, the payor notify the child support enforcement agency of any lump-sum payments of any kind of one hundred fifty dollars or more that are to be paid to the obligor, hold the lump-sum payments of one hundred fifty dollars or more for thirty days after the date on which the lump-sum payments otherwise would have been paid to the obligor and, upon order of the court, pay any specified amount of the lump-sum payment to the division of child support~~.~~;

(xi) A statement that, in addition to the amount withheld for support, the payor may withhold a fee from the obligor's income as a charge for its services in complying with the notice and a specification of the amount that may be withheld.

(c) The court or agency shall send the notice described in division (D)(1)(b) of this section to the obligor and shall attach to the notice an additional notice requiring the obligor immediately to notify the child support enforcement agency, in writing, of any change in the obligor's income source and of the availability of any other sources of income that can be the subject of any withholding or deduction requirement described in

division (D) of this section. The court or agency shall serve the notices upon the obligor at the same time as service of the support order or, if the support order previously has been issued, shall send the notices to the obligor by regular mail at the last known address at the same time that it sends the notice described in division (D)(1)(b) of this section to the payor. The notification required of the obligor shall include a description of the nature of any new employment or income source, the name, business address, and telephone number of any new employer or income source, and any other information reasonably required by the court. No obligor shall fail to give the notification required by division (D)(1)(c) of this section.

(2)(a) If the court or child support enforcement agency determines that the obligor has funds on deposit in any account in a financial institution under the jurisdiction of the court, the court or agency may require any financial institution in which the obligor's funds are on deposit to deduct from the obligor's account a specified amount for support in satisfaction of the support order, to begin the deduction no later than fourteen working days following the date the notice was mailed to the financial institution under divisions (A)(2) or (B) and (D)(2)(b) of this section, to send the amount deducted to the division of child support in the department of human services pursuant to section 5101.325 of the Revised Code, to send that amount to the division immediately but not later than seven working days after the date the latest deduction was made, to provide the date on which the amount was deducted, and to continue the deduction at intervals specified in the notice until further notice from the court or child support enforcement agency. To the extent possible, the amount specified in the notice to be deducted shall satisfy the amount ordered for support in the support order plus any arrearages that may be owed by the obligor under any prior support order that pertained to the same child or spouse, notwithstanding the limitations of sections 2329.66, 2329.70, and 2716.13 of the Revised Code.

(b) If the court or agency imposes a withholding requirement under division (D)(2)(a) of this section, it, within the applicable period of time specified in division (A), (B), or (C) of this section, shall send to the financial institution by regular mail a notice that contains all of the information set forth in divisions (D)(2)(b)(i) to (viii) of this section. The notice is final and is enforceable by the court. The notice shall contain all of the following:

(i) The amount to be deducted from the obligor's account;

(ii) A statement that the financial institution is required to send the amount deducted to the division of child support immediately, but not later

than seven working days, after the date the last deduction was made and is required to report to the child support enforcement agency the date on which the amount was deducted from the obligor's account;

(iii) A statement that the deduction is binding upon the financial institution until further notice from the court or agency;

(iv) A statement that the withholding in accordance with the notice and under the provisions of this section has priority over any other legal process under the law of this state against the same account;

(v) The date on which the notice was mailed and a statement that the financial institution is required to implement the deduction no later than fourteen working days following the date the notice was mailed and is required to continue the deduction at the intervals specified in the notice;

(vi) A requirement that the financial institution promptly notify the child support enforcement agency, in writing, within ten days after the date of any termination of the account from which the deduction is being made and notify the agency, in writing, of the opening of a new account at that financial institution, the account number of the new account, the name of any other known financial institutions in which the obligor has any accounts, and the numbers of those accounts;

(vii) A requirement that the financial institution include in all notices the obligor's last known mailing address, last known residence address, and social security number;

(viii) A statement that, in addition to the amount deducted for support, the financial institution may deduct a fee from the obligor's account as a charge for its services in complying with the notice and a specification of the amount that may be deducted.

(c) The court or agency shall send the notice described in division (D)(2)(b) of this section to the obligor and shall attach to the notice an additional notice requiring the obligor immediately to notify the child support enforcement agency, in writing, of any change in the status of the account from which the amount of support is being deducted or the opening of a new account with any financial institution, of commencement of employment, including self-employment, or of the availability of any other sources of income that can be the subject of any withholding or deduction requirement described in division (D) of this section. The court or agency shall serve the notices upon the obligor at the same time as service of the support order or, if the support order previously has been issued, shall send the notices to the obligor by regular mail at the last known address at the same time that it sends the notice described in division (D)(2)(b) of this section to the financial institution. The additional notice also shall specify

that upon commencement of employment, the obligor may request the court or child support enforcement agency to cancel its financial institution account deduction notice and instead issue a notice requiring the withholding of an amount from personal earnings for support in accordance with division (D)(1) of this section and that upon commencement of employment the court may cancel its financial institution account deduction notice under division (D)(2)(b) of this section and instead will issue a notice requiring the withholding of an amount from personal earnings for support in accordance with division (D)(1) of this section. The notification required of the obligor shall include a description of the nature of any new accounts opened at a financial institution under the jurisdiction of the court, the name and business address of that financial institution, a description of the nature of any new employment or income source, the name, business address, and telephone number of any new employer or income source, and any other information reasonably required by the court.

(3) The court may issue an order requiring the obligor to enter into a cash bond with the court. The court shall issue the order as part of the support order or, if the support order previously has been issued, as a separate order. Any cash bond so required shall be in a sum fixed by the court at not less than five hundred nor more than ten thousand dollars, conditioned that the obligor will make payment as previously ordered and will pay any arrearages under any prior support order that pertained to the same child or spouse. The order, along with an additional order requiring the obligor to immediately notify the child support enforcement agency, in writing, if the obligor begins to receive income from a payor, shall be attached to, and shall be served upon the obligor at the same time as service of, the support order or, if the support order previously has been issued, as soon as possible after the issuance of the order under this division. The additional order also shall specify that when the obligor begins to receive income from a payor the obligor may request the court to cancel its bond order and instead issue a notice requiring the withholding of an amount from income for support in accordance with division (D)(1) of this section and that when the obligor begins to receive income from a payor the court will proceed to collect on the bond, if the court determines that payments due under the support order have not been made and that the amount that has not been paid is at least equal to the support owed for one month under the support order, and will issue a notice requiring the withholding of an amount from income for support in accordance with division (D)(1) of this section. The notification required of the obligor shall include a description of the nature of any new employment, the name and business address of any new

employer, and any other information reasonably required by the court.

The court shall not order an obligor to post a cash bond under this division unless the court determines that the obligor has the ability to do so. A child support enforcement agency shall not issue an order of the type described in this division. If a child support enforcement agency is required to issue a withholding or deduction notice under division (D) of this section but the agency determines that no notice of the type described in division (D)(1) or (2) of this section would be appropriate, the agency may request the court to issue a court order under this division, and, upon the request, the court may issue an order as described in this division.

(4) If the obligor is unemployed, has no income, and does not have an account at any financial institution, or on request of a child support enforcement agency made under section 3111.231 of the Revised Code, the court shall issue an order requiring the obligor, if able to engage in employment, to seek employment or participate in a work activity to which a recipient of assistance under Title IV-A of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended, may be assigned as specified in section 407(d) of the "Social Security Act," 42 U.S.C.A. 607(d), as amended. The court shall include in the order a requirement that the obligor notify the child support enforcement agency upon obtaining employment, upon obtaining any income, or upon obtaining ownership of any asset with a value of five hundred dollars or more. The court may issue the order regardless of whether the obligee to whom the obligor owes support is a recipient of assistance under Title ~~(IV) A~~ IV-A of the "Social Security Act." The court shall issue the order as part of a support order or, if a support order previously has been issued, as a separate order. If a child support enforcement agency is required to issue a withholding or deduction notice under division (D) of this section but the agency determines that no notice of the type described in division (D)(1) or (2) of this section would be appropriate, the agency may request the court to issue a court order under division (D)(4) of this section, and, upon the request, the court may issue an order as described in division (D)(4) of this section.

If an obligor is ordered to participate in a work activity, the child support enforcement agency of the county in which the obligor resides shall oversee the obligor's participation in accordance with rules the department of human services shall adopt in accordance with Chapter 119. of the Revised Code. A child support enforcement agency may contract with one or more governmental agencies or persons to carry out some or all of its oversight duties.

(E) If a court or child support enforcement agency is required under

division (A), (B), or (C) of this section or any other section of the Revised Code to issue one or more notices or court orders described in division (D) of this section, the court or agency to the extent possible shall issue a sufficient number of notices or court orders under division (D) of this section to provide that the aggregate amount withheld or deducted under those notices or court orders satisfies the amount ordered for support in the support order plus any arrearages that may be owed by the obligor under any prior support order that pertained to the same child or spouse, notwithstanding any applicable limitations of sections 2329.66, 2329.70, 2716.02, 2716.041, 2716.05, 2716.13, and 4123.67 of the Revised Code. However, in no case shall the aggregate amount withheld pursuant to a withholding notice issued under division (D)(1) of this section and any fees withheld pursuant to the notice as a charge for services exceed the maximum amount permitted under section 303(b) of the "Consumer Credit Protection Act," 15 U.S.C. 1673(b).

(F)(1) Any withholding or deduction requirement that is contained in a notice described in division (D) of this section and that is required to be issued by division (A), (B), or (C) of this section or any other section of the Revised Code has priority over any order of attachment, any order in aid of execution, and any other legal process issued under state law against the same earnings, payments, or account.

(2) When a payor receives two or more withholding notices that are described in division (D)(1) of this section and that are required to be issued by division (A), (B), or (C) of this section or any other section of the Revised Code, the payor shall comply with all of the requirements contained in the notices to the extent that the total amount withheld from the obligor's income does not exceed the maximum amount permitted under section 303(b) of the "Consumer Credit Protection Act," 15 U.S.C. 1673(b), withhold amounts in accordance with the allocation set forth in divisions (F)(2)(a) and (b) of this section, notify each court or child support enforcement agency that issued one of the notices of the allocation, and give priority to amounts designated in each notice as current support in the following manner:

(a) If the total of the amounts designated in the notices as current support exceeds the amount available for withholding under section 303(b) of the "Consumer Credit Protection Act," 15 U.S.C. 1673(b), the payor shall allocate to each notice an amount for current support equal to the amount designated in that notice as current support multiplied by a fraction in which the numerator is the amount of income available for withholding and the denominator is the total amount designated in all of the notices as current

support.

(b) If the total of the amounts designated in the notices as current support does not exceed the amount available for withholding under section 303(b) of the "Consumer Credit Protection Act," 15 U.S.C. 1673(b), the payor shall pay all of the amounts designated as current support in the notices and shall allocate to each notice an amount for past-due support equal to the amount designated in that notice as past-due support multiplied by a fraction in which the numerator is the amount of income remaining available for withholding after the payment of current support and the denominator is the total amount designated in all of the notices as past-due support.

(G)(1) Except when a provision specifically authorizes or requires service other than as described in this division, service of any notice on any party, a financial institution, or payor, for purposes of division (A), (B), (C), or (D) of this section, shall be made by ordinary first class mail directed to the addressee at the last known address, or, in the case of a corporation, at its usual place of doing business. A notice shall be considered to have been served when it is mailed.

(2) Each party to a support order shall notify the child support enforcement agency of the party's current mailing address, current residence address, current residence telephone number, and current driver's license number, at the time of the issuance or modification of the order and, until further notice of the court that issues the order, shall notify the agency of any change in that information immediately after the change occurs. Any willful failure to comply with this division is contempt of court. No person shall fail to give the notice required by division (G)(2) of this section.

(3) Each support order, or modification of a support order, that is subject to this section shall contain a notice that states the following in boldfaced type and in all capital letters:

"EACH PARTY TO THIS SUPPORT ORDER MUST NOTIFY THE CHILD SUPPORT ENFORCEMENT AGENCY IN WRITING OF HIS OR HER CURRENT MAILING ADDRESS, CURRENT RESIDENCE ADDRESS, CURRENT RESIDENCE TELEPHONE NUMBER, CURRENT DRIVER'S LICENSE NUMBER, AND OF ANY CHANGES IN THAT INFORMATION. EACH PARTY MUST NOTIFY THE AGENCY OF ALL CHANGES UNTIL FURTHER NOTICE FROM THE COURT. IF YOU ARE THE OBLIGOR UNDER A CHILD SUPPORT ORDER AND YOU FAIL TO MAKE THE REQUIRED NOTIFICATIONS YOU MAY BE FINED UP TO $50 FOR A FIRST OFFENSE, $100 FOR A SECOND OFFENSE, AND $500 FOR EACH

SUBSEQUENT OFFENSE. IF YOU ARE AN OBLIGOR OR OBLIGEE UNDER ANY SUPPORT ORDER AND YOU WILLFULLY FAIL TO MAKE THE REQUIRED NOTIFICATIONS YOU MAY BE FOUND IN CONTEMPT OF COURT AND BE SUBJECTED TO FINES UP TO $1,000 AND IMPRISONMENT FOR NOT MORE THAN 90 DAYS.

IF YOU ARE AN OBLIGOR AND YOU FAIL TO MAKE THE REQUIRED NOTIFICATIONS YOU MAY NOT RECEIVE NOTICE OF THE FOLLOWING ENFORCEMENT ACTIONS AGAINST YOU: IMPOSITION OF LIENS AGAINST YOUR PROPERTY; LOSS OF YOUR PROFESSIONAL OR OCCUPATIONAL LICENSE, DRIVER'S LICENSE, OR RECREATIONAL LICENSE; WITHHOLDING FROM YOUR INCOME; ACCESS RESTRICTION AND DEDUCTION FROM YOUR ACCOUNTS IN FINANCIAL INSTITUTIONS; AND ANY OTHER ACTION PERMITTED BY LAW TO OBTAIN MONEY FROM YOU TO SATISFY YOUR SUPPORT OBLIGATION."

(4)(a) The parent who is the residential parent and legal custodian of a child for whom a support order is issued or the person who otherwise has custody of a child for whom a support order is issued immediately shall notify, and the obligor under a support order may notify, the child support enforcement agency of any reason for which the support order should terminate, including, but not limited to, the child's attainment of the age of majority if the child no longer attends an accredited high school on a full-time basis and the support order does not provide for the duty of support to continue past the age of majority; the child ceasing to attend such a high school on a full-time basis after attaining the age of majority, if the support order does not provide for the duty of support to continue past the age of majority; or the death, marriage, emancipation, enlistment in the armed services, deportation, or change of legal or physical custody of the child. A willful failure to notify the child support enforcement agency as required by this division is contempt of court. Upon receipt of a notice pursuant to this division, the agency immediately shall conduct an investigation to determine if any reason exists for which the support order should terminate. The agency may conduct such an investigation regardless of whether it received notice under this division. If the agency determines the order should terminate, it immediately shall notify the court that issued the support order of the reason for which the support order should terminate.

(b) Upon receipt of a notice given pursuant to division (G)(4)(a) of this section, the court shall order the division of child support to impound any funds received for the child pursuant to the support order and the court shall set the case for a hearing for a determination of whether the support order

should be terminated or modified or whether the court should take any other appropriate action.

(c) If the court terminates a support order pursuant to divisions (G)(4)(a) and (b) of this section, the termination of the support order also terminates any withholding or deduction order as described in division (D) or (H) of this section issued prior to December 31, 1993, and any withholding or deduction notice as described in division (D) or court order as described in division (D)(3), (D)(4), or (H) of this section issued on or after December 31, 1993. Upon the termination of any withholding or deduction order or any withholding or deduction notice, the court immediately shall notify the appropriate child support enforcement agency that the order or notice has been terminated, and the agency immediately shall notify each payor or financial institution required to withhold or deduct a sum of money for the payment of support under the terminated withholding or deduction order or notice that the order or notice has been terminated and that it is required to cease all withholding or deduction under the order or notice.

(d) The department of human services shall adopt rules that provide for both of the following:

(i) The return to the appropriate person of any funds that a court has ordered impounded under division (G)(4)(b) of this section if the support order under which the funds were paid has been terminated pursuant to divisions (G)(4)(a) and (b) of this section;

(ii) The return to the appropriate person of any other payments made pursuant to a support order if the payments were made at any time after the support order under which the funds were paid has been terminated pursuant to divisions (G)(4)(a) and (b) of this section.

(5) If any party to a support order requests a modification of the order or if any obligee under a support order or any person on behalf of the obligee files any action to enforce a support order, the court shall notify the child support enforcement agency that is administering the support order or that will administer the order after the court's determination of the request or the action, of the request or the filing.

(6) When a child support enforcement agency receives any notice under division (G) of section 2151.23, section 2301.37, division (E) of section 3105.18, division (C) of section 3105.21, division (A) of section 3109.05, division (F) of section 3111.13, division (B) of section 3113.04, section 3113.21, section 3113.211, section 3113.212, division (K) of section 3113.31, or division (C)(3) of section 3115.31 of the Revised Code, it shall issue the most appropriate notices under division (D) of this section. Additionally, it shall do all of the following:

(a) If the obligor is subject to a withholding notice issued under division (D)(1) of this section and the notice relates to the obligor's change of employment, send a withholding notice under that division to the new employer of the obligor as soon as the agency obtains knowledge of that employer;

(b) If the notification received by the agency specifies that a lump-sum payment of one hundred fifty dollars or more is to be paid to the obligor, notify the court of the receipt of the notice and its contents. The agency may notify the court if the notification specifies that a lump-sum payment of less than one hundred fifty dollars is to be paid to the obligor.

(c) Comply with section 3113.212 of the Revised Code, as appropriate.

(H)(1)(a) For purposes of division (D)(1) of this section, when a person who fails to comply with a support order that is subject to that division derives income from self-employment or commission, is employed by an employer not subject to the jurisdiction of the court, or is in any other employment situation that makes the application of that division impracticable, the court may require the person to enter into a cash bond to the court in a sum fixed by the court at not less than five hundred nor more than ten thousand dollars, conditioned that the person will make payment as previously ordered.

(b) When a court determines at a hearing conducted under division (B) of this section, or a child support enforcement agency determines at a hearing or pursuant to an investigation conducted under division (B) of this section, that the obligor under the order in relation to which the hearing or investigation is conducted is unemployed and has no other source of income and no assets so that the application of divisions (B) and (D) of this section would be impracticable, the court shall issue an order as described in division (D)(4) of this section and shall order the obligor to notify the child support enforcement agency in writing immediately of the receipt of any source of income or of the opening of an account in a financial institution, and to include in the notification a description of the nature of the employment or income source, the name, business address, and telephone number of the employer or income source, and any other information reasonably required by the court.

(2) When a court determines, at a hearing conducted under division (C)(2) of this section, that an obligor is unemployed, is not receiving workers' compensation payments, does not have an account in a financial institution, and has no other source of income and no assets so that the application of divisions (C)(2) and (D) of this section would be impracticable, the court shall issue an order as described in division (D)(4)

of this section and shall order the obligor to notify the child support enforcement agency, in writing, immediately of the receipt of any source of income or of the opening of an account in a financial institution, and to include in the notification a description of the nature of the employment or income source, the name, business address, and telephone number of the employer or income source or the name, address, and telephone number of the financial institution, and any other information reasonably required by the court.

(3)(a) Upon receipt of a notice from a child support enforcement agency under division (G)(6) of this section that a lump-sum payment is to be paid to the obligor, the court shall do either of the following:

(i) If the obligor is in default under the support order or has any unpaid arrearages under the support order, issue an order requiring the transmittal of the lump-sum payment to the division of child support.

(ii) If the obligor is not in default under the support order and does not have any unpaid arrearages under the support order, issue an order directing the person who gave the notice to the court to immediately pay the full amount of the lump-sum payment to the obligor.

(b) Upon receipt of any moneys pursuant to division (H)(3)(a) of this section, the division of child support shall pay the amount of the lump-sum payment that is necessary to discharge all of the obligor's arrearages to the obligee and, within two business days after its receipt of the money, any amount that is remaining after the payment of the arrearages to the obligor.

(c) Any court that issued an order prior to December 1, 1986, requiring an employer to withhold an amount from an obligor's personal earnings for the payment of support shall issue a supplemental order that does not change the original order or the related support order requiring the employer to do all of the following:

(i) No later than the earlier of forty-five days before a lump-sum payment is to be made or, if the obligor's right to a lump-sum payment is determined less than forty-five days before it is to be made, the date on which that determination is made, notify the child support enforcement agency of any lump-sum payment of any kind of one hundred fifty dollars or more that is to be paid to the obligor;

(ii) Hold the lump-sum payment for thirty days after the date on which it would otherwise be paid to the obligor, if the lump-sum payment is sick pay, a lump-sum payment of retirement benefits or contributions, or profit-sharing payments or distributions;

(iii) Upon order of the court, pay any specified amount of the lump-sum payment to the division of child support.

(d) If an employer knowingly fails to notify the child support enforcement agency in accordance with division (D) of this section of any lump-sum payment to be made to an obligor, the employer is liable for any support payment not made to the obligee as a result of its knowing failure to give the notice as required by that division.

(I)(1) Any support order, or modification of a support order, that is subject to this section shall contain the date of birth and social security number of the obligor.

(2) No withholding or deduction notice described in division (D) or court order described in division (D)(3) or (4) of this section shall contain any information other than the information specifically required by division (A), (B), (C), or (D) of this section or by any other section of the Revised Code and any additional information that the issuing court determines may be necessary to comply with the notice.

