

AN ACT

To amend sections 145.01, 145.016, 145.33, 145.332, 145.362, 145.384, 145.45, 145.571, 145.62, 742.03, 742.05, 3307.05, 3307.14, 3307.20, 3307.231, 3307.25, 3307.251, 3307.26, 3307.28, 3307.351, 3307.352, 3307.39, 3307.44, 3307.48, 3307.501, 3307.56, 3307.562, 3307.58, 3307.60, 3307.62, 3307.66, 3307.71, 3307.74, 3307.761, 3309.01, 3309.011, 3309.22, and 3309.671, to enact section 145.018, and to repeal sections 3307.23, 3307.241, 3307.96, 3307.97, and 3307.98 of the Revised Code to revise the laws governing the Public Employees Retirement System, the Ohio Police and Fire Pension Fund, the State Teachers Retirement System, and the School Employees Retirement System.

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

SECTION 1. That sections 145.01, 145.016, 145.33, 145.332, 145.362, 145.384, 145.45, 145.571, 145.62, 742.03, 742.05, 3307.05, 3307.14, 3307.20, 3307.231, 3307.25, 3307.251, 3307.26, 3307.28, 3307.351, 3307.352, 3307.39, 3307.44, 3307.48, 3307.501, 3307.56, 3307.562, 3307.58, 3307.60, 3307.62, 3307.66, 3307.71, 3307.74, 3307.761, 3309.01, 3309.011, 3309.22, and 3309.671 be amended and section 145.018 of the Revised Code be enacted to read as follows:

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 history connection, 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.

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

(5) A person who is an employee of the legal rights service on September 30, 2012, and continues to be employed by the nonprofit entity established under Section 319.20 of Am. Sub. H.B. 153 of the 129th general assembly. The nonprofit entity is the employer for the purpose of this chapter.

In all cases of doubt, the public employees retirement board shall determine under section 145.036, 145.037, or 145.038 of the Revised Code 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) 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 history connection, public library, county law library, union cemetery, joint hospital, institutional commissary, state medical university, 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 742.01, 3307.01, 3309.01, or 5505.01 of the Revised Code. In addition, "employer" means the employer of any public employee.

(E) "Prior military 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.

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

(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~~ sections 145.016 and 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 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. ~~For the exclusive purpose of satisfying the service credit requirement and of determining eligibility for benefits under sections 145.32, 145.33, 145.331, 145.332, 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) Not more than one year of credit may be given for any period of twelve months.

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

(I) "Regular interest" means interest at any rates for the respective funds and accounts as the public employees retirement board may determine from time to time.

(J) "Accumulated contributions" means the sum of all amounts credited to a contributor's individual account in the employees' savings fund together with any interest credited to the contributor's account under section 145.471 or 145.472 of the Revised Code.

(K)(1) "Final average salary" means the greater of the following:

(a) The sum of the member's earnable salaries for the appropriate number of calendar years of contributing service, determined under section 145.017 of the Revised Code, in which the member's earnable salary was highest, divided by the same number of calendar years or, if the member has fewer than the appropriate number of calendar years of contributing service, the total of the member's earnable salary for all years of contributing service divided by the number of calendar years of the member's contributing service;

(b) The sum of a member's earnable salaries for the appropriate number of consecutive months, determined under section 145.017 of the Revised Code, that were the member's last months of service, up to and including the last month, divided by the appropriate number of years or, if the time between the first and final months of service is less than the appropriate number of consecutive months, the total of the member's earnable salary for all months of contributing service divided by the number of years between the first and final months of contributing service, including any fraction of a year, except that the member's final average salary shall not exceed the member's highest earnable salary for any twelve consecutive months.

(2) If contributions were made in only one calendar year, "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, 145.332, 145.37, and 145.46 and former section 145.34 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 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 former division (K)(3) and former division (Y) of this section and section 145.2916 of the Revised Code.

(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), (C), or (E) of section 5923.05 of the Revised Code, Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly, Section 3 of Amended Substitute Senate Bill No. 164 of the 124th general assembly, or Amended Substitute House Bill No. 405 of the 124th 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.

(i) The portion of any amount included in section 145.2916 of the Revised Code that represents employer contributions.

(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) "Contributing service" means both of the following:

(1) 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 in accordance with section

145.016 of the Revised Code.

(2) Service credit received by election of the member under section 145.814 of the Revised Code.

(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, 145.332, and 145.46 and former section 145.34 of the Revised Code.

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

(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) "Five years of service credit," for the exclusive purpose of satisfying the service credit requirements and of determining eligibility under section 145.33 or 145.332 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.

(Z) "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; 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; 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.

(AA) "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.

(BB) "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.

(CC) "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.

(DD) "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.

(EE) "Forest-fire investigator" means a full-time employee of the department of natural resources who is appointed a forest-fire investigator under section 1503.09 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

(FF) "Natural resources officer" means a full-time employee of the department of natural resources who is appointed as a natural resources officer under section 1501.24 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

(GG) "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.

(HH) "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.

(II) "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.

(JJ) "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 fire pension fund.

(KK) "Veterans' home police officer" means any person who is employed at a 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.

(LL) "Special police officer for a mental health institution" means any person who is designated as such pursuant to section 5119.08 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

(MM) "Special police officer for an institution for persons with intellectual disabilities" 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.

(NN) "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.

(OO) "House sergeant at arms" means any person appointed by the speaker of the house of representatives under division (B)(1) of section 101.311 of the Revised Code who has arrest authority under division (E)(1) of that section.

(PP) "Assistant house sergeant at arms" means any person appointed by the house sergeant at arms under division (C)(1) of section 101.311 of the Revised Code.

(QQ) "Regional transit authority police officer" means a person who is employed full time as a regional transit authority police officer under division (Y) of section 306.35 of the Revised Code and is in compliance with section 109.77 of the Revised Code.

(RR) "State highway patrol police officer" means a special police officer employed full time

and designated by the superintendent of the state highway patrol pursuant to section 5503.09 of the Revised Code or a person serving full time as a special police officer pursuant to that section on a permanent basis on October 21, 1997, who is in compliance with section 109.77 of the Revised Code.

(SS) "Municipal public safety director" means a person who serves full time as the public safety director of a municipal corporation with the duty of directing the activities of the municipal corporation's police department and fire department.

(TT) "Bureau of criminal identification and investigation investigator" means a person who is in compliance with section 109.77 of the Revised Code and is employed full time as an investigator, as defined in section 109.541 of the Revised Code, of the bureau of criminal identification and investigation commissioned by the superintendent of the bureau as a special agent for the purpose of assisting law enforcement officers or providing emergency assistance to peace officers pursuant to authority granted under that section.

(UU) "Gaming agent" means a person who is in compliance with section 109.77 of the Revised Code and is employed full time as a gaming agent with the Ohio casino control commission pursuant to section 3772.03 of the Revised Code.

(VV) "Department of taxation investigator" means a person employed full time with the department of taxation to whom both of the following apply:

(1) The person has been delegated investigation powers pursuant to section 5743.45 of the Revised Code for the enforcement of Chapters 5728., 5735., 5739., 5741., 5743., and 5747. of the Revised Code.

(2) The person is in compliance with section 109.77 of the Revised Code.

(WW) "Special police officer for a port authority" means a person who is in compliance with section 109.77 of the Revised Code and is employed full time as a special police officer with a port authority under section 4582.04 or 4582.28 of the Revised Code.

(XX) "Special police officer for a municipal airport" means a person to whom both of the following apply:

(1) The person is employed full time as a special police officer with a municipal corporation at a municipal airport or other municipal air navigation facility that meets both of the following requirements:

(a) The airport or navigation facility has scheduled operations, as defined in 14 C.F.R. 110.2, as amended.

(b) The airport or navigation facility is required to be under a security program and is governed by aviation security rules of the transportation security administration of the United States department of transportation as provided in 49 C.F.R. parts 1542 and 1544, as amended.

