(124th General Assembly)
(Substitute Senate Bill Number 134)

AN ACT

To amend sections 742.03, 742.14, 742.351, 742.37, 742.3716, 742.46, and 742.63; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 742.43 (742.113) and 742.44 (742.101); to enact new sections 742.43 and 742.44 and sections 742.441, 742.442, 742.443, 742.444, 742.445, 742.446, and 742.447 of the Revised Code to provide for establishment of the Ohio Police and Fire Pension Fund deferred retirement option plan.

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

SECTION 1. That sections 742.03, 742.14, 742.351, 742.37, 742.3716, 742.46, and 742.63 be amended; sections 742.43 (742.113) and 742.44 (742.101) be amended, for the purpose of adopting new section numbers as indicated in parentheses; and new sections 742.43 and 742.44 and sections 742.441, 742.442, 742.443, 742.444, 742.445, 742.446, and 742.447 of the Revised Code be enacted to read as follows:

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. <u>"Firefighter retirant" does not include a member of the fund who is participating in the deferred retirement option plan established under section 742.43 of the Revised Code.</u>

(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. "Police retirant" does not include a member of the fund who is participating in the deferred retirement option plan established under section 742.43 of the Revised Code.

(B) The administration, control, and management of the Ohio police 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 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 member 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. ~~742.44~~ 742.101. The board of trustees of the Ohio police 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. ~~742.43~~ 742.113. Except as provided in sections 742.01 to 742.61 of the Revised Code, no trustee and no employee of the board of trustees of the Ohio police 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 the trustee's or employee's services. No trustee or employee of said board shall, directly or indirectly, for 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. 742.14. (A) The board of trustees of the Ohio police 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 fire pension fund as established pursuant to sections 742.01 to 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 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 police officer employers' contribution provided for by section 742.33 of the Revised Code, and the adequacy of the rate of the 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 period, 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;

(4) If the investigation required by this division includes the investigation required by division (F) of this section, a report of the result of that investigation.

The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for 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 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 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.

(F) At least once in each quinquennial period, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the deferred retirement option plan established under section 742.43 of the Revised Code. The investigation shall include an examination of the financial impact, if any, on the fund of offering the plan to members.

The actuary shall prepare a report of the actuarial investigation. The report shall include a determination of whether the plan, as established or modified, has a negative financial impact on the fund and, if so, recommendations on how to modify the plan to eliminate the negative financial impact. If the actuarial report indicates that the plan has a negative financial impact on the fund, the board may modify the plan or cease to allow members who have not already done so to elect to participate in the plan. The firefighter and police officers employers' contributions shall not be increased to offset any negative financial impact of the plan.

If the board ceases to allow members to elect to participate in the plan, the rights and obligations of members who have already elected to participate shall not be altered.

The board may include the actuarial investigation required under this division as part of the actuarial investigation required under division (C) of this section. If the report of the actuarial investigation required by this division is not included in the report required by division (C) of this section, the board shall submit the report required by this division to the Ohio retirement study 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.

Sec. 742.351. (A) On receipt of written notice of a member's election to retire under division (C) of section 742.37 of the Revised Code or to terminate active service as described in division (B) of section 742.444 of the Revised Code, the Ohio police and fire pension fund shall request from the employer verification of the member's termination date and any other

information the fund determines necessary to calculate and pay a pension under ~~that~~ division (C) of section 742.37 of the Revised Code. The request shall be on a form created by the fund and specify the date by which the information must be received by the fund, which shall be sixty days after the form is sent by the fund.

(B)(1) On receipt of a request for information under division (A) of this section, the employer shall complete the form and return it to the fund not later than the date specified by the fund.

(2) If the fund does not receive the completed form by the specified date, the fund shall send notice by certified mail to the employer that unless the completed form is received not later than thirty days after the specified date a penalty will be imposed.

(C) The fund shall assess against an employer that fails to return the completed form by the end of the period described in division (B)(2) of this section a penalty determined under section 742.353 of the Revised Code.