(J) No withholding or deduction notice described in division (D) or court order described in division (D)(3) or (4) of this section and issued under division (A), (B), or (C) of this section or any other section of the Revised Code shall be terminated solely because the obligor pays any part or all of the arrearages under the support order.

(K)(1) Except as provided in division (K)(2) of this section and section 2301.42 of the Revised Code and the rules adopted pursuant to division (C) of that section, if child support arrearages are owed by an obligor to the obligee and to the department of human services, any payments received on the arrearages by the division of child support first shall be paid to the obligee until the arrearages owed to the obligee are paid in full.

(2) Division (K)(1) of this section does not apply to the collection of past-due child support from refunds of paid federal taxes pursuant to section 5101.32 of the Revised Code or of overdue child support from refunds of paid state income taxes pursuant to sections 5101.321 and 5747.121 of the Revised Code.

(L)(1) Each court with jurisdiction to issue support orders or orders establishing the existence or nonexistence of a parent and child relationship shall establish rules of court to ensure that the following percentage of all actions to establish the existence or nonexistence of a parent and child relationship, to establish a support requirement, or to modify a previously issued support order be completed within the following time limits:

(a) Seventy-five per cent of all of the actions shall be completed within six months after they were initially filed;

(b) Ninety per cent of all of the actions shall be completed within twelve months after they were initially filed.

(2) If a case involves complex legal issues requiring full judicial review, the court shall issue a temporary support order within the time limits set forth in division (L)(1) of this section, which temporary order shall be in effect until a final support order is issued in the case. All cases in which the imposition of a notice or order under division (D) of this section is contested shall be completed within the period of time specified by law for completion of the case. The failure of a court to complete a case within the required period does not affect the ability of any court to issue any order under this section or any other section of the Revised Code for the payment of support, does not provide any defense to any order for the payment of support that is issued under this section or any other section of the Revised Code, and does not affect any obligation to pay support.

(3)(a) In any Title IV-D case, the judge, when necessary to satisfy the federal requirement of expedited process for obtaining and enforcing support orders, shall appoint magistrates to make findings of fact and recommendations for the judge's approval in the case. All magistrates appointed pursuant to this division shall be attorneys admitted to the practice of law in this state. If the court appoints a magistrate pursuant to this division, the court may appoint any additional administrative and support personnel for the magistrate.

(b) Any magistrate appointed pursuant to division (L)(3)(a) of this section may perform any of the following functions:

(i) The taking of testimony and keeping of a record in the case;

(ii) The evaluation of evidence and the issuance of recommendations to establish, modify, and enforce support orders;

(iii) The acceptance of voluntary acknowledgments of support liability and stipulated agreements setting the amount of support to be paid;

(iv) The entering of default orders if the obligor does not respond to notices in the case within a reasonable time after the notices are issued;

(v) Any other functions considered necessary by the court.

(4) The child support enforcement agency may conduct administrative reviews of support orders to obtain voluntary notices or court orders under division (D) of this section and to correct any errors in the amount of any arrearages owed by an obligor. The obligor and the obligee shall be notified of the time, date, and location of the administrative review at least fourteen days before it is held.

(M)(1) The termination of a support obligation or a support order does not abate the power of any court to collect overdue and unpaid support or to punish any person for a failure to comply with an order of the court or to pay any support as ordered in the terminated support order and does not

bate the authority of a child support enforcement agency to issue, in accordance with this section, any notice described in division (D) of this section or of a court to issue, in accordance with this section, any court order as described in division (D)(3) or (4) of this section to collect any support due or arrearage under the support order.

(2) Any court that has the authority to issue a support order shall have all powers necessary to enforce that support order, and all other powers, set forth in this section.

(3) Except as provided in division (M)(4) of this section, a court may not retroactively modify an obligor's duty to pay a delinquent support payment.

(4) A court with jurisdiction over a support order may modify an obligor's duty to pay a support payment that becomes due after notice of a petition to modify the support order has been given to each obligee and to the obligor before a final order concerning the petition for modification is entered.

(N) If an obligor is in default under a support order and has a claim against another person of more than one thousand dollars, the obligor shall notify the child support enforcement agency of the claim, the nature of the claim, and the name of the person against whom the claim exists. If an obligor is in default under a support order and has a claim against another person or is a party in an action for any judgment, the child support enforcement agency or the agency's attorney, on behalf of the obligor, immediately shall file with the court in which the action is pending a motion to intervene in the action or a creditor's bill. The motion to intervene shall be prepared and filed pursuant to Civil Rules 5 and 24(A) and (C).

Nothing in this division shall preclude an obligee from filing a motion to intervene in any action or a creditor's bill.

(O) If an obligor is receiving unemployment compensation benefits, an amount may be deducted from those benefits for purposes of child support, in accordance with section 2301.371 and division (D)(4) of section 4141.28 of the Revised Code. Any deduction from a source in accordance with those provisions is in addition to, and does not preclude, any withholding or deduction for purposes of support under divisions (A) to (N) of this section.

(P) As used in this section, and in sections 3113.211 to 3113.219 of the Revised Code:

(1) "Financial institution" means a bank, savings and loan association, or credit union, or a regulated investment company or mutual fund in which a person who is required to pay child support has funds on deposit that are not exempt under the law of this state or the United States from execution,

attachment, or other legal process.

(2) "Title IV-D case" means any case in which the child support enforcement agency is enforcing the child support order pursuant to Title IV-D of the "Social Security Act," 88 Stat. 2351 (1975), 42 U.S.C. 651, as amended.

(3) "Obligor" means the person who is required to pay support under a support order.

(4) "Obligee" means the person who is entitled to receive the support payments under a support order.

(5) "Support order" means an order for the payment of support and, for orders issued or modified on or after December 31, 1993, includes any notices described in division (D) or (H) of this section that are issued in accordance with this section.

(6) "Support" means child support, spousal support, and support for a spouse or former spouse.

(7) "Personal earnings" means compensation paid or payable for personal services, however denominated, and includes, but is not limited to, wages, salary, commissions, bonuses, draws against commissions, profit sharing, and vacation pay.

(8) "Default" has the same meaning as in section 2301.34 of the Revised Code.

(9) "Payor" means any person or entity that pays or distributes income to an obligor, including the obligor, if the obligor is self employed; an employer; an employer that is paying the obligor's workers' compensation benefits; the public employees retirement board; the board of trustees, or other governing entity of a municipal retirement system; the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund; the state teachers retirement board; the school employees retirement board; the state highway patrol retirement board; the bureau of workers' compensation; or any other person or entity, except the bureau of employment services with respect to unemployment compensation benefits paid pursuant to Chapter 4141. of the Revised Code.

(Q) As used in this section, "income" means any form of monetary payment, including personal earnings; workers' compensation payments; unemployment compensation benefits to the extent permitted by, and in accordance with, section 2301.371 of the Revised Code, division (D)(4) of section 4141.28 of the Revised Code, and federal law governing the bureau of employment services; pensions; annuities; allowances; private or governmental retirement benefits; disability or sick pay; insurance proceeds; lottery prize awards; federal, state, or local government benefits to the extent

that the benefits can be withheld or deducted under the law governing the benefits; any form of trust fund or endowment; lump-sum payments; and any other payment in money.

Sec. 3307.28. The membership of any person in the state teachers retirement system shall cease on occurrence of any of the following: receipt of payment pursuant to section 3307.46 of the Revised Code; retirement as provided in section 3307.38 or 3307.39 of the Revised Code; death; or denial of membership pursuant to section 3307.27 of the Revised Code.

Except as provided in this section, a member or former member of the state teachers retirement system with at least one and one-half years of contributing service credit in this system, the public employees retirement system, the school employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, or the state highway patrol retirement system after the withdrawal and cancellation of service credit in this system may restore all or part of such service credit by repayment of the amount withdrawn. To this amount shall be added interest at a rate per annum, compounded annually, to be determined by the retirement board. Interest shall be payable from the first of the month of withdrawal through the month of repayment. A member may choose to purchase only part of such credit in any one payment. The cost for restoring partial service shall be calculated as the proportion that it bears to the total cost at the time of purchase and is subject to the rules established by the board. If a former member is eligible to buy the service credit as a member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, the former member is ineligible to restore that service credit under this section.

The total payment to restore canceled service credit shall be credited as follows:

(A) The amount that equals contributions made pursuant to section 3307.51 of the Revised Code, plus any interest on the contributions paid by the member pursuant to this section, to the member's account in the teachers' savings fund;

(B) The amount that equals the amount paid under section 3307.80 of the Revised Code, to the employers trust fund;

(C) The remainder of the payment to restore canceled service credit, to the guarantee fund.

Sec. 3307.32. (A) Service credit purchased under this section shall be included in the member's total service credit. Credit may be purchased for the following:

(1) Teaching service in a public or private school, college, or university

of this or another state, and for teaching service in any school or entity operated by or for the United States government. Teaching credit purchased under this section shall be limited to service rendered in schools, colleges, or universities chartered or accredited by the appropriate governmental agency.

(2) Public service with another state or the United States government, provided that such credit shall be limited to service that would have been covered by the state teachers retirement system, the school employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, the state highway patrol retirement system, or the public employees retirement system if served in a comparable public position in this state.

(3) Service for which contributions were made by the member or on ~~his~~ the member's behalf to a municipal retirement system in this state.

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

(B)(1) Except as otherwise provided in division (B)(2) of this section, for each year of service purchased under this section, a member shall pay to the state teachers retirement system for credit to ~~his~~ the member's accumulated account an amount equal to ~~his~~ the member's retirement contribution for full-time employment for the first year of Ohio service following termination of the service to be purchased. To this amount shall be added an amount equal to compound interest at a rate established by the state teachers retirement board from the date of membership in the state teachers retirement system to the date of payment.

(2) For each year of service described in division (A) of this section that commenced on or after July 1, 1989, and, without regard to when the service commenced, for each year of service purchased under division (A) of this section by a member who first established membership in the retirement system on or after July 1, 1989, the member shall pay to the retirement system for credit to ~~his~~ the member's individual account an amount specified by the state teachers retirement board that shall be not less than fifty per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board.

(3) A member may choose to purchase only part of the credit ~~he~~ the member is eligible to purchase under this section in any one payment, subject to board rules.

(C) A member is ineligible to purchase under this section service that is used in the calculation of any retirement benefit currently being paid or payable in the future to such member under any other retirement program, except social security. At the time the credit is purchased, the member shall

certify on a form furnished by the retirement board that ~~he~~ the member does and will conform to this requirement.

(D) Credit purchased under this section may be combined pursuant to section 3307.41 of the Revised Code with credit purchased under sections 145.293 and 3309.31 of the Revised Code, except that not more than a total of five years' service credit purchased under this section and sections 145.293 and 3309.31 of the Revised Code shall be used in determining retirement ~~eligiblity~~ eligibility or calculating benefits under section 3307.41 of the Revised Code.

(E) The retirement board shall establish a policy to determine eligibility to purchase credit under this section, and its decision shall be final.

Sec. 3307.33. (A) As used in this section, "other Ohio state retirement system" means the public employees retirement system, the school employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, or the state highway patrol retirement system.

(B) Any member, in addition to service as a teacher, may purchase credit for either of the following:

(1) Similar service as a teacher in the public day schools, in state universities, state normal schools, and other state or municipal institutions of a character similar to the state or municipally supported schools of Ohio in which membership in the state teachers retirement system is allowed, of another state of the United States, or of any territory or possession of the United States, or of the District of Columbia;

(2) Similar service as an employee of an employer who comes within any other Ohio state retirement system but for service which is rendered at any time in another state of the United States or of any territory or possession thereof, or for service as an employee of the United States government, provided credit cannot be purchased for service credit or benefits received in any other state retirement system in Ohio.

(C) Any member who has at least ten years of total service credit may also purchase credit for similar service as a teacher in a private school, college, university, or other educational institution that is located in this or another state, in any territory or possession of the United States, or in the District of Columbia, and is chartered or accredited by the appropriate governmental agency.

(D) The state teachers retirement board shall have final authority to determine and fix the amount of the payment that shall be made for credit for service purchased under this section, provided that if the member established membership in the state teachers retirement system on or after July 1, 1989, or the credit is for service described in division (B) or (C) of

this section that commenced on or after July 1, 1989, the amount of the payment fixed by the board shall be not less than fifty per cent of the additional liability resulting from the credit as specified by an actuary employed by the board.

A member may choose to purchase only part of the credit ~~he~~ the member is eligible to purchase under this section in any one payment, subject to board rules. Such payment, together with interest compounded annually at a rate to be determined by the board, may be refunded under the same conditions and in the same manner as refunds are made under section 3307.51 of the Revised Code, and the credit provided by such payment shall be canceled. At superannuation or commuted superannuation retirement such payment for service, with regular interest compounded annually at a rate to be determined by the board, shall be deposited in the annuity and pension reserve fund as the reserve for additional annuity as provided in section 3307.51 of the Revised Code, excepting moneys charged for any additional liabilities resulting from the purchase of the service credit as determined by the actuary employed by the board.

Sec. 3307.381. (A) As used in this section:

(1) "Superannuate" means a former teacher receiving a service retirement allowance under section 3307.38 or 3307.39 of the Revised Code from the state teachers retirement system or a combined service retirement benefit paid in accordance with section 3307.41 of the Revised Code, regardless of which retirement system is paying the benefit.

(2) "Other system retirant" means a member or former member of the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, school employees retirement system, state highway patrol retirement system, or Cincinnati retirement system who is receiving age and service or commuted age and service retirement, or a disability benefit from a system of which ~~he~~ the retirant is a member or former member.

(B) A superannuate may be employed for temporary service as a teacher, provided:

(1) At least two months have elapsed since the effective date of ~~his~~ the superannuate's retirement.

(2) Such employment does not exceed eighty-five school days, or the equivalent thereof in fractional service, during any school year.

(C) A superannuate may be employed as a full-time teacher, provided:

(1) ~~He~~ The superannuate has received a retirement allowance from the state teachers retirement system for at least eighteen months.

(2) The employer requests the retirement board of the state teachers

retirement system to authorize such employment.

(D) An other system retirant may be employed as a teacher, provided at least two months have elapsed since the effective date of ~~his~~ the retirant's retirement or receipt of a disability benefit.

(E) If a superannuate or other system retirant is employed in accordance with division (B), (C), or (D) of this section, ~~he~~ The superannuate or retirant shall contribute to the state teachers retirement system in accordance with section 3307.51 of the Revised Code and the employer shall contribute in accordance with sections 3307.53 and 3307.56 of the Revised Code. Such contributions shall be received as specified in section 3307.65 of the Revised Code. A superannuate or other system retirant employed as a teacher is not a member of the state teachers retirement system, does not have any of the rights, privileges, or obligations of membership, except as provided in this section, and is not eligible to receive health, medical, hospital, or surgical benefits under section 3307.74 of the Revised Code for employment subject to this section.

(F) The employer that employs a superannuate or other system retirant shall notify the state teachers retirement board of the employment not later than the end of the month in which the employment commences. Any overpayment of benefits to a superannuate by the retirement system resulting from an employer's failure to give timely notice may be charged to the employer and may be certified and deducted as provided in section 3307.56 of the Revised Code.

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

(H) A superannuate or other system retirant who has received ~~his~~ a retirement allowance or disability benefit for less than the applicable period under division (B), (C), or (D) of this section when ~~his~~ employment as a teacher commences shall forfeit ~~his~~ the retirement allowance or disability benefit for any month ~~he~~ the superannuate or retirant is employed prior to the expiration of such period. Contributions shall be made to the retirement system from the first day of such employment, but service and contributions for that period shall not be used in the calculation of any benefit payable to the superannuate or other system retirant, and those contributions shall be refunded on ~~his~~ the superannuate's or retirant's death or termination of the employment. Contributions made on compensation earned after the expiration of such period shall be used in calculation of the benefit or payment due under this section.

(I) On receipt of notice from the Ohio police and ~~firemen's disability and~~ fire pension fund, public employees retirement system, or school employees retirement system of the re-employment of a superannuate, the state teachers retirement system shall not pay, or if paid shall recover, the amount to be forfeited by the superannuate in accordance with section 145.38, 742.26, or 3309.341 of the Revised Code.

(J)(1) On termination of employment under this section, a superannuate or other system retirant may file an application with the state teachers retirement system for a benefit under this division, which shall consist of a single life annuity having a reserve equal to the amount of ~~his~~ the superannuate's or retirant's accumulated contributions for the period of employment and an equal amount from the employers' trust created by section 3307.65 of the Revised Code, plus interest credited to the date of retirement at the then current actuarial rate of interest. The superannuate or other system retirant shall elect either to receive the benefit as a monthly annuity for ~~his~~ life or a lump-sum payment discounted to the present value using the current actuarial assumption rate of interest, except that if ~~his~~ the monthly annuity would be less than twenty-five dollars per month ~~he~~ the superannuate or retirant shall receive a lump-sum payment.

(2) A benefit payable under this division shall commence on the latest of the following:

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

(b) Attainment by the superannuate or other system retirant of age sixty-five;

(c) If the superannuate or other system retirant was previously employed under this section and previously received or is receiving a benefit under this division, completion of a period of twelve months since the effective date of the last benefit under this division.

(3)(a) If a superannuate or other system retirant dies while employed in employment subject to this section, a lump-sum payment calculated in accordance with division (J)(1) of this section shall be paid to the beneficiary designated under division (D) of section 3307.48 of the Revised Code.

(b) If at the time of ~~his~~ death a superannuate or other system retirant receiving a monthly annuity has received less than ~~he~~ the superannuate or retirant would have received as a lump-sum payment, the difference between the amount ~~he~~ received and the amount ~~he~~ that would have been received as a lump-sum payment shall be paid to ~~his~~ the superannuate's or retirant's beneficiary designated under division (D) of section 3307.48 of the

Revised Code.

(4) No amount received under this section shall be included in determining an additional benefit under section 3307.403 of the Revised Code or any other post-retirement benefit increase.

(K) If the disability benefit of an other system retirant employed under this section is terminated, ~~he~~ the retirant shall become a member of the state teachers retirement system, effective on the first day of the month next following the termination, with all the rights, privileges, and obligations of membership. If such person, after the termination of ~~his~~ the retirant's disability benefit, earns two years of service credit under this retirement system or under the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, school employees retirement system, or state highway patrol retirement system, ~~his~~ the retirant's prior contributions as an other system retirant under this section shall be included in ~~his~~ the retirant's total service credit as a state teachers retirement system member, and ~~he~~ the retirant shall forfeit all rights and benefits of this section. Not more than one year of credit may be given for any period of twelve months.

(L) A superannuate shall not receive the pension portions of a retirement allowance for any period for which ~~he~~ the superannuate is compensated under a private contract, or through an independent contractor, whereby ~~he~~ the superannuate is to perform personal or professional services for the employer by which ~~he~~ the superannuate was employed at the time of retirement.

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

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

Sec. 3307.412. (A) A member of the state teachers retirement system who has contributions on deposit with the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system shall, in computing years of total service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or purchased for service in the armed forces of the United States if a transfer to the state teachers retirement system is made under this division. At the request of the member, the Ohio police and ~~firemen's disability and~~ fire

pension fund or state highway patrol retirement system shall transfer to the state teachers retirement system, for each year of service, the sum of the following:

(1) An amount equal to the member's payments for service in the armed forces of the United States and accumulated contributions to the transferring fund or system;

(2) An amount equal to the lesser of the employer's contributions to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system or the amount that would have been contributed by the employer for the service had the member been a member of the state teachers retirement system;

(3) Interest, determined as provided in division (E) of this section, on the amounts specified in divisions (A)(1) and (2) of this section from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the transfer is made.

(B) A member who has at least eighteen months of contributing service with the state teachers retirement system, is a former member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, and has received a refund of contributions to that fund or system shall, in computing years of total service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or purchased for service in the armed forces of the United States if, for each year of service, the state teachers retirement system receives the sum of the following:

(1) An amount, which shall be paid by the member, equal to the amount refunded by the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system to the member for that year for accumulated contributions and payments for purchase of credit for service in the armed forces of the United States, with interest on that amount from the date of the refund to the date of the payment;

(2) Interest, which shall be transferred by the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, on the amount refunded to the member that is attributable to the year of service from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the refund was made;

(3) An amount, which shall be transferred by the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, equal to the lesser of the amount contributed by the employer to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway

patrol retirement system for that year or the amount that would have been contributed by the employer for the year had the member been a member of the state teachers retirement system, with interest on that amount from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date of the transfer.

On receipt of payment from the member, the state teachers retirement system shall notify the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system, which, on receipt of the notice, shall make the transfer required by this division. Interest shall be determined as provided in division (E) of this section.

A member may choose to purchase only part of the credit the member is eligible to purchase under this division in any one payment, subject to rules of the state teachers retirement board.

(C) A member is ineligible to obtain credit under this section for service that is used in the calculation of any retirement benefit currently being paid or payable in the future.

(D) If a member of the state teachers retirement system who is not a current contributor elects to obtain credit under section 742.379 or 5505.202 of the Revised Code for service for which the member contributed to the state teachers retirement system or purchased credit for service in the armed forces of the United States, the state teachers retirement system shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, as applicable, the amount specified in division (D) of section 742.379 or division (B)(2) of section 5505.202 of the Revised Code.

(E) Interest charged under this section shall be calculated separately for each year of service credit at the lesser of the actuarial assumption rate for that year of the state teachers retirement system or of the fund or retirement system in which the credit was earned. The interest shall be compounded annually.