(2) The person is in compliance with section 109.77 of the Revised Code.

(YY) Notwithstanding section 2901.01 of the Revised Code, "PERS law enforcement officer" means a sheriff or any of the following whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state: a deputy sheriff, township constable or police officer in a township police department or district, drug agent, department of public safety enforcement agent, natural resources law enforcement staff officer, wildlife officer, forest-fire investigator, natural resources officer, park district police officer, conservancy district officer, veterans' home police

officer, special police officer for a mental health institution, special police officer for an institution for persons with developmental disabilities, state university law enforcement officer, municipal police officer, house sergeant at arms, assistant house sergeant at arms, regional transit authority police officer, or state highway patrol police officer.

"PERS law enforcement officer" also includes a person employed as a bureau of criminal identification and investigation investigator, gaming agent, department of taxation investigator, special police officer for a port authority, or special police officer for a municipal airport who commences employment in any of those positions on or after ~~the effective date of this amendment April 6, 2017,~~ or makes the election described in section 145.334 of the Revised Code.

"PERS law enforcement officer" also includes a person serving as a municipal public safety director at any time during the period from September 29, 2005, to March 24, 2009, if the duties of that service were to preserve the peace, protect life and property, and enforce the laws of this state.

(ZZ) "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 basic training described in division (D)(1) of section 109.77 of the Revised Code.

(AAA) "PERS public safety officer" means a Hamilton county municipal court bailiff, or any of the following whose primary duties are other than to preserve the peace, protect life and property, and enforce the laws of this state: a deputy sheriff, township constable or police officer in a township police department or district, drug agent, department of public safety enforcement agent, natural resources law enforcement staff officer, wildlife officer, forest-fire investigator, natural resources officer, park district police officer, conservancy district officer, veterans' home police officer, special police officer for a mental health institution, special police officer for an institution for persons with developmental disabilities, state university law enforcement officer, municipal police officer, house sergeant at arms, assistant house sergeant at arms, regional transit authority police officer, or state highway patrol police officer.

"PERS public safety officer" also includes a person employed as a bureau of criminal identification and investigation investigator, gaming agent, department of taxation investigator, special police officer for a port authority, or special police officer for a municipal airport who commences employment in any of those positions on or after ~~the effective date of this amendment April 6, 2017,~~ or makes the election described in section 145.334 of the Revised Code.

"PERS public safety officer" also includes a person serving as a municipal public safety director at any time during the period from September 29, 2005, to March 24, 2009, if the duties of that service were other than to preserve the peace, protect life and property, and enforce the laws of this state.

(BBB) "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.

(CCC) "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.

(DDD) "PERS defined benefit plan" means the plan described in sections 145.201 to 145.79 of the Revised Code.

(EEE) "PERS defined contribution plans" means the plan or plans established under section 145.81 of the Revised Code.

Sec. 145.016. Contributing service shall be allowed in accordance with the following:

(A) For service not later than December 31, 2013, credit for any contributing service shall be allowed as follows:

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

(2) 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 with a numerator of the earnable salary during the month and a denominator of 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 (A)(2) of this section shall not reduce any credit earned before January 1, 1985.

(B) For service on or after January 1, 2014, credit for any contributing service shall be allowed in accordance with the following:

(1) For each month in which the member's earnable salary equals or exceeds the amount specified in division (B)(1)(a) or (b) of this section, as appropriate, allow one month's credit:

(a) For service on or after January 1, 2014, but not later than December 31, 2014, six hundred dollars;

(b) For each calendar year thereafter, the sum of the following:

(i) The prior year's amount;

(ii) The prior year's amount multiplied by the average percentage increase, if any, made to compensation under section 505.24 of the Revised Code, if that increase became effective in the prior year.

(2) For each month that the member's earnable salary is less than the appropriate amount specified in division (B)(1) of this section, allow a fraction of a month's credit with a numerator of the earnable salary during the month and a denominator of the amount specified in division (B)(1)(a) or (b) of this section, as appropriate.

Division (B) of this section shall not reduce any credit earned before January 1, 2014.

(C)(1) Except as provided in division (C)(2) of this section, for the purpose of satisfying the service credit requirement and determining eligibility for benefits under sections 145.32, 145.33, 145.331, 145.332, 145.35, 145.36, and 145.361 of the Revised Code, "five or more years of total service credit" means five or more years of contributing service for which credit is allowed under division (A) or (B) of this section.

(2)(a) A member who, as of the effective date of this amendment, has sixty or more calendar

months of contributions and has attained sixty years of age shall be considered to have five or more years of total service credit for the purpose of satisfying the service credit requirement and determining eligibility for benefits under sections 145.32, 145.33, 145.331, 145.332, 145.35, 145.36, and 145.361 of the Revised Code.

(b) A member who, as of the effective date of this amendment, has sixty or more calendar months of contributions and is receiving a benefit under section 145.35, 145.36, or 145.361 of the Revised Code shall be considered to have five or more years of total service credit for the purpose of satisfying the service credit requirement and determining eligibility for benefits under section 145.32, 145.33, 145.331, or 145.332 of the Revised Code.

(D) Notwithstanding any other provision 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.

Sec. 145.018. Notwithstanding section 145.016 of the Revised Code, the public employees retirement board shall grant a full year of service credit to a member of the retirement system if all of the following conditions are met:

(A) The member is employed by a county board of developmental disabilities.

(B) The member's employment is in a position that would be covered by Chapter 3309. of the Revised Code if the member was employed by a public employer as defined in section 3309.01 of the Revised Code.

(C) The member performs full-time services in the position for at least nine months of the year and is paid earnable salary in each month of that year.

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

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

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

(2)(a) For a member eligible to retire under division (A) of section 145.32 of the Revised Code, the member's allowance under division (A)(1) of this section shall be adjusted by the factors of attained age or years of service to provide the greater amount as determined by the following schedule:

		Years of	Percentage
Attained	or	Total Service	of

Birthday	Credit	Base Amount
58	25	75
59	26	80
60	27	85
61		88
	28	90
62		91
63		94
	29	95
64		97
65	30 or more	100

(b) For a member eligible to retire under division (B) or (C) of section 145.32 of the Revised Code, the member's allowance under division (A)(1) of this section shall be reduced by a percentage determined by the board's actuary based on the number of years the commencement of the allowance precedes the member's eligibility for an unreduced allowance.

(c) The actuary may use an actuarially based average percentage reduction for purposes of division (A)(2)(b) of this section.

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

Attained Birthday	Percentage of Base Amount
66	102
67	104
68	106
69	108
70 or more	110

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

- (1) Any limit established under section 145.333 of the Revised Code;
- (2) One hundred per cent of the member's final average salary;
- (3) The limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

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

If the monthly amount of a member's annual single lifetime allowance that is first payable on or after the effective date of this amendment under division (A) of this section would be less than fifty dollars, instead of a monthly payment the retirement system shall pay the greater of the following in a single payment:

(1) An amount determined under section 145.40 of the Revised Code as a refund of accumulated contributions;

(2) An amount equal to the actuarial present value of the allowance as determined by the retirement system.

Sec. 145.332. Eligibility of members of the public employees retirement system, other than those subject to section 145.32 of the Revised Code, for age and service retirement shall be determined under this section.

(A) A member of the public employees retirement system is eligible for age and service retirement under this division if, not later than five years after January 7, 2013, the member meets one of the following requirements:

(1) Has attained age forty-eight and has at least twenty-five years of total service credit as a PERS law enforcement officer;

(2) Has attained age fifty-two and has at least twenty-five years of total service credit as a PERS public safety officer or has service as a PERS public safety officer and service as a PERS law enforcement officer that when combined equal at least twenty-five years of total service credit;

(3) Has attained age sixty-two and has at least fifteen years of total service credit as a PERS law enforcement officer or PERS public safety officer.