(D) The fund shall make one or more monthly payments to a member whose pension does not commence by the ninety-first day after the fund sends a request for information under division (A) of this section due to the employer's failure to return the completed form required under this section. Payment under this division shall commence on the first day of the second month following a month that includes a day for which an assessment against the employer is required under division (C) of this section. The payment shall be an amount equal to the penalty assessed under division (C) of this section less any administrative costs incurred by the fund in complying with this section. Payment shall continue on a monthly basis until the member receives the total amount attributable to the required penalty for an employer's failure to return the form that was requested for that member's information.

Sec. 742.37. The board of trustees of the Ohio police 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 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 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~~. Except while participating in the deferred retirement option plan established under section 742.43 of the Revised Code, upon notifying the board in writing of the election, the member 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 or a surviving spouse described in

division (D)(4) of this section 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 sixteen dollars and fifty cents.

(2) A surviving spouse of a deceased member of the fund shall receive a monthly pension of four hundred ten dollars if the surviving spouse is eligible for a benefit under 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.

(4) A surviving spouse of a deceased member of or contributor to a fund established under former Chapter 521. or 741. of the Revised Code whose benefit or pension was terminated or not paid due to remarriage shall receive a monthly pension under division (D)(1) of this section.

The pension shall commence on the first day of the month immediately following receipt by the board of a completed application on a form provided by the board and evidence acceptable to the board that at the time of death the deceased spouse was a member of or contributor to a police or firemen's relief and pension fund established under former Chapter 521. or 741. of the Revised Code and that the surviving spouse's benefits were terminated or not granted due to remarriage.

(E)(1) Each surviving child of a deceased member of the fund shall receive a monthly pension 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.

(2) An eligible surviving child shall receive a monthly pension as follows:

(a) For the period beginning July 1, 2002, and ending June 30, 2003, one hundred sixty-three dollars and fifty cents;

(b) For the period beginning July 1, 2003, and the first day of each July thereafter and continuing for the following twelve months, an amount equal to the monthly amount paid during the prior twelve-month period plus four dollars and fifty cents.

(F)(1) If a deceased member of the fund leaves no surviving spouse or surviving children, but leaves one or two parents dependent upon the deceased member for support, each parent shall be paid a monthly pension. 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.

(2) Each eligible surviving parent shall be paid a monthly pension as follows:

(a) For the period ending June 30, 2002, one hundred six dollars for each parent or two hundred twelve dollars for a sole dependent parent;

(b) For the period beginning July 1, 2002, and ending June 30, 2003, one hundred nine dollars for each parent or two hundred eighteen dollars for a sole dependent parent;

(c) For the period beginning July 1, 2003, and the first day of each July thereafter and continuing for the following twelve months, an amount equal to the monthly amount paid during the prior twelve-month period plus three dollars for each parent or six dollars for a sole dependent parent.

(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. 742.3716. (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 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. <u>This division does not apply to a member of the fund who has elected to participate in the deferred retirement option plan established under section 742.43 of the Revised Code.</u>

(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) The board of trustees of the Ohio police and fire pension fund shall annually increase all benefits payable to eligible persons by three per cent, except that 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.

The first increase is payable to all eligible persons who on July 1, 1988, have been receiving a pension or benefit for twelve months or longer. The increase 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 increase paid under this section shall be the anniversary date for future increases. The pension or benefit used in the first calculation of an increase under this section shall remain as the base for all future increases paid under this section, unless a new base is established by law.

(2) Increases paid in years subsequent to the year of the first increase paid under this section shall be paid to all eligible persons who, on the date that the increase is authorized by the board, have been receiving a pension or benefit for twelve months.

Sec. 742.43. The board of trustees of the Ohio police and fire pension fund shall establish and administer a deferred retirement option plan. In establishing and administering the plan, the board shall comply with sections 742.44 to 742.446 of the Revised Code and may do all things necessary to meet the requirements of section 401(a) of the "Internal Revenue Code of 1986," as amended, applicable to governmental plans.

The board shall adopt rules to implement this section and sections 742.44 to 742.446 of the Revised Code. The rules shall specify the date of initial implementation of the plan established under this section. The rules may also specify a period during which an election made under section 742.44 of the Revised Code may be rescinded.