(F) The state teachers retirement board shall credit to a member's account in the teachers' savings fund the amounts described in divisions (A)(1) and (B)(1) of this section, except that the interest paid by the member under division (B)(1) of this section shall be credited to the employers' trust fund. The board shall credit to the employers' trust fund the amounts described in divisions (A)(2), (3), and (B)(2) of this section.

Sec. 3307.74. (A) The state teachers retirement board may enter into an agreement with insurance companies, health insuring corporations, or government agencies authorized to do business in the state for issuance of a policy or contract of health, medical, hospital, or surgical benefits, or any

combination thereof, for those individuals receiving service retirement or a disability or survivor benefit subscribing to the plan. Notwithstanding any other provision of this chapter, the policy or contract may also include coverage for any eligible individual's spouse and dependent children and for any of the individual's sponsored dependents as the board considers appropriate. If all or any portion of the policy or contract premium is to be paid by any individual receiving service retirement or a disability or survivor benefit, the individual shall, by written authorization, instruct the board to deduct the premium agreed to be paid by the individual to the companies, corporations, or agencies.

The board may contract for coverage on the basis of part or all of the cost of the coverage to be paid from appropriate funds of the state teachers retirement system. The cost paid from the funds of the system shall be included in the employer's contribution rate provided by section 3307.53 of the Revised Code.

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

(B) If the board provides health, medical, hospital, or surgical benefits through any means other than a health insuring corporation, it shall offer to each individual eligible for the benefits the alternative of receiving benefits through enrollment in a health insuring corporation, if all of the following apply:

(1) The health insuring corporation provides health care services in the geographical area in which the individual lives;

(2) The eligible individual was receiving health care benefits through a health maintenance organization or a health insuring corporation before retirement;

(3) The rate and coverage provided by the health insuring corporation to eligible individuals is comparable to that currently provided by the board under division (A) of this section. If the rate or coverage provided by the health insuring corporation is not comparable to that currently provided by the board under division (A) of this section, the board may deduct the additional cost from the eligible individual's monthly benefit.

The health insuring corporation shall accept as an enrollee any eligible individual who requests enrollment.

The board shall permit each eligible individual to change from one plan to another at least once a year at a time determined by the board.

(C) The board shall, beginning the month following receipt of

factory evidence of the payment for coverage, make a monthly payment to each recipient of service retirement, or a disability or survivor benefit under the state teachers retirement system who is eligible for insurance coverage under part B of "The Social Security Amendments of 1965," 79 Stat. 301, 42 U.S.C.A. 1395j, as amended. The payment shall be the greater of the following:

(1) Twenty-nine dollars and ninety cents;

(2) An amount determined by multiplying the basic premium for the coverage by a percentage, not exceeding ninety per cent, determined by multiplying the years of service used in calculating the service retirement or benefit by a percentage determined by the board not exceeding three per cent.

(D) The board shall establish by rule requirements for the coordination of any coverage, payment, or benefit provided under this section or section 3307.405 of the Revised Code with any similar coverage, payment, or benefit made available to the same individual by the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, school employees retirement system, or state highway patrol retirement system.

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

Sec. 3309.26. The membership of any person in the school employees retirement system shall terminate if the person withdraws the person's accumulated contributions, retires on a retirement allowance as provided in sections 3309.36, 3309.38, and 3309.381 of the Revised Code, or dies, unless otherwise provided in Chapter 3309. of the Revised Code.

A former member with an account in the employees' savings fund who formerly lost membership shall be reinstated as a member with all the rights, privileges, and obligations as provided in Chapter 3309. of the Revised Code.

Except as provided in this section, a member or former member of the school employees retirement system with at least one and one-half years of contributing service credit in this system, the public employees retirement system, the state teachers retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, or the state highway patrol retirement system, subsequent to the withdrawal of contributions and cancellation of service credit in this system may restore such service credit by redepositing in the employees' savings fund the amount withdrawn with interest at a rate to be determined by the board, compounded annually, from the first of the month of withdrawal to and including the month of redeposit. A member

may choose to purchase only part of such credit in any one payment, subject to board rules. The total payment to restore cancelled service credit, plus any interest credited thereto, shall be considered as accumulated contributions of the member. If a former member is eligible to buy the service credit as a member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, the former member is ineligible to restore that service credit under this section.

Sec. 3309.31. Service credit purchased under this section shall be included in the member's total service credit. Credit may be purchased for the following:

(A) School service in a public or private school, college, or university of this or another state, and for school service in any school or entity operated by or for the United States government. Credit purchased under this section for school service shall be limited to service rendered in schools, colleges, or universities chartered or accredited by the appropriate governmental agency.

(B) Public service with another state or the United States government, provided that such credit shall be limited to service that would have been covered by the state teachers retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, the state highway patrol retirement system, or the public employees retirement system if served in a comparable public position in this state.

(C) Service for which contributions were made by the member or on ~~his~~ the member's behalf to a municipal retirement system in this state.

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

For each year of service purchased under this section, a member shall pay to the school employees retirement system for credit to ~~his~~ the member's accumulated account an amount equal to ~~his~~ the member's retirement contribution for full-time employment for the first year of Ohio service following termination of the service to be purchased. To this amount shall be added an amount equal to compound interest at a rate established by the school employees retirement board from the date of membership in the school employees retirement system to date of payment. A member may choose to purchase only part of such credit in any one payment, subject to board rules.

A member is ineligible to purchase under this section service that is used in the calculation of any retirement benefit currently being paid or payable in the future to the member under any other retirement program,

except social security. At the time the credit is purchased, the member shall certify on a form furnished by the retirement board that ~~he~~ the member does and will conform to this requirement.

(D) Credit purchased under this section may be combined pursuant to section 3309.35 of the Revised Code with credit purchased under sections 145.293 and 3307.32 of the Revised Code, except that not more than an aggregate total of five years' service credit purchased under this section and sections 145.293 and 3307.32 of the Revised Code shall be used in determining retirement eligibility or calculating benefits under section 3309.35 of the Revised Code.

(E) The retirement board shall establish a policy to determine eligibility to purchase credit under this section, and its decision shall be final.

Sec. 3309.341. (A) As used in this section:

(1) "SERS retirant" means any person who is receiving a retirement allowance from the school employees retirement system under section 3309.36, 3309.38, or 3309.381 of the Revised Code.

(2) "Other system retirant" means a member or former member of the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, state highway patrol retirement system, or Cincinnati retirement system who is receiving age and service or commuted age and service retirement, or a disability benefit from a system of which ~~he~~ the retirant is a member or former member.

(B)(1) An SERS retirant or other system retirant may be employed by a public employer. If so employed, the SERS retirant or other system retirant shall contribute to the school employees retirement system in accordance with section 3309.47 of the Revised Code, and the employer shall make contributions in accordance with section 3309.49 of the Revised Code.

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

(C) An SERS retirant or other system retirant who has received ~~his~~ a retirement allowance or disability benefit for less than two months when employment subject to this section commences shall forfeit ~~his~~ the retirement allowance or disability benefit for the period that begins on the date the employment commences and ends on the date that is two months after the date on which the retirement allowance or disability benefit

enced. Service and contributions for that period shall not be included in the calculation of any benefits payable to the SERS retirant or other system retirant, and those contributions shall be refunded on ~~his~~ death or termination of the employment.

(D) On receipt of notice from the Ohio police and ~~firemen's disability and~~ fire pension fund, public employees retirement system, or state teachers retirement system of the re-employment of an SERS retirant, the school employees retirement system shall not pay, or if paid shall recover, the amount to be forfeited by the SERS retirant in accordance with section 145.38, 742.26, or 3307.381 of the Revised Code.

(E)(1) On termination of employment under this section, an SERS retirant or other system retirant may file an application with the school employees retirement system for a benefit under this division, which shall consist of a single life annuity having a reserve equal to the amount of ~~his~~ the retirant's accumulated contributions for the period of employment and an equal amount of the employer's contributions, plus interest credited to the date of retirement at the rate provided in division (I)(2) of section 3309.01 of the Revised Code. The SERS retirant or other system retirant shall elect either to receive the benefit as a monthly annuity for ~~his~~ life or a lump-sum payment discounted to the present value using the current actuarial assumption rate of interest, except that if ~~his~~ the monthly annuity would be less than twenty-five dollars per month, ~~he~~ the retirant shall receive a lump-sum payment.

(2) A benefit payable under this division shall commence on the first day of the month after the latest of the following:

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

(b) Attainment by the SERS retirant or other system retirant of age sixty-five;

(c) If the SERS retirant or other system retirant was previously employed under this section and is receiving or previously received a benefit under this division, completion of a period of twelve months since the effective date of that benefit.

(3) An SERS retirant or other system retirant subject to this section is not a member of the school employees retirement system; does not have any of the rights, privileges, or obligations of membership, except as specified in this section; and is not eligible to receive health, medical, hospital, or surgical benefits under section 3309.69 of the Revised Code for employment subject to this section. No amount received under this division shall be included in determining an additional benefit under section 3309.374 of the

Revised Code or any other post-retirement benefits.

(F)(1) If an SERS retirant or other system retirant dies while employed in employment subject to this section, a lump-sum payment calculated in accordance with division (E)(1) of this section shall be paid to the beneficiary under division (H) of this section.

(2) If at the time of ~~his~~ death an SERS retirant or other system retirant receiving a monthly annuity has received less than ~~he~~ the retirant would have received as a lump-sum payment, the difference between the amount ~~he~~ received and the amount ~~he~~ that would have been received as a lump-sum payment shall be paid to ~~his~~ the retirant's beneficiary under division (H) of this section.

(G) If the disability benefit of an other system retirant employed under this section is terminated, ~~he~~ the retirant shall become a member of the school employees retirement system, effective on the first day of the month next following the termination, with all the rights, privileges, and obligations of membership. If ~~such person~~ the retirant, after the termination of ~~his~~ the disability benefit, earns two years of service credit under this retirement system or under the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, or state highway patrol retirement system, ~~his~~ the retirant's prior contributions as an other system retirant under this section shall be included in ~~his~~ the retirant's total service credit as a school employees retirement system member, and ~~he~~ the retirant shall forfeit all rights and benefits of this section. Not more than one year of credit may be given for any period of twelve months.

(H) An SERS retirant or other system retirant employed under this section may designate one or more persons as beneficiary to receive any benefits payable under this section due to ~~his~~ death. The designation shall be in writing duly executed on a form provided by the school employees retirement board, signed by the SERS retirant or other system retirant, and filed with the board prior to ~~his~~ death. The last designation of a beneficiary revokes all previous designations. The SERS retirant's or other system retirant's marriage, divorce, marriage dissolution, legal separation, withdrawal of account, birth of ~~his~~ the retirant's child, or adoption of a child revokes all previous designations. If there is no designated beneficiary, the beneficiary is the beneficiary designated under division (D) of section 3309.44 of the Revised Code. If any benefit payable under this section due to the death of an SERS retirant or other system retirant is not claimed by a beneficiary within five years after the death, the amount payable shall be transferred to the guarantee fund and thereafter paid to the beneficiary or the

estate of the SERS retirant or other system retirant on application to the board.

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

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

Sec. 3309.351. (A) A member of the school employees retirement system who has contributions on deposit with the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system shall, in computing years of total service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or purchased for service in the armed forces of the United States if a transfer to the school employees retirement system is made under this division. At the request of the member, the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system shall transfer to the school employees retirement system, for each year of service, the sum of the following:

(1) An amount equal to the member's payments for service in the armed forces of the United States and accumulated contributions to the transferring fund or system;

(2) An amount equal to the lesser of the employer's contributions to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system or the amount that would have been contributed by the employer for the service had the member been a member of the school employees retirement system;

(3) Interest, determined as provided in division (E) of this section, on the amounts specified in divisions (A)(1) and (2) of this section from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the transfer is made.

(B) A member who has at least eighteen months of contributing service with the school employees retirement system, is a former member of the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, and has received a refund of contributions to that fund or system shall, in computing years of total service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or purchased for service in the armed forces of the United States if, for each year of service, the school employees retirement system receives the sum of

the following:

(1) An amount, which shall be paid by the member, equal to the amount refunded by the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system to the member for that year for accumulated contributions and payments for purchase of credit for service in the armed forces of the United States, with interest on that amount from the date of the refund to the date of the payment;

(2) Interest, which shall be transferred by the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, on the amount refunded to the member that is attributable to the year of service from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date the refund was made;

(3) An amount, which shall be transferred by the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, that is equal to the lesser of the amount contributed by the employer to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system for that year or the amount that would have been contributed by the employer for the year had the member been a member of the school employees retirement system, with interest on that amount from the last day of the year for which the service credit was earned or in which military service credit was purchased or obtained to the date of the transfer.

On receipt of payment from the member, the school employees retirement system shall notify the Ohio police and ~~firemen's disability and~~ fire pension fund or the state highway patrol retirement system, which, on receipt of the notice, shall make the transfer required by this division. Interest shall be determined as provided in division (E) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) A member is ineligible to obtain service credit under this section for service that is used in the calculation of any retirement benefit currently being paid or payable in the future to the member.

Service credit obtained under this section shall be considered the equivalent of Ohio service credit.

(D) If a member of the school employees retirement system who is not a current contributor elects to obtain credit under section 742.379 or 5505.202 of the Revised Code for service for which the member contributed to the school employees retirement system or purchased credit for service in the armed forces of the United States, the school employees retirement system

shall transfer to the Ohio police and ~~firemen's disability and~~ fire pension fund or state highway patrol retirement system, as applicable, the amount specified in division (D) of section 742.379 or division (B)(2) of section 5505.202 of the Revised Code.

(E) Interest charged under this section shall be calculated separately for each year of service credit at the lesser of the actuarial assumption rate for that year of the school employees retirement system or of the fund or retirement system in which the credit was earned. The interest shall be compounded annually.

Sec. 3309.69. (A) As used in this section, "ineligible individual" means all of the following:

(1) A former member receiving benefits pursuant to section 3309.34, 3309.35, 3309.36, 3309.38, or 3309.381 of the Revised Code for whom eligibility is established more than five years after June 13, 1981, and who, at the time of establishing eligibility, has accrued less than ten years of service credit, exclusive of credit obtained after January 29, 1981, pursuant to sections 3309.021, 3309.301, 3309.31, and 3309.33 of the Revised Code;

(2) The spouse of the former member;

(3) The beneficiary of the former member receiving benefits pursuant to section 3309.46 of the Revised Code.

(B) The school employees retirement board may enter into an agreement with insurance companies, health insuring corporations, or government agencies authorized to do business in the state for issuance of a policy or contract of health, medical, hospital, or surgical benefits, or any combination thereof, for those individuals receiving service retirement or a disability or survivor benefit subscribing to the plan and their eligible dependents.

If all or any portion of the policy or contract premium is to be paid by any individual receiving service retirement or a disability or survivor benefit, the person shall, by written authorization, instruct the board to deduct the premiums agreed to be paid by the individual to the companies, corporations, or agencies.

The board may contract for coverage on the basis of part or all of the cost of the coverage to be paid from appropriate funds of the school employees retirement system. The cost paid from the funds of the system shall be included in the employer's contribution rate provided by sections 3309.49 and 3309.491 of the Revised Code. The board shall not pay or reimburse the cost for health care under this section or section 3309.375 of the Revised Code for any ineligible individual.

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

forth in the contract with the companies, corporations, or agencies, and may provide through the self-insurance method specific benefits as authorized by the rules of the board.

(C) If the board provides health, medical, hospital, or surgical benefits through any means other than a health insuring corporation, it shall offer to each individual eligible for the benefits the alternative of receiving benefits through enrollment in a health insuring corporation, if all of the following apply:

(1) The health insuring corporation provides health care services in the geographical area in which the individual lives;

(2) The eligible individual was receiving health care benefits through a health maintenance organization or a health insuring corporation before retirement;

(3) The rate and coverage provided by the health insuring corporation to eligible individuals is comparable to that currently provided by the board under division (B) of this section. If the rate or coverage provided by the health insuring corporation is not comparable to that currently provided by the board under division (B) of this section, the board may deduct the additional cost from the eligible individual's monthly benefit.

The health insuring corporation shall accept as an enrollee any eligible individual who requests enrollment.

The board shall permit each eligible individual to change from one plan to another at least once a year at a time determined by the board.

(D) The board shall, beginning the month following receipt of satisfactory evidence of the payment for coverage, make a monthly payment to each recipient of service retirement, or a disability or survivor benefit under the school employees retirement system who is eligible for insurance coverage under part B of "The Social Security Amendments of 1965," 79 Stat. 301, 42 U.S.C.A. 1395j, as amended, except that the board shall make no such payment to any ineligible individual. Effective on the first day of the month after ~~the effective date of this amendment~~ December 8, 1998, the amount of the payment shall be the lesser of an amount equal to the basic premium for such coverage, or an amount equal to the basic premium in effect on January 1, 1992.

(E) The board shall establish by rule requirements for the coordination of any coverage, payment, or benefit provided under this section or section 3309.375 of the Revised Code with any similar coverage, payment, or benefit made available to the same individual by the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, or state highway patrol retirement

system.

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

Sec. 3318.26. (A) Subject to the limitations provided in section 3318.29 of the Revised Code, the issuing authority, upon the certification by the Ohio school facilities commission to the issuing authority of the amount of moneys or additional moneys needed in the school districts facilities fund for the purpose of making loans for allowable costs from such fund or in the school building program assistance fund for the purposes of sections 3318.01 to 3318.20 of the Revised Code, or needed for capitalized interest, for funding reserves, and for paying costs and expenses incurred in connection with the issuance, carrying, securing, paying, redeeming, or retirement of the obligations or any obligations refunded thereby, including payment of costs and expenses relating to letters of credit, lines of credit, insurance, put agreements, standby purchase agreements, indexing, marketing, remarketing and administrative arrangements, interest swap or hedging agreements, and any other credit enhancement, liquidity, remarketing, renewal, or refunding arrangements, all of which are authorized by this section, shall issue obligations of the state under this section in the required amount. The proceeds of such obligations, except for obligations issued to provide moneys for the school building program assistance fund or except for such portion to be deposited in special funds, including reserve funds, as may be provided in the bond proceedings, shall as provided in the bond proceedings be deposited by the treasurer of state to the school districts facilities fund. The issuing authority may appoint trustees, paying agents, and transfer agents and may retain the services of financial advisors and accounting experts and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the issuing authority's judgment to carry out this section. The costs of such services are payable from the school districts facilities fund, the school building program assistance fund, or any special fund determined by the issuing authority.

(B) The holders or owners of such obligations shall have no right to have moneys raised by taxation obligated or pledged, and moneys raised by taxation shall not be obligated or pledged, for the payment of bond service charges. Such holders or owners shall have no rights to payment of bond service charges from any money or property received by the commission, treasurer of state, or the state, or from any other use of the proceeds of the sale of the obligations, and no such moneys may be used for the payment of

bond service charges, except for accrued interest, capitalized interest, and reserves funded from proceeds received upon the sale of the obligations and except as otherwise expressly provided in the applicable bond proceedings pursuant to written directions by the treasurer of state. The right of such holders and owners to payment of bond service charges shall be limited to all or that portion of the pledged receipts and those special funds pledged thereto pursuant to the bond proceedings in accordance with this section, and each such obligation shall bear on its face a statement to that effect.

(C) Obligations shall be authorized by resolution or order of the issuing authority and the bond proceedings shall provide for the purpose thereof and the principal amount or amounts, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding the limits specified in section 3318.29 of the Revised Code, the interest rate or rates or the maximum interest rate, the date of the obligations and the dates of payment of interest thereon, their denomination, and the establishment within or without the state of a place or places of payment of bond service charges. Sections 9.98 to 9.983 of the Revised Code are applicable to obligations issued under this section, subject to any applicable limitation under section 3318.29 of the Revised Code. The purpose of such obligations may be stated in the bond proceedings in terms describing the general purpose or purposes to be served. The bond proceedings shall also provide, subject to the provisions of any other applicable bond proceedings, for the pledge of all, or such part as the issuing authority may determine, of the pledged receipts and the applicable special fund or funds to the payment of bond service charges, which pledges may be made either prior or subordinate to other expenses, claims, or payments, and may be made to secure the obligations on a parity with obligations theretofore or thereafter issued, if and to the extent provided in the bond proceedings. The pledged receipts and special funds so pledged and thereafter received by the state are immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledges is valid and binding against all parties having claims of any kind against the state or any governmental agency of the state, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created or any certificate, statement or other document with respect thereto; and the pledge of such pledged receipts and special funds is effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of

appropriation, except as required by section 3770.06 of the Revised Code. Every pledge, and every covenant and agreement made with respect thereto, made in the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(D) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at the option of the issuing authority at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;

(5) The deposit, investment and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131., 133., or 135. of the Revised Code, but subject to any special provisions of sections 3318.21 to 3318.29 of the Revised Code, with respect to particular funds or moneys, provided that any bank or trust company that acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;

(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision that may be made in a trust agreement or indenture;

(8) The lease or sublease of any interest of the school district or the state in one or more projects as defined in division (C) of section 3318.01 of the Revised Code, or in one or more permanent improvements, to or from the issuing authority, as provided in one or more lease or sublease agreements between the school or the state and the issuing authority;

(9) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including in the case of obligations issued to provide moneys for the school district facilities fund the assignment of security obtained or to be obtained for loans under section 3318.24 of the Revised Code.