(B)(1) A member who would be eligible to retire not later than ten years after January 7, 2013, if the requirements of section 145.33 of the Revised Code as they existed immediately prior to January 7, 2013, were still in effect is eligible to retire under this division if the member meets one of the following requirements:

(a) Has attained age fifty and has at least twenty-five years of total service credit as a PERS law enforcement officer;

(b) Has attained age fifty-four and has at least twenty-five years of total service credit as a PERS public safety officer or has service as a PERS public safety officer and service as a PERS law enforcement officer that when combined equal at least twenty-five years of total service credit;

(c) Has attained age sixty-four and has at least fifteen years of total service credit as a PERS law enforcement officer or PERS public safety officer.

(2) A member who on January 7, 2013, has twenty or more years of total service credit is eligible for age and service retirement under this division on meeting one of the requirements of division (B)(1) of this section, regardless of when the member meets the requirement unless, between January 7, 2013, and the date the member meets the requirement, the member receives a refund of accumulated contributions under section 145.40 of the Revised Code.

(C) A member who is not eligible for age and service retirement under division (A) or (B) of this section is eligible under this division if the member meets one of the following requirements:

(1) Has attained age fifty-two and has at least twenty-five years of total service credit as a PERS law enforcement officer;

(2) Has attained age fifty-six and has at least twenty-five years of total service credit as a

PERS public safety officer or has service as a PERS public safety officer and service as a PERS law enforcement officer that when combined equal at least twenty-five years of total service credit;

(3) Has attained age sixty-four and has at least fifteen years of total service credit as a PERS law enforcement officer or PERS public safety officer.

(D) Service credit purchased or obtained under this chapter shall be used in determining whether a member has the number of years of total service credit required under division (A) or (B) of this section only if the member was a member on January 7, 2013, or obtains credit under section 145.483 of the Revised Code that would have made the member a member on that date and one of the following applies:

(1) Except in the case of service credit that has been or will be purchased or obtained under section 145.295 or 145.37 of the Revised Code or is for service covered by the Cincinnati retirement system:

(a) For division (A) of this section, the service credit purchase is completed or the service credit is obtained not later than five years after January 7, 2013;

(b) For division (B) of this section, the service credit purchase is completed or the service credit is obtained not later than ten years after January 7, 2013.

(2) In the case of service credit that has been or will be purchased or obtained under section 145.295 or 145.37 of the Revised Code or is for service covered by the Cincinnati retirement system:

(a) For division (A) of this section, the service for which the credit has been or will be purchased or obtained occurs not later than five years after January 7, 2013;

(b) For division (B) of this section, the service for which the credit has been or will be purchased or obtained occurs not later than ten years after January 7, 2013.

(E)(1) A member with at least twenty-five years of total service credit who would be eligible to retire under division (B)(1)(a) of this section had the member attained age fifty and who voluntarily resigns or is discharged for any reason except death, dishonesty, cowardice, intemperate habits, or conviction of a felony, on or after attaining age forty-eight, but before attaining age fifty, may elect to receive a reduced benefit. The benefit shall be the actuarial equivalent of the allowance calculated under division (F) of this section adjusted for age.

(2) A member with at least twenty-five years of total service credit who would be eligible to retire under division (C)(1) of this section had the member attained age fifty-two and who voluntarily resigns or is discharged for any reason except death, dishonesty, cowardice, intemperate habits, or conviction of a felony, on or after attaining age forty-eight, but before attaining age fifty-two, may elect to receive a reduced benefit. The benefit shall be the actuarial equivalent of the allowance calculated under division (F) of this section adjusted for age.

(3) A member with at least twenty-five years of total service credit who would be eligible to retire under division (A)(2) of this section had the member attained age fifty-two and who voluntarily resigns or is discharged for any reason except death, dishonesty, cowardice, intemperate habits, or conviction of a felony, on or after attaining age forty-eight, but before attaining age fifty-two, may elect to receive a reduced benefit.

(a) If eligibility to make the election under division (E)(3) of this section occurs not later than five years after January 7, 2013, the benefit shall be calculated in accordance with the following schedule:

Attained Age	Reduced Benefit
48	75% of the benefit payable under division (F) of this section
49	80% of the benefit payable under division (F) of this section
50	86% of the benefit payable under division (F) of this section
51	93% of the benefit payable under division (F) of this section

(b) If eligibility to make the election occurs after the date determined under division (E)(3)(a) of this section, the benefit shall be the actuarial equivalent of the allowance calculated under division (F) of this section adjusted for age.

(4) A member with at least twenty-five years of total service credit who would be eligible to retire under division (B)(1)(b) of this section had the member attained age fifty-four and who voluntarily resigns or is discharged for any reason except death, dishonesty, cowardice, intemperate habits, or conviction of a felony, on or after attaining age forty-eight, but before attaining age fifty-four, may elect to receive a reduced benefit. The benefit shall be the actuarial equivalent of the allowance calculated under division (F) of this section adjusted for age.

(5) A member with at least twenty-five years of total service credit who would be eligible to retire under division (C)(2) of this section had the member attained age fifty-six and who voluntarily resigns or is discharged for any reason except death, dishonesty, cowardice, intemperate habits, or conviction of a felony, on or after attaining age fifty-two, but before attaining age fifty-six, may elect to receive a reduced benefit. The benefit shall be the actuarial equivalent of the allowance calculated under division (F) of this section adjusted for age.

(6) If a member elects to receive a reduced benefit under division (E)(1), (2), (3), (4), or (5) of this section, the reduced benefit shall be based on the member's age on the member's most recent birthday. Once a member elects to receive a reduced benefit and has received a payment, the member may not change that election.

(F) A benefit paid under division (A), (B), or (C) of this section shall consist of an annual single lifetime allowance equal to the sum of two and one-half per cent of the member's final average salary multiplied by the first twenty-five years of the member's total service credit plus two and one-tenth per cent of the member's final average salary multiplied by the number of years of the member's total service credit in excess of twenty-five years.

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

(1) If the member will attain age fifty-two not later than ten years after January 7, 2013, the retirement allowance shall commence on the first day of the calendar month following the month in which application is filed with the board on or after the member's attainment of age fifty-two.

(2) If the member will not attain age fifty-two on or before the date determined under division (G)(1) of this section, the retirement allowance shall commence on the first day of the calendar month following the month in which application is filed with the board on or after the member's attainment of age fifty-six.

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

(I) A member with service credit as a PERS law enforcement officer or PERS public safety officer and other service credit under this chapter may elect one of the following:

(1) To have all the member's service credit under this chapter, including credit for service as a PERS law enforcement officer or PERS public safety officer, used in calculating a retirement allowance under section 145.33 of the Revised Code if the member qualifies for an allowance under that section;

(2) If the member qualifies for an allowance under division (A)(1), (B)(1), (C)(1), or (E)(1) or (2) of this section, to receive all of the following:

(a) A benefit under division (A)(1), (B)(1), (C)(1), or (E)(1) or (2) of this section for the member's service credit as a PERS law enforcement officer;

(b) A single life annuity having a reserve equal to the amount of the member's accumulated contributions for all service other than PERS law enforcement service;

(c) A pension equal to the annuity provided under division (I)(2)(b) of this section, excluding amounts of the member's accumulated contributions deposited under former division (Y) of section 145.01 or former sections 145.02, 145.29, 145.292, and 145.42, or sections 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.299, 145.2916, 145.301, 145.47, and 145.814 of the Revised Code for the purchase of service credit.

(3) If the member qualifies for an allowance under division (A)(2), (B)(2), (C)(2), or (E)(3), (4), or (5) of this section, to receive all of the following:

(a) A benefit under division (A)(2), (B)(2), (C)(2), or (E)(3), (4), or (5) of this section for the member's service credit as a PERS law enforcement officer or PERS public safety officer;

(b) A single life annuity having a reserve equal to the amount of the member's accumulated contributions for all service other than PERS law enforcement service or PERS public safety officer service;

(c) A pension equal to the annuity provided under division (I)(3)(b) of this section, excluding amounts of the member's accumulated contributions deposited under former division (Y) of section 145.01 or former sections 145.02, 145.29, 145.292, and 145.42, or sections 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.299, 145.2916, 145.301, 145.47, and 145.814 of the Revised Code for the purchase of service credit.