Sec. 742.44. Except as provided in section 742.14 of the Revised Code, at any time prior to filing an application for retirement under division (C)(1) of section 742.37 of the Revised Code, a member who is eligible to retire under that division may elect to participate in the deferred retirement option

plan established under section 742.43 of the Revised Code.

To make an election, an eligible member shall complete and submit to the Ohio police and fire pension fund a form prescribed by the fund. At this time the member may, but is not required to, elect under section 742.3711 of the Revised Code to have the member's monthly pension calculated as a retirement allowance payable throughout the member's life or a retirement allowance that continues to a surviving beneficiary. Unless rescinded during a period specified in rules adopted under section 742.43 of the Revised Code, the election is irrevocable from the date it is received by the fund until the employee ceases to participate in the plan as provided in section 742.444 of the Revised Code.

A member is not required to specify the number of years or portion of a year the member will participate in the plan but must agree to terminate active service in a police or fire department and begin receiving the member's pension not later than the date that is eight years after the effective date of the election to participate in the plan or be subject to the forfeiture provisions of division (C) of section 742.444 of the Revised Code.

The effective date of an election made under this section is the first day of the employer's first payroll period immediately following the board's receipt of the notice of election.

Sec. 742.441. A member who makes an election under section 742.44 of the Revised Code shall continue in the active service of a police or fire department but shall not earn service credit under this chapter for employment after the election's effective date. While the member is in the active service of a police or fire department, the member shall contribute to the Ohio police and fire pension fund in accordance with section 742.31 of the Revised Code and the employer shall contribute and report in accordance with either section 742.33 or 742.34 of the Revised Code.

Neither the member nor the member's spouse and dependents are eligible for benefits under section 742.45 of the Revised Code while the member is participating in the deferred retirement option plan.

Sec. 742.442. For each member who elects to participate in the deferred retirement option plan, the Ohio police and fire pension fund shall determine under division (C)(1) of section 742.37 of the Revised Code the monthly pension amount that would be payable to the member had the member elected to receive a pension under that division. In determining the pension amount, the fund shall use the member's total service credit and average annual salary as of the last day of the employer's payroll period immediately prior to the effective date of the member's election to participate in the plan. The pension amount shall be calculated as a retirement allowance payable

for the member's life, except that, if at the time of electing to participate in the plan the member selected another plan of payment, the pension shall be calculated using the plan of payment selected.

A member who participates in the plan is not eligible to make an election under division (B) of section 742.3716 of the Revised Code.

Sec. 742.443. (A) During the period beginning on the effective date of an election to participate in the deferred retirement option plan and ending on the date participation ceases, a member's monthly pension amount determined under section 742.442 of the Revised Code shall accrue to the member's benefit. To this amount shall be added any benefit increases the member would be eligible for under division (C) of section 742.3716 of the Revised Code had the member, on the effective date of the member's election, retired under division (C)(1) of section 742.37 of the Revised Code.

(B)(1) The amounts contributed under section 742.31 of the Revised Code by a member participating in the deferred retirement option plan shall accrue to the member's benefit as follows:

(a) During the period beginning on the first day of the first payroll period after the election's effective date and ending on the earlier of the date that is two years thereafter or the date the member ceases participation in the plan, fifty per cent of the member's contributions for that period;

(b) During the period beginning on the date that is two years and one day after accruals begin under this division and ending on the earlier of the date that is three years thereafter or the date the member ceases participation in the plan, seventy-five per cent of the member's contributions for that period;

(c) During the period beginning on the date that is three years and one day after accruals begin under this section and ending on the date the member ceases participation in the plan, one hundred per cent of the member's contributions for that period.

(2) The Ohio police and fire pension fund shall credit the portion of a member's contributions that are not accrued to the member's benefit under division (B)(1) of this section to the police officers' contribution fund or firefighters' contribution fund, as appropriate.

(C) During the period beginning on the election's effective date and ending on the date the member ceases participation in the plan, the amounts described in divisions (A) and (B)(1) of this section shall earn interest at an annual rate established by the board of trustees of the fund and compounded annually using a method established by rule adopted under section 742.43 of the Revised Code.