(E) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations and any coupons

pertaining to obligations shall be signed or bear the facsimile signature of the issuing authority. Any obligations or coupons may be executed by the person who, on the date of execution, is the proper issuing authority although on the date of such bonds or coupons such person was not the issuing authority. In case the issuing authority whose signature or a facsimile of whose signature appears on any such obligation or coupon ceases to be the issuing authority before delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the issuing authority had remained the issuing authority until such delivery; and in case the seal to be affixed to obligations has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal shall continue to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(F) All obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the issuing authority determines. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(G) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.

(H) Pending preparation of definitive obligations, the issuing authority may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(I) In the discretion of the issuing authority, obligations may be secured additionally by a trust agreement or indenture between the issuing authority and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any such agreement or indenture may contain the resolution or order authorizing the issuance of the obligations, any provisions that may be contained in any bond proceedings, and other provisions that are customary or appropriate in an agreement or indenture of such type, including, but not limited to:

(1) Maintenance of each pledge, trust agreement, indenture, or other instrument comprising part of the bond proceedings until the state has fully paid the bond service charges on the obligations secured thereby, or provision therefor has been made;

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the issuing authority made as a part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

(3) The rights and remedies of the holders of obligations and of the trustee, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(5) Such other provisions as the trustee and the issuing authority agree upon, including limitations, conditions, or qualifications relating to any of the foregoing.

(J) Any holder of obligations or a trustee under the bond proceedings, except to the extent that the holder's or trustee's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority, the commission, or the director of budget and management required by sections 3318.21 to 3318.29 of the Revised Code or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority, the commission, or the director of budget and management in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the pledged receipts and special funds, other than those in the custody of the treasurer of state or the commission, which are pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the issuing authority or the state or governmental agencies of the state to the payment of such principal and interest and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any permanent improvement.

Each duty of the issuing authority and the issuing authority's officers and employees, and of each governmental agency and its officers, members, or employees, undertaken pursuant to the bond proceedings or any

agreement or loan made under authority of sections 3318.21 to 3318.29 of the Revised Code, and in every agreement by or with the issuing authority, is hereby established as a duty of the issuing authority, and of each such officer, member, or employee having authority to perform such duty, specifically enjoined by the law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

The person who is at the time the issuing authority, or the issuing authority's officers or employees, are not liable in their personal capacities on any obligations issued by the issuing authority or any agreements of or with the issuing authority.

(K) The issuing authority may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued by the issuing authority. Such obligations may be issued in amounts sufficient for payment of the principal amount of the prior obligations, any redemption premiums thereon, principal maturities of any such obligations maturing prior to the redemption of the remaining obligations on a parity therewith, interest accrued or to accrue to the maturity dates or dates of redemption of such obligations, and any allowable costs including expenses incurred or to be incurred in connection with such issuance and such refunding, funding, and retirement. Subject to the bond proceedings therefor, the portion of proceeds of the sale of obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate account held by the trustee for such prior or new obligations or to the appropriate account in the bond service fund for such obligations. Obligations authorized under this division shall be deemed to be issued for those purposes for which such prior obligations were issued and are subject to the provisions of this section pertaining to other obligations, except as otherwise provided in this section; provided that, unless otherwise authorized by the general assembly, any limitations imposed by the general assembly pursuant to this section with respect to bond service charges applicable to the prior obligations shall be applicable to the obligations issued under this division to refund, fund, advance refund, or retire such prior obligations.

(L) The authority to issue obligations under this section includes authority to refund or refinance any obligations previously issued by the state under sections 3318.21 to 3318.29 of the Revised Code.

The authority to issue obligations under this section also includes authority to issue obligations in the form of bond anticipation notes and to renew the same from time to time by the issuance of new notes. The holders

of such notes or interest coupons pertaining thereto shall have a right to be paid solely from the pledged receipts and special funds that may be pledged to the payment of the bonds anticipated, or from the proceeds of such bonds or renewal notes, or both, as the issuing authority provides in the resolution or order authorizing such notes. Such notes may be additionally secured by covenants of the issuing authority to the effect that the issuing authority and the state will do such or all things necessary for the issuance of such bonds or renewal notes in appropriate amount, and apply the proceeds thereof to the extent necessary, to make full payment of the principal of and interest on such notes at the time or times contemplated, as provided in such resolution or order. For such purpose, the issuing authority may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide funds to pay when required the principal of and interest on such notes, notwithstanding any limitations prescribed by or for purposes of this section. Subject to this division, all provisions for and references to obligations in this section are applicable to notes authorized under this division.

The issuing authority in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for such bonds an estimated interest rate and a schedule of principal payments for such bonds and the annual maturity dates thereof, and for purposes of any limitation on bond service charges prescribed under section 3318.29 of the Revised Code, the amount of bond service charges on such bond anticipation notes shall be deemed to be the bond service charges for the bonds anticipated thereby as set forth in the bond proceedings applicable to such notes, but this provision does not modify any authority in this section to pledge pledged receipts and special funds to, and covenant to issue bonds to fund, the payment of principal of and interest and any premium on such notes.

(M) Obligations issued under this section are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and

also are acceptable as security for the deposit of public moneys.

(N) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the issuing authority only in notes, bonds, or other obligations of the United States, or of any agency or instrumentality of the United States, obligations guaranteed as to principal and interest by the United States, obligations of this state or any political subdivision of this state, and certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions. If the law or the instrument creating a trust pursuant to division (I) of this section expressly permits investment in direct obligations of the United States or an agency of the United States, unless expressly prohibited by the instrument, such moneys also may be invested in no front end load money market mutual funds consisting exclusively of obligations of the United States or an agency of the United States and in repurchase agreements, including those issued by the fiduciary itself, secured by obligations of the United States or an agency of the United States; and in collective investment funds established in accordance with section 1111.14 of the Revised Code and consisting exclusively of any such securities, notwithstanding division (A)(1)(c) of that section. The income from such investments shall be credited to such funds as the issuing authority determines, and such investments may be sold at such times as the issuing authority determines or authorizes.

(O) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges on obligations pertinent to such accounts and bond service fund and for other accounts therein within the general purposes of such fund. Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the several special funds established pursuant to this section shall be disbursed on the order of the treasurer of state, provided that no such order is required for the payment from the bond service fund when due of bond service charges on obligations.

(P) The issuing authority may pledge all, or such portion as the issuing authority determines, of the pledged receipts to the payment of bond service charges on obligations issued under this section, and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to pledged receipts as authorized by this chapter, which provisions shall be controlling notwithstanding any

other provisions of law pertaining thereto.

(Q) The issuing authority may covenant in the bond proceedings, and any such covenants shall be controlling notwithstanding any other provision of law, that the state and applicable officers and governmental agencies of the state, including the general assembly, so long as any obligations are outstanding, shall:

(1) Maintain statutory authority for and cause to be operated the state lottery, including the transfers to and from the lottery profits education fund created in section 3770.06 of the Revised Code so that the pledged receipts shall be sufficient in amount to meet bond service charges, and the establishment and maintenance of any reserves and other requirements provided for in the bond proceedings;

(2) Take or permit no action, by statute or otherwise, that would impair the exclusion from gross income for federal income tax purposes of the interest on any obligations designated by the bond proceeding as tax-exempt obligations.

(R) There is hereby created the school building program bond service fund, which shall be in the custody of the treasurer of state but shall be separate and apart from and not a part of the state treasury. All moneys received by or on account of the issuing authority or state agencies and required by the applicable bond proceedings, consistent with this section, to be deposited, transferred, or credited to the school building program bond service fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be deposited and credited to such fund and to any separate accounts therein, subject to applicable provisions of the bond proceedings, but without necessity for any act of appropriation, except as required by section 3770.06 of the Revised Code. During the period beginning with the date of the first issuance of obligations and continuing during such time as any such obligations are outstanding, and so long as moneys in the school building program bond service fund are insufficient to pay all bond service charges on such obligations becoming due in each year, a sufficient amount of the moneys from the lottery profits education fund included in pledged receipts, subject to appropriation for such purpose as provided in section 3770.06 of the Revised Code, are committed and shall be paid to the school building program bond service fund in each year for the purpose of paying the bond service charges becoming due in that year. The school building program bond service fund is a trust fund and is hereby pledged to the payment of bond service charges solely on obligations issued to provide moneys for the school building program assistance fund to the extent provided in the applicable bond proceedings, and payment thereof

from such fund shall be made or provided for by the treasurer of state in accordance with such bond proceedings without necessity for any act of appropriation except as required by section 3770.06 of the Revised Code.

(S) There is hereby created the school facilities bond service fund, which shall be in the custody of the treasurer of state but shall be separate and apart from and not a part of the state treasury. All moneys received by or on account of the issuing authority or state agencies and required by the applicable bond proceedings, consistent with this section, to be deposited, transferred, or credited to the school facilities bond service fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be deposited and credited to such fund and to any separate accounts therein, subject to applicable provisions of the bond proceedings, but without necessity for any act of appropriation. During the period beginning with the date of the first issuance of obligations and continuing during such time as any such obligations are outstanding, and so long as moneys in the school facilities bond service fund are insufficient to pay all bond service charges on such obligations becoming due in each year, a sufficient amount of the moneys from the public school building fund included in pledged receipts are committed and shall be paid to the bond service fund in each year for the purpose of paying the bond service charges becoming due in that year. The school facilities bond service fund is a trust fund and is hereby pledged to the payment of bond service charges on obligations issued to provide moneys for the school districts facilities fund to the extent provided in the applicable bond proceedings, and payment thereof from such fund shall be made or provided for by the treasurer of state in accordance with such bond proceedings without necessity for any act ~~or~~ of appropriation.

(T) The obligations, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, at all times shall be free from taxation within the state.

Sec. 3345.12. (A) As used in this section and sections 3345.07 and 3345.11 of the Revised Code, in other sections of the Revised Code that make reference to this section unless the context does not permit, and in related bond proceedings unless otherwise expressly provided:

(1) "State university or college" means each of the state universities identified in section 3345.011 of the Revised Code, the northeastern Ohio universities college of medicine, and the medical college of Ohio at Toledo, and includes its board of trustees.

(2) "Institution of higher education" or "institution" means a state university or college, or a community college district, technical college

district, university branch district, or state community college, and includes the applicable board of trustees or, in the case of a university branch district, any other managing authority.

(3) "Housing and dining facilities" means buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, to be used for or in connection with dormitories or other living quarters and accommodations, or related dining halls or other food service and preparation facilities, for students, members of the faculty, officers, or employees of the institution of higher education, and their spouses and families.

(4) "Auxiliary facilities" means buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, to be used for or in connection with student activity or student service facilities, housing and dining facilities, dining halls, and other food service and preparation facilities, vehicular parking facilities, bookstores, athletic and recreational facilities, faculty centers, auditoriums, assembly and exhibition halls, hospitals, infirmaries and other medical and health facilities, research, and continuing education facilities.

(5) "Education facilities" means buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, to be used for or in connection with, classrooms or other instructional facilities, libraries, administrative and office facilities, and other facilities, other than auxiliary facilities, to be used directly or indirectly for or in connection with the conduct of the institution of higher education.

(6) "Facilities" means housing and dining facilities, auxiliary facilities, or education facilities, and includes any one, part of, or any combination of such facilities, and further includes site improvements, utilities, machinery, furnishings, and any separate or connected buildings, structures, improvements, sites, open space and green space areas, utilities or equipment to be used in, or in connection with the operation or maintenance of, or supplementing or otherwise related to the services or facilities to be provided by, such facilities.

(7) "Obligations" means bonds or notes or other evidences of obligation, including interest coupons pertaining thereto, authorized to be issued under this section or section 3345.07, 3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the Revised Code.

(8) "Bond service charges" means principal, including any mandatory sinking fund or redemption requirements for the retirement of obligations, interest, or interest equivalent and other accreted amounts, and any call

emium required to be paid on obligations.

(9) "Bond proceedings" means the resolutions, trust agreement, indenture, and other agreements and credit enhancement facilities, and amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing, awarding, or providing for the terms and conditions applicable to, or providing for the security or liquidity of, obligations, and the provisions contained in those obligations.

(10) "Costs of facilities" means the costs of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, improving, equipping, or furnishing facilities, and the financing thereof, including the cost of clearance and preparation of the site and of any land to be used in connection with facilities, the cost of any indemnity and surety bonds and premiums on insurance, all related direct administrative expenses and allocable portions of direct costs of the institution of higher education or state agency, cost of engineering, architectural services, design, plans, specifications and surveys, estimates of cost, legal fees, fees and expenses of trustees, depositories, bond registrars, and paying agents for the obligations, cost of issuance of the obligations and financing costs and fees and expenses of financial advisers and consultants in connection therewith, interest on the obligations from the date thereof to the time when interest is to be covered by available receipts or other sources other than proceeds of the obligations, amounts necessary to establish reserves as required by the bond proceedings, costs of audits, the reimbursements of all moneys advanced or applied by or borrowed from the institution or others, from whatever source provided, including any temporary advances from state appropriations, for the payment of any item or items of cost of facilities, and all other expenses necessary or incident to planning or determining feasibility or practicability with respect to facilities, and such other expenses as may be necessary or incident to the acquisition, construction, reconstruction, rehabilitation, remodeling, renovation, enlargement, improvement, equipment, and furnishing of facilities, the financing thereof and the placing of them in use and operation, including any one, part of, or combination of such classes of costs and expenses.

(11) "Available receipts" means all moneys received by the institution of higher education, including income, revenues, and receipts from the operation, ownership, or control of facilities, grants, gifts, donations, and pledges and receipts therefrom, receipts from fees and charges, and the proceeds of the sale of obligations, including proceeds of obligations issued to refund obligations previously issued, but excluding any special fee, and receipts therefrom, charged pursuant to division (D) of section 154.21 of the

Revised Code.

(12) "Credit enhancement facilities" has the meaning given in division (H) of section 133.01 of the Revised Code.

(13) "Financing costs" has the meaning given in division (K) of section 133.01 of the Revised Code.

(14) "Interest" or "interest equivalent" has the meaning given in division (R) of section 133.01 of the Revised Code.

(B) Obligations issued under section 3345.07 or 3345.11 of the Revised Code by a state university or college shall be authorized by resolution of its board of trustees. Obligations issued by any other institution of higher education shall be authorized by resolution of its board of trustees, or managing directors in the case of certain university branch districts, as applicable. Sections 9.96 and 9.98 to 9.983 of the Revised Code apply to obligations. Obligations may be issued to pay costs of facilities even if the institution anticipates the possibility of a future state appropriation to pay all or a portion of such costs.

(C) Obligations shall be secured by a pledge of and lien on all or such part of the available receipts of the institution of higher education as it provides for in the bond proceedings, excluding moneys raised by taxation and state appropriations. Such pledge and lien may be made prior to all other expenses, claims, or payments, excepting any pledge of such available receipts previously made to the contrary and except as provided by any existing restrictions on the use thereof, or such pledge and lien may be made subordinate to such other expenses, claims, or payments, as provided in the bond proceedings. Obligations may be additionally secured by covenants of the institution to make, fix, adjust, collect, and apply such charges, rates, fees, rentals, and other items of available receipts as will produce pledged available receipts sufficient to meet bond service charges, reserve, and other requirements provided for in the bond proceedings. Notwithstanding this and any other sections of the Revised Code, the holders or owners of the obligations shall not be given the right and shall have no right to have excises or taxes levied by the general assembly for the payment of bond service charges thereon, and each such obligation shall bear on its face a statement to that effect and to the effect that the right to such payment is limited to the available receipts and special funds pledged to such purpose under the bond proceedings.

All pledged available receipts and funds and the proceeds of obligations are trust funds and, subject to the provisions of this section and the applicable bond proceedings, shall be held, deposited, invested, reinvested, disbursed, applied, and used to such extent, in such manner, at such times,

and for such purposes, as are provided in the bond proceedings.

(D) The bond proceedings for obligations shall provide for the purpose thereof and the principal amount or maximum principal amount, and provide for or authorize the manner of determining the principal maturity or maturities, the sale price including any permitted discount, the interest rate or rates, which may be a variable rate or rates, or the maximum interest rate, the date of the obligations and the date or dates of payment of interest thereon, their denominations, the manner of sale thereof, and the establishment within or without the state of a place or places of payment of bond service charges. The bond proceedings also shall provide for a pledge of and lien on available receipts of the institution of higher education as provided in division (C) of this section, and a pledge of and lien on such fund or funds provided in the bond proceedings arising from available receipts, which pledges and liens may provide for parity with obligations theretofore or thereafter issued by the institution. The available receipts so pledged and thereafter received by the institution and the funds so pledged are immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge is valid and binding against all parties having claims of any kind against the institution, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created or any certificate, statement, or other document with respect thereto; and the pledge of such available receipts and funds shall be effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation.

(E) The bond proceedings may contain additional provisions customary or appropriate to the financing or to the obligations or to particular obligations, including:

(1) The acquisition, construction, reconstruction, equipment, furnishing, improvement, operation, alteration, enlargement, maintenance, insurance, and repair of facilities, and the duties of the institution of higher education with reference thereto;

(2) The terms of the obligations, including provisions for their redemption prior to maturity at the option of the institution of higher education at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(3) Limitations on the purposes to which the proceeds of the obligations may be applied;

(4) The rates or rentals or other charges for the use of or right to use the facilities financed by the obligations, or other properties the revenues or receipts from which are pledged to the obligations, and rules for assuring use and occupancy thereof, including limitations upon the right to modify such rates, rentals, other charges, or regulations;

(5) The use and expenditure of the pledged available receipts in such manner and to such extent as shall be determined, which may include provision for the payment of the expenses of operation, maintenance, and repair of facilities so that such expenses, or part thereof, shall be paid or provided as a charge prior or subsequent to the payment of bond service charges and any other payments required to be made by the bond proceedings;

(6) Limitations on the issuance of additional obligations;

(7) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;

(8) The deposit, investment, and application of funds, and the safeguarding of funds on hand or on deposit without regard to Chapter 131. or 135. of the Revised Code, and any bank or trust company or other financial institution that acts as depository of any moneys under the bond proceedings shall furnish such indemnifying bonds or pledge such securities as required by the bond proceedings or otherwise by the institution of higher education;

(9) The binding effect of any or every provision of the bond proceedings upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(10) Any provision that may be made in a trust agreement or indenture;

(11) Any other or additional agreements with respect to the facilities of the institution of higher education, their operation, the available receipts and funds pledged, and insurance of facilities and of the institution its officers and employees.

(F) Such obligations may have the seal of the institution of higher education or a facsimile thereof affixed thereto or printed thereon and shall be executed by such officers as are designated in the bond proceedings, which execution may be by facsimile signatures. Any obligations may be executed by an officer who, on the date of execution, is the proper officer although on the date of such obligations such person was not the proper officer. In case any officer whose signature or a facsimile of whose signature appears on any such obligation ceases to be such officer before

delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the person had remained such officer until such delivery; and in case the seal of the institution has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal continues to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(G) All such obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(H) Pending preparation of definitive obligations, the institution of higher education may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(I) Such obligations may be secured additionally by a trust agreement or indenture between the institution of higher education and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without this state but authorized to exercise trust powers within this state. Any such agreement or indenture may contain the resolution authorizing the issuance of the obligations, any provisions that may be contained in the bond proceedings as authorized by this section, and other provisions which are customary or appropriate in an agreement or indenture of such type, including:

(1) Maintenance of each pledge, trust agreement, and indenture, or other instrument comprising part of the bond proceedings until the institution of higher education has fully paid the bond service charges on the obligations secured thereby, or provision therefor has been made;

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the institution of higher education made as a part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

(3) The rights and remedies of the holders of obligations and of the trustee, and provisions for protecting and enforcing them, including

limitations on rights of individual holders of obligations;

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(5) Such other provisions as the trustee and the institution of higher education agree upon, including limitations, conditions, or qualifications relating to any of the foregoing.

(J) Each duty of the institution of higher education and its officers or employees, undertaken pursuant to the bond proceedings or any related agreement or lease made under authority of law, is hereby established as a duty of such institution, and of each such officer or employee having authority to perform such duty, specially enjoined by law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The persons who are at the time the members of the board of trustees or the managing directors of the institution or its officers or employees are not liable in their personal capacities on such obligations, or lease, or other agreement of the institution.

(K) The authority to issue obligations includes authority to:

(1) Issue obligations in the form of bond anticipation notes and to renew them from time to time by the issuance of new notes. Such notes are payable solely from the available receipts and funds that may be pledged to the payment of such bonds, or from the proceeds of such bonds or renewal notes, or both, as the institution of higher education provides in its resolution authorizing such notes. Such notes may be additionally secured by covenants of the institution to the effect that it will do such or all things necessary for the issuance of such bonds or renewal notes in appropriate amount, and either exchange such bonds or renewal notes therefor or apply the proceeds thereof to the extent necessary, to make full payment of the bond service charges on such notes at the time or times contemplated, as provided in such resolution. Subject to the provisions of this division, all references to obligations in this section apply to such anticipation notes.

(2) Issue obligations to refund, including funding and retirement of, obligations previously issued to pay costs of facilities. Such obligations may be issued in amounts sufficient for payment of the principal amount of the obligations to be so refunded, any redemption premiums thereon, principal maturities of any obligations maturing prior to the redemption of any other obligations on a parity therewith to be so refunded, interest accrued or to accrue to the maturity date or dates of redemption of such obligations, and any expenses incurred or to be incurred in connection with such refunding or the issuance of the obligations.