(J) For the purposes of this section, "total service credit" includes credit for military service to the extent permitted by division (K) of this section and credit for service as a police officer or state highway patrol trooper to the extent permitted by division (L) of this section.

(K) Notwithstanding sections 145.01 and 145.30 of the Revised Code, not more than four years of military service credit granted or purchased under section 145.30 of the Revised Code and five years of military service credit purchased under section 145.301 or 145.302 of the Revised Code shall be used in calculating service as a PERS law enforcement officer or PERS public safety officer or the total service credit of that person.

(L)(1) Only credit for the member's service as a PERS law enforcement officer, PERS public safety officer, or service credit obtained as a police officer or state highway patrol trooper shall be used in computing the benefit of a member who qualifies for a benefit under this section for the following:

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

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

(c) Any person who originally is appointed as a township constable or police officer in a township police department or district on or after January 1, 1981;

(d) Any person who originally is employed as a county narcotics agent on or after September 26, 1984;

(e) Any person who originally is employed as an undercover drug agent as defined in section 109.79 of the Revised Code, department of public safety enforcement agent who prior to June 30, 1999, was a liquor control investigator, forest-fire investigator, natural resources officer, wildlife officer, park district police officer, conservancy district officer, veterans' home police officer, special police officer for a mental health institution, special police officer for an institution for persons with developmental disabilities, or municipal police officer on or after December 15, 1988;

(f) Any person who originally is employed as a state university law enforcement officer on or after November 6, 1996;

(g) Any person who is originally employed as a state university law enforcement officer by the university of Akron on or after September 16, 1998;

(h) Any person who originally is employed as a preserve officer on or after March 18, 1999;

(i) Any person who originally is employed as a natural resources law enforcement staff officer on or after March 18, 1999;

(j) Any person who is originally employed as a department of public safety enforcement agent on or after June 30, 1999;

(k) Any person who is originally employed as a house sergeant at arms or assistant house sergeant at arms on or after September 5, 2001;

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

(m) Any person who is originally employed as a municipal public safety director on or after September 29, 2005, but not later than March 24, 2009.

(2) Only credit for a member's service as a PERS public safety officer or service credit obtained as a PERS law enforcement officer, police officer, or state highway patrol trooper shall be used in computing the benefit of a member who qualifies for a benefit under division (B)(1)(b) or (c), (B)(2), (C)(1)(b) or (c), or (C)(2) of this section for any person who originally is employed as a

Hamilton county municipal court bailiff on or after November 6, 1996.

(M) For purposes of this section, service prior to June 30, 1999, as a food stamp trafficking agent under former section 5502.14 of the Revised Code shall be considered service as a law enforcement officer.

(N)(1) Retirement allowances determined under this section shall be paid as provided in section 145.46 of the Revised Code.

(2) If the monthly amount of a member's annual single lifetime allowance that is first payable on or after the effective date of this amendment under division (F) or (G) of this section would be less than fifty dollars, instead of a monthly payment, the retirement system shall pay the greater of the following in a single payment:

(a) An amount determined under section 145.40 of the Revised Code as a refund of accumulated contributions;

(b) An amount equal to the actuarial present value of the allowance as determined by the retirement system.

(3) If the monthly amount of a member's single life annuity that is first payable on or after the effective date of this amendment under division (I)(2) or (3) of this section for service other than PERS law enforcement service or PERS public safety service would be less than fifty dollars, instead of a monthly payment, the retirement system shall pay an amount determined under section 145.40 of the Revised Code as a refund of accumulated contributions.

(O) A member seeking to retire under this section shall file an application with the public employees retirement board.

Service retirement shall be effective as provided in division (E) of section 145.32 of the Revised Code.

(P) If fewer than one per cent of the retirement system's members are contributing as public safety officers, the board, pursuant to a rule it adopts, may treat service as a public safety officer as service as a law enforcement officer.

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

A disability benefit recipient whose application for a disability benefit is received by the system on or after January 7, 2013, shall, regardless of when the disability occurred, retain membership status and shall be considered on leave of absence from employment during the first three years following the effective date of a disability benefit, except that, if the member is receiving rehabilitative services acceptable to the board's examining physician, the board may permit the recipient to retain membership status and be considered on leave of absence from employment for up to five years following the effective date of a disability benefit.

The public employees retirement board shall require any disability benefit recipient to undergo a periodic medical examination, as determined by the board's medical consultant or as specified in rules adopted by the board. The board may waive the medical examination if the board's medical consultant certifies that the recipient's disability is ongoing or for any other reason specified

in rules adopted by the board. If any disability benefit recipient refuses to submit to a medical examination, the recipient's disability benefit shall be suspended until withdrawal of the refusal. Should the refusal continue for one year, all the recipient's rights in and to the disability benefit shall be terminated as of the effective date of the original suspension.

On completion of the examination by the board's examining physician, the physician shall report to the board's medical consultant and certify whether the disability benefit recipient meets the applicable standard for termination of a disability benefit. If the examining physician certifies that the recipient meets the applicable standard for termination of a disability benefit and the medical consultant concurs, the medical consultant shall certify to the board that the recipient meets the applicable standard for termination.

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

(B) Regardless of when the disability occurred, if the recipient's application for a disability benefit is received by the system on or after January 7, 2013, the recipient has been receiving the benefit for three years or longer, the recipient was not a PERS law enforcement officer at the time contributing service terminated, and the recipient is not receiving rehabilitative services acceptable to the board's examining physician, the standard for termination is that the recipient is not physically or mentally incapable of performing the duties of any position that meets all of the following criteria:

(1) Replaces not less than seventy-five per cent of the member's final average salary, adjusted each year by the actual average increase 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 1982-1984=100");

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

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

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

Each disability benefit recipient shall file with the board an annual statement of earnings, current medical information on the recipient's condition, and any other information required in rules adopted by the board. The board may waive the requirement that a disability benefit recipient file an annual statement of earnings or current medical information if the board's medical consultant certifies

that the recipient's disability is ongoing or for any other reason specified in rules adopted by the board.

The board shall annually examine the information submitted by the recipient. If a disability benefit recipient fails to file the statement or information, the disability benefit shall be suspended until the statement and information are filed. If the failure continues for one year, the recipient's right to the disability benefit shall be terminated as of the effective date of the original suspension.

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

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

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

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

If a former disability benefit recipient again becomes a contributor, other than as an other system retirant under section 145.38 of the Revised Code, to this system, the state teachers retirement system, or the school employees retirement system, and completes an additional two years of service credit, the former disability benefit recipient shall be entitled to full service credit, not exceeding five years' service credit, for the period as a disability benefit recipient, except that if the board adopts a rule requiring payment for the service credit it shall be granted only if the former disability benefit recipient pays an amount determined under the rule. The rule shall not require payment of more than the additional liability to the retirement system resulting from granting the credit. The former recipient may choose to purchase only part of the credit in any one payment.

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

Sec. 145.384. (A) As used in this section, "PERS retirant" means a PERS retirant who is not subject to division (C) of section 145.38 of the Revised Code. For purposes of this section, "PERS retirant" also includes both of the following:

- (1) A member who retired under section 145.383 of the Revised Code;
- (2) A retirant whose retirement allowance resumed under section 145.385 of the Revised Code.

Code.

- (B)(1) An other system retirant or PERS retirant who has made contributions under section

145.38 or 145.383 of the Revised Code or, in the case of a retirant described in division (A)(2) of this section, section 145.47 of the Revised Code may file an application with the public employees retirement system to receive either a benefit, as provided in division (B)(2) of this section, or payment of the retirant's contributions made under those sections, as provided in division (H) of this section.