Sec. 742.444. (A) A member's participation in the deferred retirement option plan ceases on the occurrence of the earliest of the following:

(1) Termination of the member's active service in a police or fire department;

(2) The last day of the eight-year period that begins on the effective date of the member's election to participate in the plan;

(3) Acceptance by the member of a disability benefit awarded by the board of trustees of the Ohio police and fire pension fund, unless the acceptance is revoked by the member in accordance with rules adopted by the board;

(4) The member's death.

(B) If a member terminates active service in a police or fire department not later than eight years after the effective date of the member's election to participate in the plan, all of the following apply:

(1) The member shall notify the Ohio police and fire pension fund of the date of termination on a form prescribed by the fund. The member is not eligible to make another election under section 742.44 of the Revised Code.

(2) If the member's termination of active service occurs on or after the date that is the first day of the fourth year after the effective date of the election to participate in the plan, the entire amount that has accrued to the member's benefit under the deferred retirement option plan shall be distributed to the member pursuant to the member's selection under division (B)(3) of this section. If the termination of active service occurs before the date that is four years after the effective date of the election to participate, the member shall forfeit the total amount of the interest credited under division (C) of section 742.443 of the Revised Code.

(3) The member shall select one of the following as the method of distribution of the amount to be distributed to the member:

(a) A single payment;

(b) Periodic payments as determined by the board.

The fund shall retain amounts accrued to the benefit of a member under the plan until a form specifying the method of distribution selected is filed with the fund by the member or an authorized representative of the member.

The board shall afford a member who selects periodic payments the opportunity at least once during each calendar year to change the member's selection.

(4) Distribution of the amount accrued to a member's benefit under the deferred retirement option plan shall not commence until the date that is the first day of the fourth year after the effective date of the election.

(5) The member shall select a plan of payment under section 742.3711

of the Revised Code for the pension payable to the member under division (C) of section 742.37 of the Revised Code, unless the member selected a plan of payment at the time of electing to participate in the plan. The pension shall commence on the first day of the second month following the date the employee ceases to participate in the plan.

(C) If, at the end of the eight-year period that begins on the effective date of a member's election to participate in the plan, the member has failed to terminate active service in a police or fire department, all of the following apply:

(1) No further amounts shall accrue to the member's benefit, and the member shall forfeit all amounts that have accrued to the member's benefit under section 742.443 of the Revised Code. The amounts forfeited shall be treated as if the member had continued in the active service of a police or fire department and not elected to participate in the plan.

(2) The member shall be granted service credit for the period the member was participating in the plan, and when the member's pension is calculated under section 742.37 of the Revised Code, the calculation shall be made as though the member had never participated in the plan.

(3) Further contributions, and service credit for those contributions, shall be credited as provided in sections 742.31 through 742.34 of the Revised Code.

Sec. 742.445. If a member ceases participation in the deferred retirement option plan due to acceptance by the member of a disability benefit awarded by the board of trustees of the Ohio police and fire pension fund, both of the following apply:

(A) The member shall forfeit all amounts that have accrued under section 742.443 of the Revised Code to the member's benefit under the deferred retirement option plan, and those amounts shall be treated as if the member had continued in the active service of a police or fire department and not participated in the plan.

(B) The member shall be granted service credit for the period the member was participating in the plan.

Sec. 742.446. (A) As used in this section, "killed in the line of duty" has the same meaning as in section 742.63 of the Revised Code.

(B) If a member dies while participating in the deferred retirement option plan, all of the following apply:

(1) The amounts accrued to the member's benefit shall be paid to the member's surviving spouse or, if there is no surviving spouse, the beneficiary designated by the member on a form provided by the Ohio police and fire pension fund. If there is no surviving spouse or designated

beneficiary, the amounts accrued to the member's benefit shall be paid to the member's estate. A surviving spouse or designated beneficiary may select a method of distribution described in division (B)(3) of section 742.444 of the Revised Code. Any amount payable to the member's estate shall be paid in a single payment.