(L) Obligations are lawful investments for banks, societies for savings,

savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund, the administrator of workers' compensation in accordance with the investment policy established by the workers' compensation oversight commission pursuant to section 4121.12 of the Revised Code, the state teachers retirement system, the public employees retirement system, the ~~public~~ school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(M) All facilities purchased, acquired, constructed, or owned by an institution of higher education, or financed in whole or in part by obligations issued by an institution, and used for the purposes of the institution or other publicly owned and controlled college or university, is public property used exclusively for a public purpose, and such property and the income therefrom is exempt from all taxation and assessment within this state, including ad valorem and excise taxes. The obligations, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are at all times free from taxation within the state. The transfer of tangible personal property by lease under authority of this section or section 3345.07, 3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the Revised Code is not a sale as used in Chapter 5739. of the Revised Code.

(N) The authority granted by this section is cumulative with the authority granted to institutions of higher education under Chapter 154. of the Revised Code, and nothing in this section impairs or limits the authority granted by Chapter 154. of the Revised Code. In any lease, agreement, or commitment made by an institution of higher education under Chapter 154. of the Revised Code, it may agree to restrict or subordinate any pledge it may thereafter make under authority of this section.

(O) Title to lands acquired under this section and sections 3345.07 and 3345.11 of the Revised Code by a state university or college shall be taken in the name of the state.

(P) Except where costs of facilities are to be paid in whole or in part from funds appropriated by the general assembly, section 125.81 of the Revised Code and the requirement for certification with respect thereto under section 153.04 of the Revised Code do not apply to such facilities.

(Q) A state university or college may sell or lease lands or interests in land owned by it or by the state for its use, or facilities authorized to be acquired or constructed by it under section 3345.07 or 3345.11 of the Revised Code, to permit the purchasers or lessees thereof to acquire, construct, equip, furnish, reconstruct, alter, enlarge, remodel, renovate, rehabilitate, improve, maintain, repair, or maintain and operate thereon and to provide by lease or otherwise to such institution, facilities authorized in section 3345.07 or 3345.11 of the Revised Code. Such land or interests therein shall be sold for such appraised value, or leased, and on such terms as the board of trustees determines. All deeds or other instruments relating to such sales or leases shall be executed by such officer of the state university or college as the board of trustees designates. The state university or college shall hold, invest, or use the proceeds of such sales or leases for the same purposes for which proceeds of borrowings may be used under sections 3345.07 and 3345.11 of the Revised Code.

(R) An institution of higher education may pledge available receipts, to the extent permitted by division (C) of this section with respect to obligations, to secure the payments to be made by it under any lease, lease with option to purchase, or lease-purchase agreement authorized under this section or section 3345.07, 3345.11, 3354.121, 3355.091, 3357.112, or 3358.10 of the Revised Code.

Sec. 3366.04. (A) The issuing authority may issue obligations under this section to provide money to make proceeds loans to the designated nonprofit corporation for the purpose of acquiring education loans, or needed for capitalized interest, for funding reserves, and for paying costs and expenses incurred in connection with the issuance, carrying, securing, paying, redeeming, or retirement of the obligations or any obligations refunded thereby, including payment of costs and expenses relating to letters of credit, lines of credit, insurance, put agreements, standby purchase agreements, indexing, marketing, remarketing and administrative arrangements, interest swap or hedging agreements, and any other credit enhancement facility as defined in division (H) of section 133.01 of the Revised Code, liquidity, remarketing, renewal, or refunding arrangements, all of which are authorized by this section. The proceeds thereof shall, as provided in the bond proceedings, be loaned, or otherwise made available as a proceeds loan, to the designated nonprofit corporation. The issuing authority may appoint trustees, paying agents, and transfer agents and may retain the services of financial advisors, accounting experts, and attorneys, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors,

including printing services, as are necessary to carry out the provisions of this section. The costs of such services are allowable costs payable from the proceeds of such obligations.

(B) The holders or owners of obligations shall have no right to have taxes levied by the general assembly, or any moneys other than pledged receipts obligated or pledged, and any moneys other than pledged receipts shall not be obligated or pledged, for the payment of bond service charges. The obligations are not debts of the state, bond service charges are payable solely from the revenues and funds pledged as pledged receipts for their payment, and the right of such holders and owners to payment of bond service charges is limited to pledged receipts as provided in the bond proceedings, and each such obligation shall bear on its face a statement to that effect. No money, including money from the general revenue fund, shall be appropriated, obligated, or used to pay bond service charges or the costs incurred in the administration of this chapter, other than pledged receipts.

(C) Obligations shall be authorized by order of the issuing authority at the request of the designated nonprofit corporation and with the approval of the director of development, and the bond proceedings shall provide for the purpose thereof and the principal amount or amounts, and shall provide for or authorize the manner for determining the principal maturity or maturities, the interest rate or rates or the maximum interest rate, the date of the obligations and the dates of payment of interest thereon, their denomination, and the establishment within or outside this state of a place or places of payment of bond service charges. Sections 9.98 to 9.983 of the Revised Code apply to obligations issued under this section. The purpose of such obligations may be stated in the bond proceedings in terms describing the general purpose to be served. The bond proceedings shall also provide, subject to the provisions of any other applicable bond proceedings, for the pledge of, and the granting of a security interest in, all, or such part as the issuing authority may determine, of the pledged receipts to the payment of bond service charges, which pledge may be made and security interest granted, subject to the provisions of any applicable prior bond proceedings, either prior to or on a parity with or subordinate to other expenses, claims, or payments, and may be made or granted to secure obligations senior or subordinate to, or on a parity with, obligations theretofore or thereafter issued, if and to the extent provided in the bond proceedings. The pledged receipts so pledged or subject to a security interest and thereafter received by the issuing authority or the designated nonprofit corporation on behalf of the issuing authority or otherwise received are immediately subject to such pledge and security interest without any physical delivery thereof or further

act, and such pledge and security interest are valid, binding, and enforceable against all parties having claims of any kind against the state or any governmental agency, or against the designated nonprofit corporation, whether or not such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery or possession of the pledged receipts, or for the filing or recording of the bond proceedings by which such pledge and security interest are created or any certificate, statement, or other document with respect thereto; and the pledge of such pledged receipts and the security interest are effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation. Every pledge made and security interest granted, and every covenant and agreement made with respect thereto in the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(D) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;

(5) The investment of the proceeds of obligations and amounts on deposit in the special funds;

(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision that may be made in a trust agreement or indenture;

(8) Provisions for the use of the proceeds of repayment of education loans to acquire additional education loans;

(9) Any other or additional agreements with the holders of the obligations, the trustee therefor, or the designated nonprofit corporation, relating to the obligations or the security therefor, including the assignment of security obtained or to be obtained for education loans.

(E) The obligations and any coupons pertaining to obligations shall be in the form specified in the bond proceedings and shall be signed by or bear

the facsimile signature of the issuing authority. Any obligations or coupons may be executed by the person who, on the date of execution, is the proper issuing authority although on the date of such bonds or coupons such person was not the issuing authority. In case the issuing authority whose signature or a facsimile of whose signature appears on any such obligation or coupon ceases to be the issuing authority before delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if that official had remained the issuing authority until such delivery.

(F) All obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the issuing authority determines. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(G) Obligations may be sold at public sale or at private sale, as determined by the issuing authority in the bond proceedings.

(H) Pending preparation of definitive obligations, the issuing authority may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(I) In the discretion of the issuing authority, obligations may be secured additionally by a trust agreement or indenture between the issuing authority and a corporate trustee and, if so provided for in the bond proceedings, any other necessary or appropriate party. Any such trustee shall be a trust company, bank, or national banking association authorized to exercise trust powers within the state. Any such agreement or indenture may contain the order authorizing the issuance of the obligations, any provisions that may be contained in any bond proceedings, and other provisions which are customary or appropriate in an agreement or indenture of such type, including, but not limited to:

(1) Maintenance of each pledge, security interest, and trust agreement, indenture, or other instrument comprising part of the bond proceedings until the bond service charges on the obligations secured thereby have been fully paid, or provision therefor has been made in accordance with the bond proceedings;

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the issuing authority made as a

part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

(3) The rights and remedies of the holders of obligations and of the trustee, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(5) Such other provisions as the trustee and the issuing authority agree upon, including limitations, conditions, or qualifications relating to the education loans that may be made or acquired pursuant to the trust agreement or indenture.

(J) Any holder of obligations or a trustee under the bond proceedings, except to the extent that rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority or the director of development required by this chapter or the bond proceedings; to enjoin unlawful activities; and, in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority or the director of development in the bond proceedings, to apply to a court having jurisdiction to appoint a receiver to receive and administer the pledged receipts pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay and to provide for payment of bond service charges on such obligations and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge revenues or receipts or other income or moneys, other than pledged receipts, and excluding any power to take possession of, or cause the sale or otherwise dispose of, any property other than the pledged receipts.

Each duty of the issuing authority, of each governmental agency including the director of development, of the designated nonprofit corporation, and of any of the officers, members, or employees of any of the foregoing, undertaken pursuant to the bond proceedings or any agreement made under authority of this chapter, and each duty in every agreement by or with the issuing authority under this chapter, each governmental agency including the director of development, and the designated nonprofit corporation, is hereby established as a duty of the issuing authority, the governmental agency, or the designated nonprofit corporation, respectively,

and of each such officer, member, or employee having authority to perform such duty, specifically enjoined by the law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

The person who is at the time the issuing authority or the director of development, or the officers or employees of either of them, are not liable in their personal capacities on any obligations or any agreements of or with the issuing authority or the director of development.

(K) The issuing authority may issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued. Such obligations may be issued in amounts sufficient for payment of the principal amount of the prior obligations, any redemption premiums thereon, principal maturities of any such obligations maturing prior to the redemption of the remaining obligations on a parity therewith, interest accrued or to accrue to the maturity dates or dates of redemption of such obligations, and expenses incurred or to be incurred in connection with such issuance and such refunding, funding, and retirement. Subject to the bond proceedings therefor, the portion of proceeds of the sale of obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate account held by the trustee for such prior or new obligations or to the appropriate account in the bond service fund for such obligations. Obligations authorized under this division shall be deemed to be issued for those purposes for which such prior obligations were issued and are subject to the provisions of this section pertaining to other obligations, except as otherwise provided in this section.

(L) The authority to issue obligations under this section includes authority to issue obligations in the form of bond anticipation notes and to renew the same from time to time by the issuance of new notes. The holders of such notes or interest coupons pertaining thereto shall have a right to be paid solely from the pledged receipts and special funds that may be pledged to the payment of the bonds anticipated, or from the proceeds of such anticipated bonds or renewal notes, or both, as the issuing authority provides in the order authorizing such notes. Such notes may be additionally secured by covenants of the issuing authority and the director of development to the effect that the issuing authority and the director of development will do such or all things necessary for the issuance of such bonds or renewal notes in appropriate amounts, and apply the proceeds thereof to the extent necessary, to make full payment of the principal of and interest on such notes at the time or times contemplated, as provided in such order. For such purpose, the issuing authority shall issue bonds or renewal notes in such principal amount

and upon such terms as may be necessary to provide funds to pay, when required, the principal of and interest and any premium on such notes. Subject to this division, all provisions for and references to obligations in this section are applicable to notes authorized under this division.

The issuing authority in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for such bonds an estimated interest rate and a schedule of principal payments for such bonds and the annual maturity dates thereof, but this provision does not modify any authority in this section to pledge receipts to, to grant a security interest in those receipts for the purpose of securing, and to covenant to issue bonds to fund, the payment of principal of and interest and any premium on such notes, or to provide in the bond proceedings authorizing the issuance of the anticipated bonds interest rates and a schedule of principal payments for such bonds and the annual maturity dates thereof which differ from the estimates in the bond proceedings authorizing the issuance of such bond anticipation notes.

(M) Obligations issued under this section are lawful investments for banks; savings banks; savings and loan associations; credit union share guarantee corporations; trust companies; trustees; fiduciaries; insurance companies, including domestic for life and domestic not for life; trustees or other officers having charge of sinking and bond retirement or other special funds of the state and of subdivisions and taxing districts of the state; the commissioners of the sinking fund of the state; the administrator of workers' compensation, subject to the approval of the workers' compensation board; the state teachers retirement system; the public employees retirement system; the school employees retirement system; and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant to those provisions by any agency of the state with respect to investments by them, and are also eligible as security for the repayment of the deposit of public moneys.

(N) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges on obligations pertinent to such accounts and bond service fund and for other accounts therein within the general purposes of such fund. Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the several special funds established pursuant to this section shall be invested and disbursed as provided in the bond proceedings.

(O) The issuing authority shall pledge and grant a security interest in all, or such portion as the issuing authority determines, of the pledged receipts to the payment of bond service charges on obligations, and for the

ablishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to pledged receipts as authorized by this chapter, which provisions are controlling notwithstanding any other provisions of law pertaining thereto.

(P) The obligations, the transfer thereof, and the interest, accreted amount, and other income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation, direct or indirect, within this state.

Sec. 3377.11. Bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund and also are acceptable as security for the deposit of public moneys.

Sec. 3706.14. All air quality revenue bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, and are acceptable as security for the deposit of public moneys.

Sec. 3729.01. As used in this chapter:

(A) "Ambulatory care facility" means a facility that provides medical, diagnostic, or surgical treatment to patients who do not require hospitalization, including a dialysis center, ambulatory surgical facility, cardiac catheterization facility, diagnostic imaging center, extracorporeal shock wave lithotripsy center, home health agency, inpatient hospice, birthing center, radiation therapy center, emergency facility, and an urgent care center. "Ambulatory health care facility" does not include the private office of a physician or dentist, whether the office is for an individual or

group practice.

(B) "Beneficiary" and "third-party payer" have the same meanings as in section 3901.38 of the Revised Code.

(C) "Disability assistance medical assistance program" means the disability assistance medical assistance program established under Chapter 5115. of the Revised Code.

(D) "Emergency facility" means a hospital emergency department or any other facility that provides emergency medical services.

(E) "Global fee" means the collective cost of professional fees, outpatient or inpatient billings, pharmaceutical products, and other medical or surgical products required to ensure satisfactory outcomes for a given diagnosis.

(F) "Health care practitioner" has the same meaning as in section 4769.01 of the Revised Code.

(G) "Health care provider" means a hospital, ambulatory care facility, long-term care facility, pharmacy, emergency facility, or health care practitioner.

(H) "Hospital" has the same meaning as in section 3727.01 of the Revised Code.

(I) "Long-term care facility" means any of the following:

(1) A nursing home, residential care facility, or home for the aging, all as defined in section 3721.01 of the Revised Code;

(2) An adult care facility, as defined in section 3722.01 of the Revised Code;

(3) A nursing facility, as defined in section 5111.20 of the Revised Code;

(4) An intermediate care facility for the mentally retarded, as defined in section 5111.20 of the Revised Code;

(5) A facility or portion of a facility certified as a skilled nursing facility under Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended.

(J) "Medical assistance program" means the program established under Chapter 5111. of the Revised Code and Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended.

(K) "Medicare" means the program established under Title XVIII of the "Social Security Act."

(L) "Pharmacy" has the same meaning as in section 4729.01 of the Revised Code.

(M) "Physician" means an individual authorized under Chapter 4731. of the Revised Code to practice medicine and surgery, osteopathic medicine

and surgery, or podiatry.

(N) "Price" means the actual payment for health care services or supplies by a patient or third-party payer.

(O)(1) "Public health care program" means any program of health care benefits that is provided by the state or a political subdivision of this state, including all of the following:

(a) The program for medically handicapped children established under sections 3701.021 to 3701.028 of the Revised Code;

(b) The medical assistance program;

(c) The disability assistance medical assistance program;

(d) Health care benefits administered by the bureau of workers' compensation;

(e) Mental health services certified by the department of mental health and provided in whole or in part under contract with a community mental health board, or a board of alcohol, drug addiction, and mental health services;

(f) Health care services administered by the department of alcohol and drug addiction services or a board of alcohol, drug addiction, and mental health services;

(g) Health care services administered by the department of mental retardation and developmental disabilities or a county board of mental retardation and developmental disabilities;

(h) Health care services administered by the rehabilitation services commission;

(i) Health care services administered by the department of rehabilitation and correction;

(j) Health care services administered by the department of youth services.

(2) "Public health care program" does not mean health care coverage provided to public employees or health care benefits provided to persons receiving a pension, annuity, allowance, or benefit from the public employees retirement system, the school employees retirement system, the state teachers retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, or the state highway patrol retirement system.

Sec. 3737.947. All revenue bonds issued under sections 3737.90 to 3737.948 of the Revised Code are lawful investments of banks, societies for savings, savings and loan associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state,

the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, and are acceptable as security for the deposit of public moneys.

Sec. 4582.44. Bonds of a port authority and port authority revenue bonds issued pursuant to sections 4582.22 to 4582.59 of the Revised Code~~,~~ are lawful investments of banks, societies for savings, trust companies, savings and loan associations, deposit guaranty associations, trustees, fiduciaries, trustees or other officers having charge of the bond retirement funds or sinking funds of port authorities and political subdivisions, and taxing districts of this state, the commissioners of the sinking fund of this state, ~~of~~ the administrator of workers' compensation, the state teachers retirement system, the school employees retirement system, the public employees retirement system, the Ohio police and ~~firemen's disability and~~ fire pension fund, and insurance companies, including domestic life insurance companies and domestic insurance companies other than life, and are acceptable as security for the deposit of public moneys.

Sec. 4981.15. (A) The Ohio rail development commission, from time to time, may issue bonds in such principal amounts as the commission finds necessary to finance one or more rail service projects. Sections 9.98 to 9.983 of the Revised Code are hereby made applicable in their entirety to any bonds authorized to be issued under this chapter except as otherwise provided herein.

(B) The commission, from time to time, may issue renewal bonds, issue bonds to pay such obligations and, whenever it considers refunding expedient, refund any bonds by the issuance of bonds by the authority granted by this chapter. Except as may otherwise be expressly provided in this chapter or by the commission, every issue of its bonds or notes is an obligation of the commission payable out of the revenues and reserves created for such purposes by the commission, which are expressly pledged for such payment, without preference or priority of the first bonds issued, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues. Such pledge shall be valid and binding from the time the pledge is made and the revenues so pledged and thereafter received by the commission immediately shall be subject to the lien of such pledge without any physical delivery thereof or further act and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind, in tort, contract, or otherwise, against the commission irrespective of whether such parties have notice thereof.

(C) All such bonds shall have and are hereby declared to have all the qualities of negotiable instruments. The bonds shall be authorized by resolution of the commission, shall bear such date and shall mature at such time, in case of any such note or any renewal thereof not exceeding five years from the date of issue of such original note, and in the case of any such bond not exceeding fifty years from the date of issue, as such resolution may provide. The bonds and notes shall bear interest at such rate or rates, including variable rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be payable in such medium of payment, in such place, and be subject to such terms of redemption as otherwise set forth in this chapter as the commission may authorize. The bonds of the commission may be sold by the commission at public or private sale, at or not less than the price the commission determines. The bonds shall be executed by a voting member of the commission, selected by the commission and approved by the speaker of the house of representatives and the president of the senate, who may use a facsimile signature. The official seal of the commission, or a facsimile, shall be affixed thereto or printed thereon and attested, manually, or by facsimile signature, by the secretary-treasurer of the commission. Coupons, if any, attached thereto shall bear the signature or facsimile signature of the chairperson of the commission. In case any officer whose signature, or a facsimile of whose signature appears on any bonds, notes, or coupons ceases to be such officer before delivery of such bonds or notes, such signature or facsimile is nevertheless sufficient for all purposes the same as if the officer had remained in office until such delivery. In case the seal of the commission changes after a facsimile is imprinted on such bonds or notes, such facsimile continues to be sufficient for all purposes.

(D) Any resolution authorizing any bonds or any issue thereof may contain provisions, subject to such agreements with bondholders or noteholders as may then exist, which provisions shall be a part of the contract with the holders thereof, as to pledging all or any part of the revenues of the commission to secure the payment of the bonds of any issue thereof; the issue and disposition of revenues of the commission; the setting aside of reserve funds, sinking funds, or replacement and improvement funds and the regulation and disposition thereof; the crediting of the proceeds of the sale of bonds to and among the funds referred to and provided for in the resolution authorizing the issuance of the bonds; providing for the pledge or use of the rail development fund created by section 4981.09 of the Revised Code; the use, lease, sale, or other disposition of any assets of the commission; limitations on the purpose to

which the proceeds of the sale of bonds may be applied; the agreement of the commission to do all things necessary for the authorization, issuance, and sale of such bonds which may be issued in such amounts as may be necessary for the timely retirement of such bonds; limitation on the issuance of additional bonds which may be issued and secured; the refunding of outstanding bonds; the procedure, if any, by which the terms of any contract with bondholders or noteholders may be amended or abrogated; the amount of bonds the holders of which must consent may be given; limitations on the amount of moneys to be expended by the commission for operating, administrative, or other expenses of the commission securing any bonds by a trust agreement; and any other matter, of like or different character, which in any way affects the security or protection of the bonds.

(E) In connection with each such issuance of bonds, the commission shall establish in its name an improvement fund or funds in the name of the rail service project or projects for which the permitted loan or expenditure is to be made. The proceeds of each issue of bonds, except for any portion thereof required under the bond proceedings to be deposited in a bond service fund, bond service reserve fund, or other special fund established pursuant to the bond proceedings for such issue of bonds, shall be deposited in the designated fund, and together with any investment income thereof, shall be held in trust and applied solely to permitted bond purposes and in accordance with such bond proceedings.