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

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

(b) A PERS retirant or other system retirant who is not subject to division (B)(2)(a) of this section shall elect either to receive the benefit as a monthly annuity or a lump sum payment discounted to the present value using a rate of interest determined by the board. A retirant who elects to receive a monthly annuity shall select one of the following as the plan of payment:

(i) The retirant's single life annuity;

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

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

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

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

(2) On divorce, annulment, or marriage dissolution, a PERS retirant or other system retirant receiving a benefit described in division (B)(2) of this section under which the beneficiary is the 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 equivalent of the retirant's single life annuity as determined by the 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) Following a marriage or remarriage, a PERS retirant or other system retirant who is receiving a benefit described in division (B)(2)(b)(i) of this section may elect a new plan of payment under division (B)(2)(b) of this section based on the actuarial equivalent of the retirant's single life annuity as determined by the board.

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

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

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

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

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

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

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

(5) A date specified by the retiree.

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

(2) If at the time of death a PERS retiree or other system retiree receiving a monthly annuity under division (B)(2)(b)(i) of this section has received less than the retiree 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 retiree's beneficiary under division (G) of this section.

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

(G) A PERS retiree or other system retiree employed under section 145.38, 145.383, or 145.385 of the Revised Code may designate one or more persons as beneficiary to receive any benefits payable under division (B)(2)(b) of this section due to death. The designation shall be in writing duly executed on a form provided by the public employees retirement board, signed by the PERS retiree or other system retiree, and filed with the board prior to death. The last designation of a beneficiary revokes all previous designations. The PERS retiree's or other system retiree'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 or the beneficiary is not located within ninety days, the beneficiary shall be determined in the following

order of precedence:

- (1) Surviving spouse;
- (2) Children, share and share alike;
- (3) Parents, share and share alike;
- (4) Estate.

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

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

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

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

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

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

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

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

(A)(1) ~~If~~ Except as provided in division (A)(3) of this section, if a deceased member was eligible for a service retirement benefit as provided in section 145.33, 145.331, or 145.332 of the Revised Code, a surviving spouse or other sole dependent beneficiary may elect to receive a monthly

benefit computed as a joint-life plan under which the spouse or beneficiary receives one hundred per cent of the actuarial equivalent of the deceased member's lesser retirement allowance payable for the member's life, which the member would have received had the member retired on the last day of the month of death and had the member at that time selected such a plan. Payment shall begin with the month subsequent to the member's death, except that a surviving spouse who is less than sixty-five years old may defer receipt of such benefit. Upon receipt, the benefit shall be calculated based upon the spouse's age at the time of first payment, and shall accrue regular interest during the time of deferral.

~~(2) Beginning on a date selected by the public employees retirement board, which shall be not later than July 1, 2004~~ Except as provided in division (A)(3) of this section, a surviving spouse or other sole dependent beneficiary may elect, in lieu of a monthly payment under division (A)(1) of this section, a plan of payment consisting of both of the following:

(a) A lump sum in an amount the surviving spouse or other sole dependent beneficiary designates that constitutes a portion of the allowance that would be payable under division (A)(1) of this section;

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

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

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

(3) If the monthly amount of the single lifetime allowance of a member who dies on or after the effective date of this amendment would be less than fifty dollars, a benefit under division (A)(1) or (2) of this section shall be the greater of the following:

(a) The amount payable under section 145.43 of the Revised Code as a refund of the member's accumulated contributions;

(b) An amount equal to the actuarial present value of the member's retirement allowance as determined by the public employees retirement system.

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

(1)(a) Number		Or
of Qualified		Monthly
survivors	Annual Benefit as a Per	Benefit
affecting	Cent of Decedent's	shall not be

the benefit	Final Average Salary	less than
1	25%	\$250
2	40	400
3	50	500
4	55	500
5 or more	60	500
(b) Years of Service	Annual Benefit as a Per Cent of Member's Final Average Salary	
20	29%	
21	33	
22	37	
23	41	
24	45	
25	48	
26	51	
27	54	
28	57	
29 or more	60	

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

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

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

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

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

A spouse of a member who died prior to August 27, 1970, whose eligibility was determined at the member's death, and who is physically or mentally incompetent on or after August 20, 1976, shall be paid the monthly benefit which that person would otherwise receive when qualified by age.

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

(i) Is under age twenty-two;

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

(c) A qualified parent is a dependent parent aged sixty-five or older or regardless of age if physically or mentally incompetent, a dependent parent whose eligibility was determined by the

member's death prior to August 20, 1976, and who is physically or mentally incompetent on or after August 20, 1976, shall be paid the monthly benefit for which that person would otherwise qualify.

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

(4) Benefits to a qualified survivor shall terminate upon ceasing to meet eligibility requirements as provided in this division, a first marriage, abandonment, adoption, or during active military service. 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.

Benefits to a qualified child who is at least eighteen years of age but under twenty-two years of age that under a former version of this section never commenced or were terminated due to a lack of attendance at an institution of learning or training and not commenced or resumed before ~~the effective date of this amendment~~ April 6, 2017, shall commence or resume on the first day of the month immediately following receipt by the board of an application on a form provided by the board if the application is received on or before the date that is one year after ~~the effective date of this amendment~~ April 6, 2017. These benefits terminate on the child attaining twenty-two years of age.

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

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

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

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

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

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

(a) That the deceased member have had at least one and one-half years of contributing service

credit, with at least one-quarter year of contributing service within the two and one-half years prior to the date of death;

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

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

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

If, after determining the monthly benefits to be paid under division (B) of this section, the system receives notice that there is a qualified survivor who was not considered when the determination was made, the system shall, notwithstanding section 145.561 of the Revised Code, recalculate the monthly benefits with that qualified survivor included, even if the benefits to qualified survivors already receiving benefits are reduced as a result. The benefits shall be calculated as if the qualified survivor who is the subject of the notice became eligible on the date the notice was received and shall be paid to qualified survivors effective on the first day of the first month following the system's receipt of the notice.

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

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

(D) The final average salary used in the calculation of a benefit payable pursuant to division (A) or (B) of this section to a survivor or beneficiary of a disability benefit recipient shall be adjusted for each year between the disability benefit's effective date and the recipient's date of death by the lesser of three per cent or the actual average percentage increase 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").

(E) If the survivor benefits due and paid under this section are in a total amount less than the member's accumulated account that was transferred from the public employees' savings fund to the survivors' benefit fund, then the difference between the total amount of the benefits paid shall be paid to the beneficiary under section 145.43 of the Revised Code.

Sec. 145.571. (A) As used in this section, "alternate payee," "benefit," "lump sum payment," "participant," and "public retirement program" have the same meanings as in section 3105.80 of the

Revised Code.

(B) On receipt of an order issued under section 3105.171 or 3105.65 of the Revised Code, the public employees retirement system shall determine whether the order meets the requirements of sections 3105.80 to 3105.90 of the Revised Code. The system shall retain in the participant's record an order the system determines meets the requirements. Not later than sixty days after receipt, the system shall return to the court that issued the order any order the system determines does not meet the requirements.

(C) The system shall comply with an order retained under division (B) of this section at the following times as appropriate:

(1) If the participant has applied for or is receiving a benefit or has applied for but not yet received a lump sum payment, as soon as practicable;

(2) If the participant has not applied for a benefit or lump sum payment, on application by the participant for a benefit or lump sum payment.

(D) If the system transfers a participant's service credit or contributions made by or on behalf of a participant to a public retirement program that is not named in the order, the system shall do both of the following:

(1) Notify the court that issued the order by sending the court a copy of the order and the name and address of the public retirement program to which the transfer was made;

(2) Send a copy of the order to the public retirement program to which the transfer was made.

(E) If it receives a participant's service credit or contributions and a copy of an order as provided in division (D) of this section, the system shall administer the order as if it were the public retirement program named in the order.