(2) The surviving spouse shall receive a pension or benefit determined under division (D) of section 742.37 of the Revised Code and, if the member was killed in the line of duty, division (F) of section 742.63 of the Revised Code.

(3) If eligible, each surviving child shall receive a pension or benefit determined under division (E) of section 742.37 of the Revised Code and, if the member was killed in the line of duty, division (G) of section 742.63 of the Revised Code.

(4) If the member has no surviving spouse or surviving children, but has a parent or parents dependent on the member for support, the parent or parents shall receive a pension or benefit determined under division (F) of section 742.37 of the Revised Code and, if the member was killed in the line of duty, division (E) of section 742.63 of the Revised Code.

(5) The member's surviving spouse or contingent dependent beneficiary shall receive the greater of a retirement allowance under section 742.3714 of the Revised Code or the retirement allowance resulting from an election made by the member under section 742.3711 of the Revised Code.

(C) A pension, benefit, or allowance described in division (B) of this section is effective on the first day of the month after the member's date of death. Payments shall not commence until the board receives any documentation it requires pursuant to rules adopted by the board.

Sec. 742.447. On receipt of written notice under division (B) of section 742.444 of the Revised Code of a member's termination of active service, the Ohio police and fire pension fund shall request from the employer verification of the member's termination date and any other information the fund determines necessary to calculate and pay a pension under that division. The verification of termination shall be filed in accordance with section 742.351 of the Revised Code.

Sec. 742.46. The granting of a benefit or pension to any person under sections 742.01 to 742.61 of the Revised Code, other than a person participating in the deferred retirement option plan established under section 742.43 of the Revised Code, vests a right in such person to obtain and receive the amount of such benefit or pension granted to the person subject to sections 742.01 to 742.61 of the Revised Code. Subject to section 742.444 of the Revised Code, a person participating in the deferred

retirement option plan vests in the right to obtain and receive the amount accrued to the benefit of the person when the person ceases participating in the plan.

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. 742.63. The board of trustees of the Ohio police and fire pension fund shall adopt rules for the management of the 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 all of the following:

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

(b) A member of the state highway patrol retirement system;

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

(i) A county sheriff or deputy sheriff;

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

(iii) 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;

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

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

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

(vii) A full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation;

(viii) A full-time law enforcement officer of a conservancy district;

(ix) A correction officer at an institution under the control of a county, a group of counties, a municipal corporation, or the department of rehabilitation and correction;

(x) A state university law enforcement officer.

(d) A member of a retirement system operated by a municipal corporation who at the time of death was a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of the

municipal corporation.

(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, Chapter 521. or 741., 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 deceased member's retirement eligibility date, 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 dies or the child becomes ineligible as provided in division (H) of this section, the surviving spouse or child remaining eligible shall receive the full death benefit amount.

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

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

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

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

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

ligible 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 member's retirement eligibility date. 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)(1) The following shall receive a monthly death benefit under this division:

(a) 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;

(b) A qualified surviving spouse of a deceased member of or contributor to a police or firemen's relief and pension fund established under former Chapter 521. or 741. of the Revised Code who was a firefighter or police officer killed in the line of duty.

(2) 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 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.

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

(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 dies, 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 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 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 June 30, 1999, was a liquor control investigator, the member died prior to June 30, 1999.

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

(1) If the benefit will begin prior to the deceased member's retirement eligibility date, it shall be paid under division (B) or (D) of this section and shall terminate as provided in those divisions. A benefit paid to a surviving

spouse under division (D) of this section shall be determined in accordance with that division, even if benefits paid to surviving children are reduced as a result.

(2) If the benefit will begin on or after the deceased member's retirement eligibility date, it shall be paid under division (F) of this section and shall terminate as provided in that division. A benefit paid to a surviving spouse under division (F) of this section shall be determined in accordance with that division, even if benefits paid to surviving children are terminated as a result.

SECTION 2. That existing sections 742.03, 742.14, 742.351, 742.37, 742.3716, 742.43, 742.44, 742.46, and 742.63 of the Revised Code are hereby repealed.

_____

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____.

_____

Secretary of State.

File No. _____ Effective Date _____