(F) The right of holders of bonds issued by the commission to payment of debt service on such bonds shall be limited to the pledged receipts and special funds pledged thereto pursuant to the bond proceedings and any moneys available for such payment under any credit facility issued with respect to such bonds. The holders of such bonds shall have no right to have moneys raised by ad valorem taxation obligated or pledged, and moneys raised by ad valorem taxation shall not be obligated or pledged for the payment of debt service on bonds issued by the commission, except to the extent, if any, that the general assembly or legislative authority of qualifying subdivisions and local or regional transportation authorities that borrows moneys derived from the proceeds of such bonds pledge any moneys they raise by ad valorem taxation to the repayment of such borrowings and the moneys so raised and paid to the commission are obligated or pledged to the payment of debt service on the bonds pursuant to the bond proceedings.

(G) The bond proceedings adopted by the commission authorizing the issuance of bonds shall provide for the general purpose thereof and shall specify, or shall authorize one or more officers of the board of directors to determine, subject to limitations set forth in the bond proceedings: the

aggregate principal amount of the bonds; the form and manner of execution and authentication of the bonds; the principal maturity or maturities; whether the bonds are to bear interest at a fixed rate or rates or under a floating rate interest structure; if a fixed rate or fixed rates of interest are to be borne by the bonds, the interest rate or rates: if the bonds are to bear interest under a floating rate interest structure, the manner in which the floating rate is to be determined for each interest-rate period, the length of each interest-rate period, and the extent to which and manner in which the interest-rate period may be changed from time to time; the put arrangement or arrangements, if any, to be available to holders of the bonds; and the paying agents, remarketing agents, indexing agents, or other agents, if any, to be engaged in connection with the issuance of the bonds. The bond proceedings, either expressly or by reference to other bond proceedings thereby approved or otherwise applicable, also shall specify: the pledged receipts and the special fund or funds to be pledged to secure the payment of the debt service on the bonds; whether the pledged receipts are pledged on a basis prior or subordinate to other expenses, claims, or payments and whether other bonds have been or may be issued by the commission secured by the pledged receipts on a basis prior to or on a parity with the bonds; the credit facility or facilities, if any, to be obtained with respect to the bonds; and the rights and remedies that may be exercised by the holders of the bonds or by a trustee on their behalf upon the occurrence of an event constituting an event of default under the bond proceedings, which rights and remedies shall include, except to the extent restricted by the bond proceedings, any rights and remedies available under the laws of the state for the enforcement of the payments required under and any other agreements made in, the bond proceedings. The bond proceedings, either expressly or by reference to other bond proceedings thereby approved or otherwise applicable, also may provide for: the mandatory or optional redemption of the bonds prior to their stated maturity; limitations on the issuance of additional bonds by the commission; the investment of moneys in the improvement fund and any special funds, without regard to Chapter 131. or 135. of the Revised Code, but subject to any provisions of Chapter 4981. of the Revised Code, and the bond proceedings with respect thereto; a maximum rate of interest that bonds with a floating rate interest structure may bear, without regard to section 9.95 of the Revised Code; any restrictions not inconsistent with this chapter on the amount and terms of and security for the repayment for loans made to qualifying subdivisions, local or regional transportation authorities, or other persons from the improvement fund; and any other term, condition, or provision of or with

respect to the bonds which may be included in the bond proceedings.

(H) The revenues and any special funds pledged to the payment of debt service on bonds pursuant to the bond proceedings for such bonds and thereafter received by the commission or by an agent on behalf of the commission are immediately subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge is valid and binding against all parties having claims of any kind against the commission or against any person, qualifying subdivision, or local or regional transportation authority or municipal corporation that is an absolute obligor with respect to such bonds, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created, or any certificate, statement, or other document with respect thereto; and the pledge of such pledged receipts and special funds is effective and the moneys therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation. Every pledge, and every covenant and agreement made in the bond proceedings with respect thereto, may therein be extended to the benefit of the owners and holders of the bonds authorized to be issued under this section and to any trustee or paying agent for such owners and holders for further security of the payment of the debt service on such bonds.

(I) Each duty of the commission and of its members, directors, or officers and each duty of any other governmental agency and its officials, members, or employees undertaken pursuant to the bond proceedings or in any participation agreement is hereby established as a duty of the commission or of such qualifying subdivision or local or regional transportation authority or governmental agency and of each such member, officer, official, or employee having authority to perform such duty, specifically enjoined by law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The persons who are at the time the members, directors, officers, or employees of the commission are not liable in their personal capacities on any bonds issued by the commission or under any of the bond proceedings with respect thereto.

(J) Bonds issued under this section are lawful investments of banks, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement funds or other funds of the state and of political subdivisions and taxing districts of the state, the commissioners of the

sinking fund of the state, the industrial commission, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted by any state agency with respect to investments by them, and are also acceptable as security for the deposit of public moneys. For the purpose of causing bonds issued by the commission to be eligible for investment of interim moneys of the state or any subdivision of the state under section 135.14 of the Revised Code, but solely for that purpose, bonds issued by the commission shall be deemed to be bonds or other obligations of this state for purposes of division (B)(4) of section 135.14 of the Revised Code.

(K) The bonds issued by the commission, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the state.

(L) Any bonds which recite that they are issued pursuant to this section, which comply on their face with such section, which are issued for one or more permitted bond purposes, and for which the commission has been paid in full, shall in any action or proceeding involving their validity be conclusively deemed to have been issued, sold, executed, and delivered in conformity with law and shall be incontestable unless such action or proceeding is begun prior to the delivery of such bonds to the original purchaser or purchasers thereof.

(M) In the event that the sum of all reserves pledged to the payment of such bonds shall be less than the minimum reserve requirements established in any resolution or resolutions authorizing the issuance of such bonds, the chairperson of the commission shall certify, on or before the first day of December of each year, the amount of such deficiency to the governor for inclusion, if the governor shall so elect, of the amount of such deficiency in the budget to be submitted to the next session of the general assembly for appropriation to the commission to be pledged for payment of such bonds or notes. The general assembly shall not be required to make any appropriations so requested, and the amount of such deficiencies do not constitute a debt or liability of the state.

(N) All property of the commission is exempt from levy and sale by virtue of an execution and no execution or other judicial process may issue against the property. A judgment against the commission may not be a charge or lien upon its property. However, nothing in this section applies to or limits the rights of the holder of bonds or notes to pursue a remedy for the enforcement of a pledge or lien given by the bank on its revenues or other

money.

(O) No action to contest the validity of any bonds of the commission to be sold at public sale may be brought after the fifteenth day following the first publication of notice of the sale of the bonds. No action to contest the validity of any bond sale under this chapter may be brought after the fifth day following the bond sale.

(P) If bonds are sold at private sale, the commission may publish notice of the execution of the contract of sale of the bonds one time in a newspaper published and of general circulation in the city of Columbus. If notice is published as permitted in this division, no action to contest the validity of such bonds or notes sold at private sale may be brought after the fifteenth day following the publication of notice of the execution of the contract of sale pertaining to the bonds.

(Q) If an action challenging the bonds of the commission is not brought within the time prescribed by division (O) or (P) of this section, whichever is applicable, all bonds of the commission shall be conclusively presumed to be fully authorized and issued under the laws of the state, and a person or a qualified entity is estopped from questioning their authorization, sale, issuance, execution, or delivery by the commission.

(R) Insofar as the provisions of this section are inconsistent with the provisions of any other law, general, special, or local, the provisions of this chapter shall be controlling.

Sec. 4981.19. All bonds issued under sections 4981.11 to 4981.26 of the Revised Code are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provision of the Revised Code or rules adopted pursuant thereto by any governmental agency of the state with respect to investments by them, and are acceptable as security for the deposit of public moneys.

Sec. 5505.161. On receipt of notice from the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, or school employees retirement system of the re-employment of a retirant, the state highway patrol

retirement system shall not pay, or if paid shall recover, any amount to be forfeited by the retirant in accordance with section 145.38, 742.26, 3307.381, or 3309.341 of the Revised Code.

Sec. 5505.201. A member of the state highway patrol retirement system shall, in computing years of active service in the highway patrol under sections 5505.16, 5505.17, and 5505.18 of the Revised Code, be given full credit for time served as a police officer or firefighter covered under Chapter 742. and former Chapters 521. and 541. of the Revised Code, provided such member pays to the state highway patrol retirement system the amount received by the member under division (I) of former section 521.11, division (I) of former section 741.18, division (I) of former section 741.49, or division (G) of section 742.37 of the Revised Code, with compound interest thereon at a rate to be determined by the state highway patrol retirement board from the date of such receipt to the date of such deposit. A member may choose to purchase only part of such credit in any one payment, subject to board rules.

Upon certification by the state highway patrol retirement board to the board of trustees of the Ohio police and ~~firemen's disability and~~ fire pension fund of such payment by the member, the Ohio police and ~~firemen's disability and~~ fire pension fund shall pay from the appropriate employers' contribution fund under section 742.59 of the Revised Code to the state highway patrol retirement system an amount equal to the payment of the member.

Sec. 5505.28. (A) The state highway patrol retirement board may enter into an agreement with insurance companies, health insuring corporations, or government agencies authorized to do business in the state for issuance of a policy or contract of health, medical, hospital, or surgical benefits, or any combination thereof, for those persons receiving pensions and subscribing to the plan. Notwithstanding any other provision of this chapter, the policy or contract may also include coverage for any eligible individual's spouse and dependent children and for any of the individual's sponsored dependents as the board considers appropriate.

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

The board may contract for coverage on the basis of part or all of the cost of the coverage to be paid from appropriate funds of the state highway patrol retirement system. The cost paid from the funds of the system shall be

included in the employer's contribution rate as provided by section 5505.15 of the Revised Code.

(B) If the board provides health, medical, hospital, or surgical benefits through any means other than a health insuring corporation, it shall offer to each individual eligible for the benefits the alternative of receiving benefits through enrollment in a health insuring corporation, if all of the following apply:

(1) The health insuring corporation provides health care services in the geographical area in which the individual lives;

(2) The eligible individual was receiving health care benefits through a health maintenance organization or a health insuring corporation before retirement;

(3) The rate and coverage provided by the health insuring corporation to eligible individuals is comparable to that currently provided by the board under division (A) of this section. If the rate or coverage provided by the health insuring corporation is not comparable to that currently provided by the board under division (A) of this section, the board may deduct the additional cost from the eligible individual's monthly benefit.

The health insuring corporation shall accept as an enrollee any eligible individual who requests enrollment.

The board shall permit each eligible individual to change from one plan to another at least once a year at a time determined by the board.

(C) The board shall, beginning the month following receipt of satisfactory evidence of the payment for coverage, pay monthly to each recipient of a pension under the state highway patrol retirement system who is eligible for medical insurance coverage under part B of "The Social Security Amendments of 1965," 79 Stat. 301, 42 U.S.C.A. 1395j, as amended, an amount established by board rule not exceeding the basic premium for such coverage.

(D) The board shall establish by rule requirements for the coordination of any coverage, payment, or benefit provided under this section with any similar coverage, payment, or benefit made available to the same individual by the public employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state teachers retirement system, or school employees retirement system.

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

Sec. 5528.54. (A) The commissioners of the sinking fund are authorized to issue and sell, as provided in this section and in amounts from time to time authorized by the general assembly, general obligations of this state for

the purpose of financing or assisting in the financing of the costs of projects. The full faith and credit, revenues, and taxing power of the state are and shall be pledged to the timely payment of bond service charges on outstanding obligations, all in accordance with Section 2m of Article VIII, Ohio Constitution, and sections 5528.51 to 5528.56 of the Revised Code, and so long as such obligations are outstanding there shall be levied and collected excises, taxes, and other revenues in amounts sufficient to pay the bond service charges on such obligations and costs relating to credit enhancement facilities.

(B) Not more than two hundred twenty million dollars principal amount of obligations, plus the principal amount of obligations that in any prior fiscal years could have been, but were not issued within that two-hundred-twenty-million-dollar fiscal year limit, may be issued in any fiscal year, and not more that one billion two hundred million dollars principal amount of obligations may be outstanding at any one time, all determined as provided in sections 5528.51 to 5528.56 of the Revised Code.

(C) The state may participate in financing projects by grants, loans, or contributions to local government entities.

(D) Each issue of obligations shall be authorized by resolution of the commissioners. The bond proceedings shall provide for the principal amount or maximum principal amount of obligations of an issue, and shall provide for or authorize the manner for determining the principal maturity or maturities, not exceeding the earlier of thirty years from the date of issuance of the particular obligations or thirty years from the date the debt represented by the particular obligations was originally contracted, the interest rate or rates, the date of and the dates of payment of interest on the obligations, their denominations, and the establishment within or outside the state of a place or places of payment of bond service charges. Sections 9.96, 9.98, 9.981, 9.982, and 9.983 of the Revised Code are applicable to the obligations. The purpose of the obligations may be stated in the bond proceedings as "financing or assisting in the financing of highway capital improvement projects as provided in Section 2m of Article VIII, Ohio Constitution."

(E) The proceeds of the obligations, except for any portion to be deposited into special funds, or into escrow funds for the purpose of refunding outstanding obligations, or pursuant to section 5528.57 of the Revised Code, all as may be provided in the bond proceedings, shall be deposited into the highway capital improvement fund established by section 5528.53 of the Revised Code.

(F) The commissioners may appoint or provide for the appointment of

paying agents, bond registrars, securities depositories, and transfer agents, and may retain the services of financial advisers and accounting experts, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the judgment of the commissioners to carry out sections 5528.51 to 5528.56 of the Revised Code. Financing costs are payable, as provided in the bond proceedings, from the proceeds of the obligations, from special funds, or from other moneys available for the purpose.

(G) The bond proceedings, including any trust agreement, may contain additional provisions customary or appropriate to the financing or to the obligations or to particular obligations including, but not limited to:

(1) The redemption of obligations prior to maturity at the option of the state or of the holder or upon the occurrence of certain conditions at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) The form of and other terms of the obligations;

(3) The establishment, deposit, investment, and application of special funds, and the safeguarding of moneys on hand or on deposit, in lieu of otherwise applicable provisions of Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this section with respect to particular funds or moneys, and provided that any bank or trust company that acts as a depository of any moneys in special funds may furnish such indemnifying bonds or may pledge such securities as required by the commissioners;

(4) Any or every provision of the bond proceedings binding upon the commissioners and such state agency or local government entities, officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(5) The maintenance of each pledge, any trust agreement, or other instrument composing part of the bond proceedings until the state has fully paid or provided for the payment of the bond service charges on the obligations or met other stated conditions;

(6) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the commissioners made as part of a contract under which the obligations were issued or secured, the enforcement of such payments or agreements by mandamus, suit in equity, action at law, or any combination of the foregoing;

(7) The rights and remedies of the holders of obligations and of the trustee under any trust agreement, and provisions for protecting and enforcing them, including limitations on rights of individual holders of obligations;

(8) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(9) Provision for the funding, refunding, or advance refunding or other provision for payment of obligations that will then no longer be outstanding for purposes of sections 5528.51 to 5528.56 of the Revised Code or of the bond proceedings;

(10) Any provision that may be made in bond proceedings or a trust agreement, including provision for amendment of the bond proceedings;

(11) Any other or additional agreements with the holders of the obligations relating to any of the foregoing;

(12) Such other provisions as the commissioners determine, including limitations, conditions, or qualifications relating to any of the foregoing.

(H) The great seal of the state or a facsimile of that seal may be affixed to or printed on the obligations. The obligations requiring signatures by the commissioners shall be signed by or bear the facsimile signatures of two or more of the commissioners as provided in the bond proceedings. Any obligations may be signed by the person who, on the date of execution, is the authorized signer although on the date of such obligations such person was not a commissioner. In case the individual whose signature or a facsimile of whose signature appears on any obligation ceases to be a commissioner before delivery of the obligation, such signature or facsimile is nevertheless valid and sufficient for all purposes as if that individual had remained the member until such delivery, and in case the seal to be affixed to or printed on obligations has been changed after the seal has been affixed to or a facsimile of the seal has been printed on the obligations, that seal or facsimile seal shall continue to be sufficient as to those obligations and obligations issued in substitution or exchange therefor.

(I) The obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. Obligations may be issued in coupon or in fully registered form, or both, as the commissioners determine. Provision may be made for the registration of any obligations with coupons attached as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached of any obligations registered as to both principal and interest, and for reasonable charges for such registration,

xchange, conversion, and reconversion. Pending preparation of definitive obligations, the commissioners may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(J) Obligations may be sold at public sale or at private sale, and at such price at, above, or below par, as determined by the commissioners in the bond proceedings.

(K) In the discretion of the commissioners, obligations may be secured additionally by a trust agreement between the state and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any trust agreement may contain the resolution authorizing the issuance of the obligations, any provisions that may be contained in the bond proceedings, and other provisions that are customary or appropriate in an agreement of the type.

(L) Except to the extent that their rights are restricted by the bond proceedings, any holder of obligations, or a trustee under the bond proceedings may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by the bond proceedings. Such rights include the right to compel the performance of all duties of the commissioners and the state. Each duty of the commissioners and its employees, and of each state agency and local government entity and its officers, members, or employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the commissioners, and of each such agency, local government entity, officer, member, or employee having authority to perform such duty, specifically enjoined by the law and resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The persons who are at the time the commissioners of the sinking fund, or its employees, are not liable in their personal capacities on any obligations or any agreements of or with the commissioners relating to obligations or under the bond proceedings.

(M) The commissioners may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued. Such refunding obligations may be issued in amounts sufficient to pay or to provide for payment of the principal amount, including principal amounts maturing prior to the redemption of the remaining obligations, any redemption premium, and interest accrued or to accrue to the maturity or redemption date or dates, payable on the refunded obligations, and related financing costs and any expenses incurred or to be incurred in connection with such issuance and refunding. Subject to the applicable bond proceedings, the portion of the proceeds of the sale of

refunding obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate separate account in the bond service fund and held in trust for the purpose by the commissioners or by a corporate trustee. Obligations authorized under this division shall be considered to be issued for those purposes for which such prior obligations were issued, and, except as otherwise provided in sections 5528.51 to 5528.56 of the Revised Code pertaining to other obligations.

(N) The commissioners may authorize and issue obligations in the form of bond anticipation notes and renew those notes from time to time by the issuance of new notes. The holders of such notes or appertaining interest coupons have the right to have bond service charges on those notes paid solely from the moneys and special funds that are or may be pledged to the payment of bond service charges on those notes, including the proceeds of such bonds or renewal notes, or both, as the commissioners provide in the bond proceedings authorizing the notes. Such notes may be additionally secured by convenants of the commissioners to the effect that the commissioners and the state will do such or all things necessary for the issuance of bonds or renewal notes in the appropriate amount, and apply the proceeds thereof to the extent necessary, to make full and timely payment of the principal of and interest on such notes as provided in such bond proceedings. For such purposes, the commissioners may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide moneys to pay when due the principal of and interest on such notes. Except as otherwise provided in sections 5528.51 to 5528.56 of the Revised Code, notes authorized pursuant to this division are subject to sections 5528.51 to 5528.56 of the Revised Code pertaining to other obligations.

The commissioners in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for the bonds anticipated by such notes an estimated schedule of annual principal payments for such bonds over a period of thirty years from the earlier of the date of issuance of the notes or the date of original issuance of prior notes in anticipation of those bonds. While the notes are outstanding there shall be deposited, as shall be provided in the bond proceedings for those notes, from the sources authorized for payment of bond service charges on the bonds, amounts sufficient to pay the principal of the bonds anticipated as set forth in that estimated schedule during the time the notes are outstanding, which amounts shall be used solely to pay the principal of those notes or of the bonds anticipated.

(O) Refunding or renewal obligations issued pursuant to division (M) or (N) of this section shall not be counted against the limitation on principal amount provided for in division (B) of this section and shall be in addition to the amount authorized by the general assembly as provided for in division (A) of this section, to the extent the principal amount of those obligations does not exceed the then outstanding principal amount of the obligations to be refunded, renewed, or retired. For the purposes of this section only, the principal amount of an obligation issued to refund an outstanding obligation is the amount on which interest or interest equivalent is initially calculated and shall not be considered to include any premium paid by the initial purchaser of such obligation.

(P) Obligations are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund, the administrator of workers' compensation, subject to the approval of the workers' compensation board and the industrial commission, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(Q) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the commissioners only in notes, bonds, or other direct obligations of the United States or of any agency or instrumentality thereof, in obligations of this state or any political subdivision of this state, in certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions, in the Ohio subdivision's fund established pursuant to section 135.45 of the Revised Code, in no-front-end-load money market mutual funds consisting exclusively of direct obligations of the United States or of an agency or instrumentality thereof, and in repurchase agreements, including those issued by any fiduciary, secured by direct obligations of the United States or an agency or instrumentality thereof, and in common trust funds established in accordance with section 1109.20 of the Revised Code

and consisting exclusively of direct obligations of the United States or of an agency or instrumentality thereof, notwithstanding division (A)(4) of that section. The income from investments shall be credited to such special funds or otherwise as the commissioners determine in the bond proceedings, and the investments may be sold or exchanged at such times as the commissioners determine or authorize.