(F) If a participant's benefit or lump sum payment is or will be subject to more than one order described in section 3105.81 of the Revised Code or to an order described in section 3105.81 of the Revised Code and a withholding order under section ~~3111.23 or 3113.21~~ 3121.03 of the Revised Code, the system shall, after determining that the amounts that are or will be withheld will cause the benefit or lump sum payment to fall below the limits described in section 3105.85 of the Revised Code, do all of the following:

(1) Establish, in accordance with division (G) of this section and subject to the limits described in section 3105.85 of the Revised Code, the priority in which the orders are or will be paid by the system;

(2) Reduce the amount paid to an alternate payee based on the priority established under division (F)(1) of this section;

(3) Notify, by regular mail, a participant and alternate payee of any action taken under this division.

(G) A withholding or deduction notice issued under section ~~3111.23 or 3113.21~~ 3121.03 of the Revised Code or an order described in section 3115.501 of the Revised Code has priority over all other orders and shall be complied with in accordance with child support enforcement laws. All other orders are entitled to priority in order of earliest retention by the system. The system is not to retain an order that provides for the division of property unless the order is filed in a court with jurisdiction in this state.

(H) The system is not liable in civil damages for loss resulting from any action or failure to

act in compliance with this section.

Sec. 145.62. Subject to rules adopted by the public employees retirement system under section 145.09 of the Revised Code, a contributor participating in the PERS defined benefit plan or contributing under section 145.38 or 145.383 of the Revised Code may deposit additional amounts in the employees' savings fund established under section 145.23 of the Revised Code. The additional deposits may be made either directly to the retirement system or by payroll deduction under section 145.294 of the Revised Code. The contributor shall receive in return either an annuity, as provided in section 145.64 of the Revised Code, having a reserve equal to the amount deposited or a refund under section 145.63 of the Revised Code of the amount deposited, together with earnings on the amount deposited as the public employees retirement board determines appropriate. If the annuity under the plan of payment selected by the contributor under section 145.64 of the Revised Code would be less than ~~twenty-five~~fifty dollars per month, the contributor shall receive the refund.

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 retiree.

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

(3) "Firefighter retiree" 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. "Firefighter retiree" 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.

(4) "Police retiree" 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 retiree" 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 the following members:

(1) One member, known as the treasurer of state's investment designee, who shall be appointed by the treasurer of state for a term of four years and have the following qualifications:

(a) The member is a resident of this state.

(b) Within the three years immediately preceding the appointment, the member has not been employed by the public employees retirement system, police and fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including management, analysis, supervision, or investment of assets.

(c) The member has direct experience in the management, analysis, supervision, or investment of assets.

(d) The member is not currently employed by the state or a political subdivision of the state.

(2) Two members, known as the investment expert members, who shall be appointed for four-year terms. One investment expert member shall be appointed by the governor, and one investment expert member shall be jointly appointed by the speaker of the house of representatives and the president of the senate. Each investment expert member shall have the following qualifications:

(a) Each member shall be a resident of this state.

(b) Within the three years immediately preceding the appointment, each member shall not have been employed by the public employees retirement system, police and fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including the management, analysis, supervision, or investment of assets.

(c) Each member shall have direct experience in the management, analysis, supervision, or investment of assets.

~~Any investment expert member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office until the end of such term. The 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.~~

(3) 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.

(4) 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.

(5) 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.

(D) Any ~~investment expert member~~ appointed under this section, including a member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed, holds office until the end of ~~such the term for which the member is appointed.~~ The member continues 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.~~

~~Sec. 742.05. (A) Any vacancy occurring in the term of a member of the board of trustees of the Ohio police 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.~~

~~(B)~~ Except as provided in division ~~(C)~~ (B) of this section, if a vacancy occurs in the term of an employee or retirant member of the board, all the remaining members of the board shall elect a

successor employee or retirant member. On certification of the election results in accordance with rules adopted under section 742.045 of the Revised Code, the successor member shall hold office until the first day of the new term that follows the next board election that occurs not less than ninety days after the successor member's election, or until the end of the term for which the successor member was elected, whichever is sooner; except that, the successor employee member representing firefighters who was elected to the board under this section on March 6, 2014, shall hold office until June 1, 2020, notwithstanding sections 742.03 and 742.04 of the Revised Code.

Elections under this section to fill a vacancy on the board shall be conducted in accordance with rules adopted under section 742.045 of the Revised Code.

~~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 elected or appointed member of the board 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.

~~(C)(B)~~ A successor member need not be elected under division ~~(B)(A)~~ of this section to fill a vacancy if on the day the vacancy occurs less than ninety days remain in the vacated term.

Sec. 3307.05. The state teachers retirement board shall consist of the following members:

(A) The superintendent of public instruction or a designee of the superintendent who has the following qualifications:

(1) The designee is a resident of this state.

(2) Within the three years immediately preceding the appointment, the designee has not been employed by the public employees retirement system, police and fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including the management, analysis, supervision, or investment of assets.

(3) The designee has direct experience in the management, analysis, supervision, or investment of assets.

(B) One member, known as the treasurer of state's investment designee, who shall be appointed by the treasurer of state for a term of four years and have the following qualifications:

~~(a)(1)~~ The member is a resident of this state.

~~(b)(2)~~ Within the three years immediately preceding the appointment, the member has not been employed by the public employees retirement system, police and fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including management, analysis, supervision, or investment of assets.

~~(e)(3)~~ The member has direct experience in the management, analysis, supervision, or

investment of assets.

~~(d)~~(4) The member is not currently employed by the state or a political subdivision of the state.

(C) Two members, known as the investment expert members, who shall be appointed for four-year terms. One investment expert member shall be appointed by the governor, and one investment expert member shall be jointly appointed by the speaker of the house of representatives and the president of the senate. Each investment expert member shall have the following qualifications:

~~(a)~~(1) Each member shall be a resident of this state.

~~(b)~~(2) Within the three years immediately preceding the appointment, each member shall not have been employed by the public employees retirement system, police and fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including the management, analysis, supervision, or investment of assets.

~~(c)~~(3) Each member shall have direct experience in the management, analysis, supervision, or investment of assets.

Any investment expert member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office until the end of such term. The 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 members, known as contributing members, who shall be members of the state teachers retirement system;

(E) Two former members of the system, known as retired teacher members, who shall be superannuates who are not otherwise employed in positions requiring them to make contributions to the system.

Sec. 3307.14. The state teachers retirement board shall be the trustee of certain funds hereby created as follows:

(A) The "teachers' savings fund" is the fund in which shall be accumulated the contributions deducted from the compensation of teachers participating in the STRS defined benefit plan, as provided by section 3307.26 of the Revised Code, together with the interest credited thereon. Such accumulated contributions refunded upon withdrawal, or payable to an estate or beneficiary as provided in this chapter, shall be paid from this fund. Any accumulated contributions forfeited by the failure of a contributor, an estate, or a beneficiary to claim the same shall be transferred from this fund to the guarantee fund. The accumulated contributions of a member or of a teacher who qualifies for a benefit under section 3307.35 of the Revised Code shall be transferred at the member's or teacher's retirement from the teachers' savings fund to the annuity and pension reserve fund. The accumulated contributions of a member who dies prior to superannuation retirement that are forfeited by the qualified beneficiary in exchange for monthly survivor benefits, as provided by section 3307.66 of the Revised Code, shall be transferred to the survivors' benefit fund. The accumulated contributions of a superannuate or other system retirant as defined in section 3307.35 of the Revised

Code shall be transferred to the survivors' benefit fund for payment of a lump-sum benefit to a beneficiary as provided in that section. As used in this division, "accumulated contributions" has the same meaning as in section 3307.50 of the Revised Code.

(B) The "employers' trust fund" is the fund to which the employer contribution made on behalf of a teacher participating in the STRS defined benefit plan 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 3307.35, 3307.58, 3307.59, 3307.60, 3307.63, 3307.631, 3307.66, and 3307.6912, ~~and 3307.98~~ of the Revised Code, to teachers retiring or receiving disability benefits in the future or to their qualified beneficiaries, and from which the reserves for such pensions and other benefits shall be transferred to the annuity and pension reserve fund and to the survivors' benefit fund. The balances as of August 31, 1957, in the employers accumulation fund shall be transferred to this fund. As of September 1, 1957, an additional amount shall be transferred from the employers' trust fund to the annuity and pension reserve fund in the amount required to complete the funding of the prior service, as defined in section 3307.50 of the Revised Code, and military service pensions then payable.