(R) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in a special fund shall be disbursed on the order of the commissioners, provided that no such order is required for the payment from the bond service fund or other special fund when due of bond service charges or required payments under credit enhancement facilities.

(S) The commissioners may covenant in the bond proceedings, and any such covenants shall be controlling notwithstanding any other provision of law, that the state and the applicable officers and agencies of the state, including the general assembly, shall, so long as any obligations are outstanding in accordance with their terms, maintain statutory authority for and cause to be charged and collected taxes, excises, and other receipts of the state so that the receipts to the bond service fund shall be sufficient in amounts to meet bond service charges and for the establishment and maintenance of any reserves and other requirements, including payment of financing costs, provided for in the bond proceedings.

(T) The obligations, and the transfer of, and the interest, interest equivalent, and other income and accreted amounts from, including any profit made on the sale, exchange, or other disposition of, the obligations shall at all times be free from taxation, direct or indirect, within the state.

Sec. 5531.10. (A) As used in this chapter:

(1) "Bond proceedings" means the resolution, order, trust agreement, indenture, lease, lease-purchase agreements, and other agreements, amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing or providing for the terms and conditions applicable to, or providing for the security or liquidity of, obligations issued pursuant to this section, and the provisions contained in such obligations.

(2) "Bond service charges" means principal, including mandatory sinking fund requirements for retirement of obligations, and interest, and redemption premium, if any, required to be paid by the state on obligations.

(3) "Bond service fund" means the applicable fund and accounts therein created for and pledged to the payment of bond service charges, which may be, or may be part of, the state infrastructure bank revenue bond service fund created by division ~~(S)~~(R) of this section including all moneys and investments, and earnings from investments, credited and to be credited

thereto.

(4) "Issuing authority" means the treasurer of state, or the officer who by law performs the functions of the treasurer of state.

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section.

(6) "Pledged receipts" means moneys accruing to the state from the lease, lease-purchase, sale, or other disposition, or use, of qualified projects, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges; and any amounts in the state infrastructure bank pledged to the payment of such charges.

(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the state infrastructure bank revenue bond service fund created by division (R) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto.

(8) "State infrastructure project" means any public transportation project undertaken by the state, including, but not limited to, all components of any such project, as described in division (D) of section 5131.09 of the Revised Code.

(B) The issuing authority, after giving written notice to the director of budget and management and upon the certification by the director of transportation to the issuing authority of the amount of moneys or additional moneys needed either for state infrastructure projects or to provide financial assistance for any of the purposes for which the state infrastructure bank may be used under section 5531.09 of the Revised Code, or needed for capitalized interest, funding reserves, and paying costs and expenses incurred in connection with the issuance, carrying, securing, paying, redeeming, or retirement of the obligations or any obligations refunded thereby, including payment of costs and expenses relating to letters of credit, lines of credit, insurance, put agreements, standby purchase agreements, indexing, marketing, remarketing and administrative arrangements, interest swap or hedging agreements, and any other credit enhancement, liquidity, remarketing, renewal, or refunding arrangements, all of which are authorized by this section, shall issue obligations of the state under this section in the required amount. The proceeds of such obligations, except for

the portion to be deposited in special funds, including reserve funds, as may be provided in the bond proceedings, shall as provided in the bond proceedings be credited to the infrastructure bank obligations fund of the state infrastructure bank created by section 5531.09 of the Revised Code. The issuing authority may appoint trustees, paying agents, transfer agents, and authenticating agents, and may retain the services of financial advisors, accounting experts, and attorneys, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the issuing authority's judgment to carry out this section. The costs of such services are payable from funds of the state infrastructure bank.

(C) The holders or owners of such obligations shall have no right to have moneys raised by taxation by the state of Ohio obligated or pledged, and moneys so raised shall not be obligated or pledged, for the payment of bond service charges. The right of such holders and owners to the payment of bond service charges is limited to all or that portion of the pledged receipts and those special funds pledged thereto pursuant to the bond proceedings for such obligations in accordance with this section, and each such obligation shall bear on its face a statement to that effect.

(D) Obligations shall be authorized by order of the issuing authority and the bond proceedings shall provide for the purpose thereof and the principal amount or amounts, and shall provide for or authorize the manner or agency for determining the principal maturity or maturities, not exceeding twenty-five years from the date of issuance, the interest rate or rates or the maximum interest rate, the date of the obligations and the dates of payment of interest thereon, their denomination, and the establishment within or without the state of a place or places of payment of bond service charges. Sections 9.98 to 9.983 of the Revised Code are applicable to obligations issued under this section. The purpose of such obligations may be stated in the bond proceedings in terms describing the general purpose or purposes to be served. The bond proceedings also shall provide, subject to the provisions of any other applicable bond proceedings, for the pledge of all, or such part as the issuing authority may determine, of the pledged receipts and the applicable special fund or funds to the payment of bond service charges, which pledges may be made either prior or subordinate to other expenses, claims, or payments, and may be made to secure the obligations on a parity with obligations theretofore or thereafter issued, if and to the extent provided in the bond proceedings. The pledged receipts and special funds so pledged and thereafter received by the state immediately are subject to the

lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledges is valid and binding against all parties having claims of any kind against the state or any governmental agency of the state, irrespective of whether such parties have notice thereof, and shall create a perfected security interest for all purposes of Chapter 1309. of the Revised Code, without the necessity for separation or delivery of funds or for the filing or recording of the bond proceedings by which such pledge is created or any certificate, statement, or other document with respect thereto; and the pledge of such pledged receipts and special funds is effective and the money therefrom and thereof may be applied to the purposes for which pledged without necessity for any act of appropriation. Every pledge, and every covenant and agreement made with respect thereto, made in the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(E) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at the option of the issuing authority at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;

(5) The deposit, investment, and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this section with respect to particular funds or moneys, provided that any bank or trust company which acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;

(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision that may be made in a trust agreement or indenture;

(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security relating to financial assistance for qualified projects under section 5531.09 of the

Revised Code.

(F) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations and any coupons pertaining to obligations shall be signed or bear the facsimile signature of the issuing authority. Any obligations or coupons may be executed by the person who, on the date of execution, is the proper issuing authority although on the date of such bonds or coupons such person was not the issuing authority. In case the issuing authority whose signature or a facsimile of whose signature appears on any such obligation or coupon ceases to be the issuing authority before delivery thereof, such signature or facsimile nevertheless is valid and sufficient for all purposes as if the former issuing authority had remained the issuing authority until such delivery; and in case the seal to be affixed to obligations has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal shall continue to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(G) All obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the issuing authority determines. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(H) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.

(I) Pending preparation of definitive obligations, the issuing authority may issue interim receipts or certificates which shall be exchanged for such definitive obligations.

(J) In the discretion of the issuing authority, obligations may be secured additionally by a trust agreement or indenture between the issuing authority and a corporate trustee which may be any trust company or bank having its principal place of business within the state. Any such agreement or indenture may contain the order authorizing the issuance of the obligations, any provisions that may be contained in any bond proceedings, and other provisions which are customary or appropriate in an agreement or indenture of such type, including, but not limited to:

(1) Maintenance of each pledge, trust agreement, indenture, or other

instrument comprising part of the bond proceedings until the state has fully paid the bond service charges on the obligations secured thereby, or provision therefor has been made;

(2) In the event of default in any payments required to be made by the bond proceedings, or any other agreement of the issuing authority made as a part of the contract under which the obligations were issued, enforcement of such payments or agreement by mandamus, the appointment of a receiver, suit in equity, action at law, or any combination of the foregoing;

(3) The rights and remedies of the holders of obligations and of the trustee, and provisions for protecting and enforcing them, including limitations on the rights of individual holders of obligations;

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen;

(5) Such other provisions as the trustee and the issuing authority agree upon, including limitations, conditions, or qualifications relating to any of the foregoing.

(K) Any holder of obligations or a trustee under the bond proceedings, except to the extent that the holder's or trustee's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority and the director of transportation required by the bond proceedings or sections 5531.09 and 5531.10 of the Revised Code; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority or the director of transportation in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the pledged receipts and special funds, other than those in the custody of the treasurer of state, which are pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the state or local governmental entities, or agencies thereof, to the payment of such principal and interest and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any project facilities.

Each duty of the issuing authority and the issuing authority's officers

and employees, and of each state or local governmental agency and its officers, members, or employees, undertaken pursuant to the bond proceedings or any loan, loan guarantee, lease, lease-purchase agreement, or other agreement made under authority of section 5531.09 of the Revised Code, and in every agreement by or with the issuing authority, is hereby established as a duty of the issuing authority, and of each such officer, member, or employee having authority to perform such duty, specifically enjoined by the law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

The person who is at the time the issuing authority, or the issuing authority's officers or employees, are not liable in their personal capacities on any obligations issued by the issuing authority or any agreements of or with the issuing authority.

(L) The issuing authority may authorize and issue obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued by the issuing authority. Such obligations may be issued in amounts sufficient for payment of the principal amount of the prior obligations, any redemption premiums thereon, principal maturities of any such obligations maturing prior to the redemption of the remaining obligations on a parity therewith, interest accrued or to accrue to the maturity dates or dates of redemption of such obligations, and any expenses incurred or to be incurred in connection with such issuance and such refunding, funding, and retirement. Subject to the bond proceedings therefor, the portion of proceeds of the sale of obligations issued under this division to be applied to bond service charges on the prior obligations shall be credited to an appropriate account held by the trustee for such prior or new obligations or to the appropriate account in the bond service fund for such obligations. Obligations authorized under this division shall be deemed to be issued for those purposes for which such prior obligations were issued and are subject to the provisions of this section pertaining to other obligations, except as otherwise provided in this section. The last maturity of obligations authorized under this division shall not be later than twenty-five years from the date of issuance of the original securities issued for the original purpose.

(M) The authority to issue obligations under this section includes authority to issue obligations in the form of bond anticipation notes and to renew the same from time to time by the issuance of new notes. The holders of such notes or interest coupons pertaining thereto shall have a right to be paid solely from the pledged receipts and special funds that may be pledged

to the payment of the bonds anticipated, or from the proceeds of such bonds or renewal notes, or both, as the issuing authority provides in the order authorizing such notes. Such notes may be additionally secured by covenants of the issuing authority to the effect that the issuing authority and the state will do such or all things necessary for the issuance of such bonds or renewal notes in the appropriate amount, and apply the proceeds thereof to the extent necessary, to make full payment of the principal of and interest on such notes at the time or times contemplated, as provided in such order. For such purpose, the issuing authority may issue bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide funds to pay when required the principal of and interest on such notes, notwithstanding any limitations prescribed by or for purposes of this section. Subject to this division, all provisions for and references to obligations in this section are applicable to notes authorized under this division.

The issuing authority in the bond proceedings authorizing the issuance of bond anticipation notes shall set forth for such bonds an estimated interest rate and a schedule of principal payments for such bonds and the annual maturity dates thereof.

(N) Obligations issued under this section are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation in accordance with the investment policy established by the workers' compensation oversight commission pursuant to section 4121.12 of the Revised Code, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any agency of the state with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

(O) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the special funds established by or pursuant to this section may be invested by or on behalf of the issuing authority only in notes, bonds, or other obligations of the United States, or of any agency or instrumentality of the United States, obligations guaranteed as to principal and interest by the United States, obligations of this state or any political subdivision of this state, and certificates of deposit of any national bank

located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions. If the law or the instrument creating a trust pursuant to division (J) of this section expressly permits investment in direct obligations of the United States or an agency of the United States, unless expressly prohibited by the instrument, such moneys also may be invested in no-front-end-load money market mutual funds consisting exclusively of obligations of the United States or an agency of the United States and in repurchase agreements, including those issued by the fiduciary itself, secured by obligations of the United States or an agency of the United States; and in collective investment funds as defined in division (A) of section 1111.01 of the Revised Code and consisting exclusively of any such securities. The income from such investments shall be credited to such funds as the issuing authority determines, and such investments may be sold at such times as the issuing authority determines or authorizes.

(P) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges on obligations pertinent to such accounts and bond service fund and for other accounts therein within the general purposes of such fund. Unless otherwise provided in any applicable bond proceedings, moneys to the credit of or in the several special funds established pursuant to this section shall be disbursed on the order of the treasurer of state, provided that no such order is required for the payment from the bond service fund when due of bond service charges on obligations.

(Q)(1) The issuing authority may pledge all, or such portion as the issuing authority determines, of the pledged receipts to the payment of bond service charges on obligations issued under this section, and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to pledged receipts as authorized by this chapter, which provisions are controlling notwithstanding any other provisions of law pertaining thereto.

(2) An action taken under division (Q)(2) of this section does not limit the generality of division (Q)(1) of this section, and is subject to division (C) of this section and, if and to the extent otherwise applicable, Section 13 of Article VIII, Ohio Constitution. The bond proceedings may contain a covenant that, in the event the pledged receipts primarily pledged and required to be used for the payment of bond service charges on obligations issued under this section, and for the establishment and maintenance of any reserves, as provided in the bond proceedings, are insufficient to make any

such payment in full when due, or to maintain any such reserve, the director of transportation shall so notify the governor, and shall determine to what extent, if any, the payment may be made or moneys may be restored to the reserves from lawfully available moneys previously appropriated for that purpose to the department of transportation. The covenant also may provide that if the payments are not made or the moneys are not immediately and fully restored to the reserves from such moneys, the director shall promptly submit to the governor and to the director of budget and management a written request for either or both of the following:

(a) That the next biennial budget submitted by the governor to the general assembly include an amount to be appropriated from lawfully available moneys to the department for the purpose of and sufficient for the payment in full of bond service charges previously due and for the full replenishment of the reserves;

(b) That the general assembly be requested to increase appropriations from lawfully available moneys for the department in the current biennium sufficient for the purpose of and for the payment in full of bond service charges previously due and to come due in the biennium and for the full replenishment of the reserves.

The director of transportation shall include with such requests a recommendation that the payment of the bond service charges and the replenishment of the reserves be made in the interest of maximizing the benefits of the state infrastructure bank. Any such covenant shall not obligate or purport to obligate the state to pay the bond service charges on such bonds or notes or to deposit moneys in a reserve established for such payments other than from moneys that may be lawfully available and appropriated for that purpose during the then-current biennium.

(R) There is hereby created the state infrastructure bank revenue bond service fund, which shall be in the custody of the treasurer of state but shall not be a part of the state treasury. All moneys received by or on account of the issuing authority or state agencies and required by the applicable bond proceedings, consistent with this section, to be deposited, transferred, or credited to the bond service fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be deposited and credited to such fund and to any separate accounts therein, subject to applicable provisions of the bond proceedings, but without necessity for any act of appropriation. The state infrastructure bank revenue bond service fund is a trust fund and is hereby pledged to the payment of bond service charges to the extent provided in the applicable bond proceedings, and payment thereof from such fund shall be made or provided for by the treasurer of

state in accordance with such bond proceedings without necessity for any act of appropriation.

(S) The obligations issued pursuant to this section, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within this state.

Sec. 5537.08. (A) The Ohio turnpike commission may provide by resolution for the issuance, at one time or from time to time, of revenue bonds of the state for the purpose of paying all or any part of the cost of any one or more turnpike projects. The bond service charges shall be payable solely from pledged revenues pledged for such payment pursuant to the applicable bond proceedings. The bonds of each issue shall be dated, shall bear interest at a rate or rates or at variable rates, and shall mature or be payable at such time or times, with a final maturity not to exceed forty years from their date or dates, all as determined by the commission in the bond proceedings. The commission shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of bond service charges.

(B) The bonds shall be signed by the ~~chairman~~ chairperson or ~~vice-chairman~~ vice-chairperson of the commission or by the facsimile signature of that officer, the official seal of the commission or a facsimile thereof shall be affixed thereto or printed thereon and attested by the secretary-treasurer of the commission, which may be by facsimile signature, and any coupons attached thereto shall bear the facsimile signature of the ~~chairman~~ chairperson or ~~vice-chairman~~ vice-chairperson of the commission. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds or coupons ceases to be such officer before delivery of bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if ~~he~~ the officer had remained in office until such delivery.

(C) Subject to the bond proceedings and provisions for registration, the bonds shall have all the qualities and incidents of negotiable instruments under Title XIII of the Revised Code. The bonds may be issued in such form or forms as the commission determines, including without limitation coupon, book entry, and fully registered form, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the exchange of bonds between forms. The commission may sell such bonds by competitive bid on the best bid after advertisement or request for bids or by private sale in the manner, and for the price, it determines to be for the best interest of the state. The

termination of the commission as to the manner of sale, by competitive bid or by private sale, shall be approved by the controlling board.

(D) The proceeds of the bonds of each issue shall be used solely for the payment of the costs of the turnpike project or projects for which such bonds were issued, and shall be disbursed in such manner and under such restrictions as the commission provides in the bond proceedings.

(E) Prior to the preparation of definitive bonds, the commission may, under like restrictions, issue interim receipts or temporary bonds or bond anticipation notes, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. The commission may provide for the replacement of any mutilated, stolen, destroyed, or lost bonds. Bonds may be issued by the commission under this chapter without obtaining the consent of any state agency, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things that are specifically required by this chapter or those proceedings.

(F) Sections 9.98 to 9.983 of the Revised Code apply to the bonds.

(G) The bond proceedings shall provide, subject to the provisions of any other applicable bond proceedings, for the pledge to the payment of bond service charges and of any costs of or relating to credit enhancement facilities of all, or such part as the commission may determine, of the pledged revenues and the applicable special fund or funds, which pledges may be made to secure the bonds on a parity with bonds theretofore or thereafter issued if and to the extent provided in the bond proceedings. Every pledge, and every covenant and agreement with respect thereto, made in the bond proceedings may in the bond proceedings be extended to the benefit of the owners and holders of bonds and to any trustee and any person providing a credit enhancement facility for those bonds, for the further security for the payment of the bond service charges and credit enhancement facility costs.

(H) The bond proceedings may contain additional provisions as to:

(1) The redemption of bonds prior to maturity at the option of the commission or of the bondholders or upon the occurrence of certain stated conditions, and at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the bonds;

(3) Limitations on the issuance of additional bonds;

(4) The terms of any trust agreement securing the bonds or under which the same may be issued;

(5) Any or every provision of the bond proceedings being binding upon

the commission and state agencies, or other person as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(6) Any provision that may be made in a trust agreement;

(7) Any other or additional agreements with the holders of the bonds, or the trustee therefor, relating to the bonds or the security for the bonds, including agreements for credit enhancement facilities.

(I) Any holder of bonds or a trustee under the bond proceedings, except to the extent that ~~his~~ the holder's or trustee's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by the bond proceedings. Those rights include the right to compel the performance of all duties of the commission and state agencies required by this chapter or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any bonds or in the performance of any covenant or agreement on the part of the commission contained in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the revenues and the pledged revenues which are pledged to the payment of the bond service charges on such bonds or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of, bond service charges on such bonds, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income, funds, or moneys of the commission or state agencies to the payment of such bond service charges and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any turnpike project or other property of the commission.

(J) Each duty of the commission and the commission's officers and employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the commission, and of each such officer, member, or employee having authority to perform the duty, specifically enjoined by law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

(K) The commission's officers or employees are not liable in their personal capacities on any bonds issued by the commission or any agreements of or with the commission relating to those bonds.

(L) The bonds are lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and

domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the state or its political subdivisions and taxing districts, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the repayment of the deposit of public moneys.

(M) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges pertinent to such accounts and bond service fund, and for other accounts therein within the general purposes of such fund.

(N) The commission may pledge all, or such portion as it determines, of the pledged revenues to the payment of bond service charges, and for the establishment and maintenance of any reserves and special funds, as provided in the bond proceedings, and make other provisions therein with respect to pledged revenues, revenues, and net revenues as authorized by this chapter, which provisions are controlling notwithstanding any other provisions of law pertaining thereto.

Sec. 5540.06. (A) The board of trustees of a transportation improvement district may provide by resolution for the issuance, at one time or from time to time, of bonds of the district for the purpose of paying all or any part of the cost of any one or more projects. The bond service charges shall be payable solely from pledged revenues pledged for such payment pursuant to the applicable bond proceedings. The bonds of each issue shall be dated, shall bear interest at a rate or rates or at variable rates, and shall mature or be payable at such time or times, with a final maturity not to exceed thirty years from their date or dates, all as determined by the board in the bond proceedings. The board shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of bond service charges.

(B) The bonds shall be signed by the chairperson or vice-chairperson of the board or by the facsimile signature of that officer, the official seal of the district or a facsimile thereof may be affixed thereto or printed thereon and attested by the secretary-treasurer of the district, which may be by facsimile signature, and any coupons attached thereto shall bear the facsimile

signature of the chairperson or vice-chairperson of the board. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds or coupons ceases to be such officer before delivery of the bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery.

(C) Subject to the bond proceedings and provisions for registration, the bonds shall have all the qualities and incidents of negotiable instruments under Title XIII of the Revised Code. The bonds may be issued in such form or forms as the board determines, including without limitation coupon, book entry, and fully registered form, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the exchange of bonds between forms. The board may sell such bonds by competitive bid on the best bid after advertisement or request for bids or by private sale in the manner, and for the price, it determines to be for the best interest of the district.

(D) The proceeds of the bonds of each issue shall be used solely for the payment of the costs of the project or projects for which the bonds were issued, and shall be disbursed in such manner and under such restrictions as the board provides in the bond proceedings.

(E) Prior to the preparation of definitive bonds, the board may, under like restrictions, issue interim receipts or temporary bonds or bond anticipation notes, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. The board may provide for the replacement of any mutilated, stolen, destroyed, or lost bonds.

(F) Sections 9.98 to 9.983 of the Revised Code apply to the bonds.

(G) The bond proceedings shall provide, subject to the provisions of any other applicable bond proceedings, for the pledge to the payment of bond service charges and of any costs of or relating to credit enhancement facilities of all, or such part as the board may determine, of the pledged revenues and the applicable special fund or funds, which pledges may be made to secure the bonds on a parity with bonds theretofore or thereafter issued if and to the extent provided in the bond proceedings. Every pledge, and every covenant and agreement with respect thereto, made in the bond proceedings may in the bond proceedings be extended to the benefit of the owners and holders of bonds and to any trustee and any person providing a credit enhancement facility for those bonds, for the further security for the payment of the bond service charges and credit enhancement facility costs.

(H) The bond proceedings may contain additional provisions as to:

(1) The redemption of bonds prior to maturity at the option of the board or of the bondholders or upon the occurrence of certain stated conditions, and at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the bonds;

(3) Limitations on the issuance of additional bonds;

(4) The terms of any trust agreement securing the bonds or under which the same may be issued;

(5) Any or every provision of the bond proceedings being binding upon the board and state agencies, or other person as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(6) Any provision that may be made in a trust agreement;

(7) Any other or additional agreements with the holders of the bonds, or the trustee therefor, relating to the bonds or the security for the bonds, including agreements for credit enhancement facilities.

(I) Any holder of bonds or a trustee under the bond proceedings, except to the extent that the holder's or trustee's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by the bond proceedings. Those rights include the right to compel the performance of all duties of the board required by this chapter or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any bonds or in the performance of any covenant or agreement on the part of the board contained in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the revenues and the pledged revenues which are pledged to the payment of the bond service charges on such bonds or that are the subject of the covenant or agreement, with full power to pay, and to provide for payment of, bond service charges on such bonds, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenue or receipts or other income, funds, or moneys of the board to the payment of such bond service charges and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any project or other property of the board.

(J) Each duty of the board and the board's officers and employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the board, and of each such officer, member, or employee having authority to perform the duty, specifically enjoined by law resulting from an

office, trust, or station within the meaning of section 2731.01 of the Revised Code.

(K) The board's officers or employees are not liable in their personal capacities on any bonds issued by the board or any agreements of or with the board relating to those bonds.

(L) The bonds are lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the state or its political subdivisions and taxing districts, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and also are acceptable as security for the repayment of the deposit of public moneys.

(M) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges pertinent to such accounts and bond service fund, and for other accounts therein within the general purposes of such fund.

(N) The board may pledge all, or such portion as it determines, of the pledged revenues to the payment of bond service charges, and for the establishment and maintenance of any reserves and special funds, as provided in the bond proceedings, and make other provisions therein with respect to pledged revenues, revenues, and net revenues as authorized by this chapter, which provisions shall be controlling notwithstanding any other provisions of law pertaining thereto.

Sec. 5705.19. This section does not apply to school districts or county school financing districts.

The taxing authority of any subdivision at any time and in any year, by vote of two-thirds of all the members of the taxing authority, may declare by resolution and certify the resolution to the board of elections not less than seventy-five days before the election upon which it will be voted that the amount of taxes that may be raised within the ten-mill limitation will be insufficient to provide for the necessary requirements of the subdivision and that it is necessary to levy a tax in excess of that limitation for any of the following purposes:

(A) For current expenses of the subdivision, except that the total levy for current expenses of a detention home district or district organized under section 2151.65 of the Revised Code shall not exceed two mills and that the total levy for current expenses of a combined district organized under sections 2151.34 and 2151.65 of the Revised Code shall not exceed four mills;

(B) For the payment of debt charges on certain described bonds, notes, or certificates of indebtedness of the subdivision issued subsequent to January 1, 1925;

(C) For the debt charges on all bonds, notes, and certificates of indebtedness issued and authorized to be issued prior to January 1, 1925;

(D) For a public library of, or supported by, the subdivision under whatever law organized or authorized to be supported;

(E) For a municipal university, not to exceed two mills over the limitation of one mill prescribed in section 3349.13 of the Revised Code;

(F) For the construction or acquisition of any specific permanent improvement or class of improvements that the taxing authority of the subdivision may include in a single bond issue;

(G) For the general construction, reconstruction, resurfacing, and repair of streets, roads, and bridges in municipal corporations, counties, or townships;

(H) For recreational purposes;

(I) For the purpose of providing and maintaining fire apparatus, appliances, buildings, or sites therefor, or sources of water supply and materials therefor, or the establishment and maintenance of lines of fire alarm telegraph, or the payment of permanent, part-time, or volunteer firefighters or fire-fighting companies to operate the same, including the payment of the ~~firefighters employer's~~ firefighter employers' contribution required under section 742.34 of the Revised Code, or to purchase ambulance equipment, or to provide ambulance, paramedic, or other emergency medical services operated by a fire department or fire-fighting company;

(J) For the purpose of providing and maintaining motor vehicles, communications, and other equipment used directly in the operation of a police department, or the payment of salaries of permanent police personnel, including the payment of the police ~~employer's~~ officer employers' contribution required under section 742.33 of the Revised Code, or the payment of the costs incurred by townships as a result of contracts made with other political subdivisions in order to obtain police protection, or to provide ambulance or emergency medical services operated by a police

department;

(K) For the maintenance and operation of a county home;

(L) For community mental retardation and developmental disabilities programs and services pursuant to Chapter 5126. of the Revised Code, except that the procedure for such levies shall be as provided in section 5705.222 of the Revised Code;

(M) For regional planning;

(N) For a county's share of the cost of maintaining and operating schools, district detention homes, forestry camps, or other facilities, or any combination thereof established under section 2151.34 or 2151.65 of the Revised Code or both of those sections;

(O) For providing for flood defense, providing and maintaining a flood wall or pumps, and other purposes to prevent floods;

(P) For maintaining and operating sewage disposal plants and facilities;

(Q) For the purpose of purchasing, acquiring, constructing, enlarging, improving, equipping, repairing, maintaining, or operating, or any combination of the foregoing, a county transit system pursuant to sections 306.01 to 306.13 of the Revised Code, or to make any payment to a board of county commissioners operating a transit system or a county transit board pursuant to section 306.06 of the Revised Code;

(R) For the subdivision's share of the cost of acquiring or constructing any schools, forestry camps, detention homes, or other facilities, or any combination thereof under section 2151.34 or 2151.65 of the Revised Code or both of those sections;

(S) For the prevention, control, and abatement of air pollution;

(T) For maintaining and operating cemeteries;

(U) For providing ambulance service, emergency medical service, or both;

(V) For providing for the collection and disposal of garbage or refuse, including yard waste;

(W) For the payment of the police ~~employer's~~ officer employers' contribution or the ~~firefighters employer's~~ firefighter employers' contribution required under sections 742.33 and 742.34 of the Revised Code;

(X) For the construction and maintenance of a drainage improvement pursuant to section 6131.52 of the Revised Code;

(Y) For providing or maintaining senior citizens services or facilities as authorized by section 307.694, 307.85, 505.70, 505.706, or division (EE) of section 717.01 of the Revised Code;

(Z) For the provision and maintenance of zoological park services and

facilities as authorized under section 307.76 of the Revised Code;

(AA) For the maintenance and operation of a free public museum of art, science, or history;

(BB) For the establishment and operation of a 9-1-1 system, as defined in section 4931.40 of the Revised Code;

(CC) For the purpose of acquiring, rehabilitating, or developing rail property or rail service. As used in this division, "rail property" and "rail service" have the same meanings as in section 4981.01 of the Revised Code. This division applies only to a county, township, or municipal corporation.

(DD) For the purpose of acquiring property for, constructing, operating, and maintaining community centers as provided for in section 755.16 of the Revised Code;

(EE) For the creation and operation of an office or joint office of economic development, for any economic development purpose of the office, and to otherwise provide for the establishment and operation of a program of economic development pursuant to sections 307.07 and 307.64 of the Revised Code;

(FF) For the purpose of acquiring, establishing, constructing, improving, equipping, maintaining, or operating, or any combination of the foregoing, a township airport, landing field, or other air navigation facility pursuant to section 505.15 of the Revised Code;

(GG) For the payment of costs incurred by a township as a result of a contract made with a county pursuant to section 505.263 of the Revised Code in order to pay all or any part of the cost of constructing, maintaining, repairing, or operating a water supply improvement;

(HH) For a board of township trustees to acquire, other than by appropriation, an ownership interest in land, water, or wetlands, or to restore or maintain land, water, or wetlands in which the board has such an interest, not for purposes of recreation, but for the purposes of protecting and preserving the natural, scenic, open, or wooded condition of the land, water, or wetlands against modification or encroachment resulting from occupation, development, or other use, which may be styled as protecting or preserving "greenspace" in the resolution, notice of election, or ballot form;

(II) For the support by a county of a crime victim assistance program that is provided and maintained by a county agency or a private, nonprofit corporation or association under section 307.62 of the Revised Code;

(JJ) For any or all of the purposes set forth in divisions (I) and (J) of this section. This division applies only to a township.

(KK) For a countywide public safety communications system under section 307.63 of the Revised Code. This division applies only to counties.

(LL) For the support by a county of criminal justice services under section 307.45 of the Revised Code;

(MM) For the purpose of maintaining and operating a jail or other detention facility as defined in section 2921.01 of the Revised Code;

(NN) For purchasing, maintaining, or improving, or any combination of the foregoing, real estate on which to hold agricultural fairs. This division applies only to a county.

(OO) For constructing, rehabilitating, repairing, or maintaining sidewalks, walkways, trails, bicycle pathways, or similar improvements, or acquiring ownership interests in land necessary for the foregoing improvements, by a board of township trustees;

(PP) For both of the purposes set forth in divisions (G) and (OO) of this section. This division applies only to a township.

(QQ) For the legislative authority of a municipal corporation, board of county commissioners of a county, or board of township trustees of a township to acquire agricultural easements, as defined in section 5301.67 of the Revised Code, and to supervise and enforce the easements.

The resolution shall be confined to the purpose or purposes described in one division of this section, to which the revenue derived therefrom shall be applied. The existence in any other division of this section of authority to levy a tax for any part or all of the same purpose or purposes does not preclude the use of such revenues for any part of the purpose or purposes of the division under which the resolution is adopted.

The resolution shall specify the amount of the increase in rate that it is necessary to levy, the purpose thereof, and the number of years during which the increase in rate shall be in effect, which may or may not include a levy upon the duplicate of the current year. The number of years may be any number not exceeding five, except as follows:

(1) When the additional rate is for the payment of debt charges, the increased rate shall be for the life of the indebtedness.

(2) When the additional rate is for any of the following, the increased rate shall be for a continuing period of time:

(a) For the current expenses for a detention home district, a district organized under section 2151.65 of the Revised Code, or a combined district organized under sections 2151.34 and 2151.65 of the Revised Code;

(b) For providing a county's share of the cost of maintaining and operating schools, district detention homes, forestry camps, or other facilities, or any combination thereof, established under section 2151.34 or 2151.65 of the Revised Code or under both of those sections.

(3) When the additional rate is for any of the following, the increased

rate may be for a continuing period of time:

(a) For the purposes set forth in division (I), (J), (U), or (KK) of this section;

(b) For the maintenance and operation of a joint recreation district;

(c) A levy imposed by a township for the purposes set forth in division (G) of this section.

(4) When the increase is for the purpose set forth in division (D) or (CC) of this section or for both of the purposes set forth in divisions (G) and (OO) of this section, the tax levy may be for any specified number of years or for a continuing period of time, as set forth in the resolution.

(5) When the additional rate is for the purpose described in division (Z) of this section, the increased rate shall be for any number of years not exceeding ten.

A levy for the purposes set forth in division (I), (J), or (U) of this section, and a levy imposed by a township for the purposes set forth in division (G) of this section, may be reduced pursuant to section 5705.261 or 5705.31 of the Revised Code. A levy for the purposes set forth in division (I), (J), or (U) of this section, and a levy imposed by a township for the purposes set forth in division (G) of this section, may also be terminated or permanently reduced by the taxing authority if it adopts a resolution stating that the continuance of the levy is unnecessary and the levy shall be terminated or that the millage is excessive and the levy shall be decreased by a designated amount.

A resolution of a detention home district, a district organized under section 2151.65 of the Revised Code, or a combined district organized under both sections 2151.34 and 2151.65 of the Revised Code may include both current expenses and other purposes, provided that the resolution shall apportion the annual rate of levy between the current expenses and other purpose or purposes. The apportionment need not be the same for each year of the levy, but the respective portions of the rate actually levied each year for the current expenses and the other purpose or purposes shall be limited by the apportionment.

Whenever a board of county commissioners, acting either as the taxing authority of its county or as the taxing authority of a sewer district or subdistrict created under Chapter 6117. of the Revised Code, by resolution declares it necessary to levy a tax in excess of the ten-mill limitation for the purpose of constructing, improving, or extending sewage disposal plants or sewage systems, the tax may be in effect for any number of years not exceeding twenty, and the proceeds thereof, notwithstanding the general provisions of this section, may be used to pay debt charges on any

obligations issued and outstanding on behalf of the subdivision for the purposes enumerated in this paragraph, provided that any such obligations have been specifically described in the resolution.

The resolution shall go into immediate effect upon its passage, and no publication of the resolution is necessary other than that provided for in the notice of election.

When the electors of a subdivision have approved a tax levy under this section, the taxing authority of the subdivision may anticipate a fraction of the proceeds of the levy and issue anticipation notes in accordance with section 5705.191 or 5705.193 of the Revised Code.

Sec. 5731.09. (A) Except as provided in division (B) of this section, the value of the gross estate includes the value of an annuity or other payment receivable by a beneficiary by reason of surviving the decedent under any form of contract or agreement under which an annuity or similar payment was payable to the decedent, or the decedent possessed the right to receive such annuity or payment, either alone or in conjunction with another, for the decedent's life or for any period not ascertainable without reference to the decedent's death, or for any period which does not in fact end before the decedent's death.

However, the value of the gross estate includes only such part of the value of the annuity or other payment receivable under the contract or agreement as is proportionate to that part of the purchase price of the contract or agreement contributed by the decedent. The value of the gross estate does not include the part of the value of the annuity or other payment as is proportionate to the part of the purchase price of the contract or agreement contributed by the employer or former employer of the decedent, whether to an employee's trust or fund forming part of a pension, annuity, retirement, bonus, or profit-sharing plan or otherwise, if the contributions were made by reason of the decedent's employment.

(B) The value of the gross estate does not include the value of a pension or annuity accruing to any person under federal employment, including service in the armed forces, or the value of an annuity or other payment from the Ohio police and ~~firemen's disability and~~ fire pension fund created by section 742.02 of the Revised Code, the ~~firemen and policemen's~~ Ohio public safety officers death benefit fund created by section 742.62 of the Revised Code, the state highway patrol retirement system created by section 5505.02 of the Revised Code, the public employees retirement system created by section 145.03 of the Revised Code, the state teachers retirement system created by section 3307.03 of the Revised Code, and the school employees retirement system created by section 3309.03 of the Revised

Code.

Sec. 5747.071. (A) As used in this section:

(1) "Retirement system" means the public employees retirement system, state teachers retirement system, school employees retirement system, Ohio police and ~~firemen's disability and~~ fire pension fund, state highway patrol retirement system, and any municipal retirement system.

(2) "Benefits" means all annuities, allowances, pensions, and other benefits paid by a retirement system.

(3) "Recipient" means any person receiving benefits from a retirement system.

(B) Any recipient may request ~~his~~ the recipient's retirement system to deduct and withhold from ~~his~~ the recipient's benefits an amount during the calendar year reasonably estimated to be equal to the tax due from the recipient under this chapter for the year with respect to ~~his~~ the recipient's benefits from the retirement system that are included in ~~his~~ the recipient's adjusted gross income. The request shall be made pursuant to an application filed with the retirement system, on a form the system shall supply, and shall include the estimate of the recipient of the amount of state income taxes that will be due in the ensuing calendar year with respect to the benefits from the retirement system.

(C) A retirement system with which an application is filed under this section, commencing with the calendar year following the year in which the application is filed, shall withhold from the benefits of the recipient an amount that equals for the calendar year, the amount of taxes that the recipient estimated would be due for the year. The amount to be withheld for a calendar year shall be apportioned throughout the calendar year.

(D) A recipient may submit an amended application to increase or decrease the amount that will be withheld by the retirement system in an ensuing year.

(E) A retirement system that withholds a portion of the benefits of a recipient under this section shall file returns and pay the amounts withheld in accordance with the requirements of section 5747.07 of the Revised Code.

(F) Every retirement system required to deduct and withhold tax from benefits pursuant to this section shall furnish to the recipient, with respect to the benefits paid to ~~him~~ the recipient during the calendar year, on or before the thirty-first day of January of the succeeding year, a written statement showing the amount of benefits deducted and withheld as state income tax, and such other information as the tax commissioner requires.

(G) A retirement system may adopt rules governing withholding under

this section.

Sec. 6121.15. All water development revenue bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the ~~public~~ school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, and are acceptable as security for the deposit of public moneys.

Sec. 6123.15. All development revenue bonds issued under this chapter are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and ~~firemen's disability and~~ fire pension fund, and are acceptable as security for the deposit of public moneys.

SECTION 2. That existing sections 9.82, 124.41, 124.42, 133.03, 133.05, 145.01, 145.012, 145.02, 145.293, 145.295, 145.30, 145.31, 145.38, 145.58, 145.581, 146.01, 154.13, 164.09, 165.08, 166.08, 171.01, 171.03, 171.05, 175.09, 306.09, 306.85, 351.11, 505.38, 709.012, 717.07, 737.15, 737.16, 737.22, 742.01, 742.02, 742.03, 742.04, 742.05, 742.06, 742.07, 742.08, 742.09, 742.10, 742.11, 742.111, 742.112, 742.12, 742.13, 742.14, 742.15, 742.16, 742.22, 742.221, 742.23, 742.24, 742.25, 742.251, 742.26, 742.27, 742.30, 742.301, 742.31, 742.311, 742.32, 742.33, 742.34, 742.35, 742.36, 742.361, 742.362, 742.37, 742.371, 742.372, 742.373, 742.374, 742.375, 742.376, 742.379, 742.3711, 742.3712, 742.3713, 742.3714, 742.3715, 742.3716, 742.3717, 742.3718, 742.3719, 742.38, 742.381, 742.39, 742.40, 742.41, 742.42, 742.43, 742.44, 742.45, 742.46, 742.461, 742.47, 742.48, 742.50, 742.51, 742.511, 742.512, 742.513, 742.514, 742.515, 742.516, 742.52, 742.521, 742.53, 742.55, 742.56, 742.57, 742.58, 742.59, 742.60,

42.61, 742.62, 742.63, 902.10, 1555.08, 1557.03, 2329.66, 2907.15, 2921.41, 3111.20, 3113.21, 3307.28, 3307.32, 3307.33, 3307.381, 3307.412, 3307.74, 3309.26, 3309.31, 3309.341, 3309.351, 3309.69, 3318.26, 3345.12, 3366.04, 3377.11, 3706.14, 3729.01, 3737.947, 4582.44, 4981.15, 4981.19, 5505.161, 5505.201, 5505.28, 5528.54, 5531.10, 5537.08, 5540.06, 5705.19, 5731.09, 5747.071, 6121.15, and 6123.15 of the Revised Code are hereby repealed.

SECTION 3. (A) Whenever the Police and Firemen's Disability and Pension Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Ohio Police and Fire Pension Fund.

(B) Whenever the Firemen's Contribution Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Firefighters' Contribution Fund.

(C) Whenever the Firemen Employers' Contribution Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Firefighter Employers' Contribution Fund.

(D) Whenever the Firemen's Pension Reserve Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Firefighters' Pension Reserve Fund.

(E) Whenever the Policemen's Contribution Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Police Officers' Contribution Fund.

(F) Whenever the Policemen Employers' Contribution Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Police Officer Employers' Contribution Fund.

(G) Whenever the Policemen's Pension Reserve Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Police Officers' Pension Reserve Fund.

(H) Whenever the Firemen and Policemen's Death Benefit Fund is referred to in any law, contract, or other document, the reference is hereby deemed to refer to the Ohio Public Safety Officers Death Benefit Fund.

SECTION 4. Section 166.08 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 538 and Am. Sub. S.B. 310 of the 121st General Assembly, with the new language of neither of the acts shown in capital letters. Section 306.09 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 7 and Am. H.B. 61 of the 121st General Assembly, with the new language of neither of the acts shown in capital letters. Section 742.311 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 670 and Am. Sub. S.B. 82 of the 121st General Assembly, with the new language of neither of the acts shown in capital letters. Section 742.41 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 627 and Am. Sub. H.B. 668 of the 121st General Assembly, with the new language of neither of the acts shown in capital letters. Section 2329.66 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 108 and Am. Sub. S.B. 170 of the 122nd General Assembly, with the new language of neither of the acts shown in capital letters. This is in recognition of the principle stated in division (B) of section 1.52 of the Revised Code that such amendments are to be harmonized where not substantively irreconcilable and constitutes a legislative finding that such is the resulting version in effect prior to the effective date of this act.

_____

Speaker _____ of the House of Representatives.

_____

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

_____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

_____

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20____.

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Secretary of State.

File No. _____ Effective Date _____