(C) The "annuity and pension reserve fund" is the fund from which shall be paid all annuities, pensions, and disability benefits under the STRS defined benefit plan and annuities payable under section 3307.352 of the Revised Code for which reserves have been transferred from the teachers' savings fund and the employers' trust fund.

(D) The "survivors' benefit fund" is the fund from which shall be paid the survivors' benefits provided by section 3307.66 of the Revised Code and the lump sum payment to beneficiaries as provided in section 3307.35 of the Revised Code, and to which shall be transferred from the employers' trust fund the amount required to fund all liabilities as of the end of each year.

(E) The "guarantee fund" is the fund from which interest is transferred and credited on the amounts in the funds described in divisions (A), (B), (C), and (D) 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 state teachers retirement board as trustee under section 3307.15 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 in this chapter, 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 contribution as determined by the actuary and shall be approved by the board, and the amount of such additional employer contribution shall be credited to the guarantee fund.

The board may accept gifts and bequests. Any funds that may come into the possession of the board in this manner or that may be transferred from the teachers' savings fund by reason of lack of a claimant, or any surplus in any fund created in divisions (A) to (F) of this section, or any other funds whose disposition is not otherwise provided for, shall be credited to the guarantee fund.

(F) The expense fund is the fund from which shall be paid the expenses for the administration and management of the state teachers retirement system as provided by this chapter.

(G) The "defined contribution fund" is the fund in which shall be accumulated the contributions deducted from the compensation of teachers participating in an STRS defined contribution plan, as provided in section 3307.26 of the Revised Code, together with any earnings and employer contributions credited thereon.

(H) The "health care fund" is the fund in which shall be accumulated any amounts allocated by the board for health care coverage described in section 3307.39 of the Revised Code, together with any earnings credited thereon. The fund shall be established under 26 U.S.C. 401(h) as a separate account. It is the fund from which shall be paid health care coverage made available under section 3307.39 of the Revised Code, except that payments from the fund shall be limited as provided by 26 U.S.C. 401(h).

Sec. 3307.20. (A) As used in this section:

(1) "Personal history record" means information maintained by the state teachers retirement board on an individual who is a member, former member, contributor, former contributor, retirant, or beneficiary that includes the address, electronic mail address, telephone number, social security number, record of contributions, correspondence with the state teachers retirement system, or other information the board determines to be confidential.

(2) "Retirant" has the same meaning as in section 3307.50 of the Revised Code and includes any former member receiving a benefit under an STRS defined contribution plan.

(3) "Law enforcement agency" has the same meaning as in section 149.435 of the Revised Code.

(B) The records of the board shall be open to public inspection, except for the following, which shall be excluded, except with the written authorization of the individual concerned:

(1) The individual's personal records provided for in former section 3307.23 of the Revised Code;

(2) The individual's personal history record;

(3) Any information identifying, by name and address, the amount of a monthly allowance or benefit paid to the individual.

(C)(1) All medical reports and recommendations received by the board from a member, member's physician, board-assigned physician, or other entity providing medical reports and recommendations to the board under sections 3307.48, 3307.62, and 3307.66 of the Revised Code are privileged, except as follows:

(a) Copies of medical reports or recommendations shall be made available by the board 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.

(b) Documentation required by section 2929.193 of the Revised Code shall be provided to a court holding a hearing under that section.

(2) No medical report or recommendation received by the board under section 3307.48, 3307.62, or 3307.66 of the Revised Code shall be released to the individual concerned or considered a medical record generated and maintained by a health care provider in the process of establishing a therapeutic relationship.

(D) Any person who is a member or contributor of the system shall be furnished, on written

request, with a statement of the amount to the credit of the person's account. The board need not answer more than one 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, retirant, contributor, or former contributor is subject to an order issued under section 2907.15 of the Revised Code or an order issued under division (A) or (B) of section 2929.192 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 or administrative order issued under section 3119.80, 3119.81, 3121.02, 3121.03, or 3123.06 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 written request of any person, the board shall provide to the person a complete list of the names and addresses of members, retirants, contributors, ~~or~~ and beneficiaries. The costs of compiling, copying, and mailing the list shall be paid by such person.

(4) Within fourteen days after receiving from the director of job and family services a list of the names and social security numbers of recipients of public assistance pursuant to section 5101.181 of the Revised Code, the board shall inform the auditor of state of the name, current or most recent employer address, and social security number of each member whose name and social security number are the same as 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 section 5101.181 of the Revised Code.

(5) The system shall comply with orders issued under section 3105.87 of the Revised Code.

On the written request of an alternate payee, as defined in section 3105.80 of the Revised Code, the system shall furnish to the alternate payee information on the amount and status of any amounts payable to the alternate payee under an order issued under section 3105.171 or 3105.65 of the Revised Code.

(6) At the request of any person, the board shall make available to the person copies of all documents, including resumes, in the board's possession regarding filling a vacancy of a contributing member or retired teacher member of the board. The person who made the request shall pay the cost of compiling, copying, and mailing the documents. The information described in this division is a public record.

(7) The system shall provide the notice required by section 3307.373 of the Revised Code to the prosecutor assigned to the case.

(8) The system may provide information requested by the United States social security administration, United States centers for medicare and medicaid services, Ohio public employees deferred compensation program, Ohio police and fire pension fund, school employees retirement system, public employees retirement system, state highway patrol retirement system, Cincinnati retirement system, a law enforcement agency, or a third party that the state teachers retirement system has contracted with for the purpose of administering any part of the system.

(F) A statement that contains information obtained from the system's records that is signed by an officer of the retirement system and to which the system's official seal is affixed, or copies of the system's records to which the signature and seal are attached, shall be received as true copies of the system's records in any court or before any officer of this state.

Sec. 3307.231. To the extent to which it is used in determining the liability of any fund created by section 3307.14 of the Revised Code, the state teachers retirement board shall verify the ~~statement information provided for in under~~ section 3307.23-3307.213 of the Revised Code by the best evidence it is able to obtain. If official records are not available as to the length of service of a teacher, compensation, or other information required, the board may use its discretion as to the evidence to be accepted.

Sec. 3307.25. (A) An individual who becomes a member of the state teachers retirement system on or after the date on which the state teachers retirement board establishes an STRS defined contribution plan shall make an election under this section. Not later than one hundred eighty days after the date on which employment begins, the individual shall elect to participate either in the STRS defined benefit plan or one of the STRS defined contribution plans. If a form evidencing an election under this section is not on file with the system at the end of the one-hundred-eighty-day period, the individual is deemed to have elected to participate in the STRS defined benefit plan.

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

(C) An election under this section shall take effect on the date employment began and, except as provided in division (E) of this section, is irrevocable at the end of the election period described in division (A) of this section.

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

(1) At the time employment begins, the individual is already a member or contributor participating in the STRS defined benefit plan, a former member who has previously made an election under division (E) of this section or section 3307.251 of the Revised Code, a superannuate of the system, or an other system retirant, as defined in section 3307.35 of the Revised Code;

(2) An election to participate in an alternative retirement plan under section 3305.05 or 3305.051 of the Revised Code is in effect for employment covered by the system.

(E) A member who elected under division (A) of this section to participate in an STRS defined contribution plan may make an election to cease participation in the plan elected and participate in the STRS defined benefit plan or in another STRS defined contribution plan. The election must be made, on a form provided by the system, not later than the first day of June preceding the first day of July following the fourth anniversary of the commencement of the member's participation in the original plan.

An election made under this division takes effect on the first day of July following the election.

(F)(1) When a member elects under division (E) of this section to change from an STRS defined contribution plan to the STRS defined benefit plan the system shall do all of the following:

(a) Transfer from the member's account in the defined contribution fund to an account in the teachers' savings fund the sum of the following:

(i) An amount equal to the contributions made pursuant to section 3307.26 of the Revised Code;

(ii) Any supplemental contributions made by the member;

(iii) Any earnings from supplemental contributions.

(b) Transfer from the defined contribution fund to the employers' trust fund the sum of the following:

(i) An amount equal to the contributions made pursuant to section 3307.28 of the Revised Code;

(ii) Any amount remaining in the member's account in the defined contribution fund after the transfers described in divisions (F)(1)(a) and (b)(i) of this section are made.

(c) Grant service credit in accordance with rules adopted under section 3307.53 of the Revised Code.

(2) If the amount in the member's account in the defined contribution fund is less than the amount the member would have had in an account in the teachers' savings fund had the member elected to participate in the STRS defined benefit plan, the system shall transfer from the guarantee fund established under section 3307.14 of the Revised Code to the teachers' savings fund the amount necessary to make the transfer required by division (F)(1)(a)(i) of this section.

(3) Except for service credit granted under division (F)(1)(c) of this section, a member who begins participation in the STRS defined benefit plan pursuant to division (E) of this section shall have the same rights and privileges under the plan as a member who never had made an election to participate in an STRS defined contribution plan.

Sec. 3307.251. As used in this section, "accumulated contributions" and "total service credit" have the same meanings as in section 3307.50 of the Revised Code.

(A) A member of the state teachers retirement system who, as of the thirtieth day of June immediately preceding the date on which the system establishes an STRS defined contribution plan, has less than five years of total service credit is eligible to make an election under this section.

Not later than one hundred eighty days after the day the state teachers retirement board first establishes an STRS defined contribution plan, an eligible member may elect to participate in such a plan. If an election is not made, a member to whom this section applies is deemed to have elected to continue participating in the STRS defined benefit plan.

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

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

(1) Credit to the account of the member in the defined contribution fund the accumulated contributions standing to the member's credit in the teachers' savings fund, plus interest at a rate determined by the board;

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

(D) An election under this section shall be irrevocable at the end of the election period described in division (A) of this section.

Sec. 3307.26. (A) Each teacher shall contribute a certain per cent of the teacher's earned compensation, except that the per cent shall be not greater than fourteen per cent of the teacher's

compensation. The per cent shall be as follows:

- (1) For compensation earned not later than June 30, 2013, ten per cent;
- (2) For compensation earned on or after July 1, 2013, but not later than June 30, 2014, eleven per cent;
- (3) For compensation earned on or after July 1, 2014, but not later than June 30, 2015, twelve per cent;
- (4) For compensation earned on or after July 1, 2015, but not later than June 30, 2016, thirteen per cent;
- (5) For compensation earned on or after July 1, 2016, fourteen per cent;
- (6) For compensation earned on or after July 1, 2017, the state teachers retirement board may reduce the rate to less than fourteen per cent if the board's actuary determines in its annual actuarial valuation required by section 3307.51 of the Revised Code or in other evaluations conducted under that section that a reduction in the rate does not materially impair the fiscal integrity of the retirement system.

(B) For teachers participating in the STRS defined benefit plan, contributions shall be deposited in the teachers' savings fund. For teachers participating in an STRS defined contribution plan, contributions shall be deposited in the defined contribution fund. Contributions made pursuant to this section shall not exceed the limits established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

~~(C) The contribution for all teachers shall be deducted by the employer on each payroll in an amount equal to the applicable per cent of the teachers' paid compensation for such payroll period or other period as the board may approve. All contributions on paid compensation for teachers participating in an STRS defined contribution plan shall be remitted at intervals required by the state teachers retirement system under section 3307.86 of the Revised Code. All contributions on earned compensation for teachers participating in the STRS defined benefit plan shall be remitted to the state teachers retirement system by the thirtieth day of June of each year. Each school district shall encumber sufficient moneys by the thirtieth day of June of each year to account for the difference, if any, that may exist between contributions that would be withheld based upon compensation earned by a teacher during the year ending the thirtieth day of June and the contributions withheld based upon compensation paid to the teacher for the year. Deductions from payroll for contributions under this section, on an annual basis, shall not exceed eight per cent or other percentage established by the board authorized by this section.~~

(D) At retirement under the STRS defined benefit plan, or upon a member's death prior to retirement under that plan, if contributions have been made after September 1, 1959, in excess of the contributions normally required to provide the retirement or survivor benefit, the excess contributions may be refunded to the member, to the member's beneficiary, or to the member's estate in a lump sum, or may be used to provide additional income.

(E) The board may determine with regard to any member participating in the STRS defined benefit plan whether the limits established by division (D) of section 3307.58 of the Revised Code have resulted in exclusion from use in the calculation of benefits under section 3307.58, 3307.59, or 3307.60 of the Revised Code of any compensation on which contributions have been made under this section. The board may adopt rules in accordance with section 111.15 of the Revised Code providing

for the disposition of contributions attributable to such compensation and may dispose of the contributions in accordance with those rules. Any disposition of contributions made by the board in accordance with the rules shall be final.

(F) The deductions under this section shall be made even though the minimum compensation provided by law for any teacher shall be reduced thereby. Every teacher shall be deemed to consent to the deductions made. Payment less the deductions shall be a complete discharge and acquittance of all claims and demands for the services rendered by the person during the period covered by the payment.

(G) Additional deposits may be made to a member's account in the teachers' savings fund or defined contribution fund, subject to rules of the board. At retirement, the amount deposited with interest may be used to provide additional annuity income. The additional deposits may be refunded to the member before retirement, and shall be refunded if the member withdraws the member's refundable account. The deposits may be refunded to the beneficiary or estate if the member dies before retirement.

Sec. 3307.28. Each employer shall pay ~~annually~~ to the state teachers retirement system an amount ~~certified by the secretary~~ which shall be a certain per cent of the earnable compensation of all members, and which shall be known as the "employer contribution." Each employer shall remit the employer contribution at intervals required by the state teachers retirement system. For members participating in the STRS defined benefit plan, the employer contribution shall be deposited into the employers' trust fund. For members participating in an STRS defined contribution plan, the employer contribution shall be deposited into the defined contribution fund in accordance with the plan selected by the member, less the amount transferred under section 3307.84 of the Revised Code.

The rate per cent of the contribution shall be ~~fixed~~ determined by the actuary on the basis of the actuary's evaluation of the liabilities of the system, not to exceed fourteen per cent, and shall be approved by the state teachers retirement board. The board may raise the rate per cent of the contribution to fourteen per cent of the earnable compensation of all members. In making such evaluation, the actuary shall use, as the actuarial assumptions, such interest rates and mortality and other tables as are adopted by the board. The actuary shall compute the percentage of such earnable compensation, to be known as the "employer rate," required annually to fund the liability for all benefits under the STRS defined benefit plan, after deducting therefrom the benefits provided by the member's accumulated contributions, as defined in section 3307.50 of the Revised Code, deposits, and other appropriations, and to fund any deficiencies in the funds described in divisions (A) to (F) of section 3307.14 of the Revised Code.

Sec. 3307.351. (A) As used in this section:

(1) In addition to the meaning in section 3307.01 of the Revised Code, when appropriate "compensation" has the same meaning as in section 3309.01 of the Revised Code.

(2) "Earnable salary" has the same meaning as in section 145.01 of the Revised Code.

(3) "STRS position" means a position for which a member of the state teachers retirement system is making contributions to the system.

(4) "Other state retirement system" means the public employees retirement system or the school employees retirement system.

(5) "State retirement system" means the public employees retirement system, state teachers

retirement system, or the school employees retirement system.

(B)(1) Subject to division (E) of this section, a member of the state teachers retirement system who holds two or more STRS positions may retire under section 3307.57, 3307.58, or 3307.60 of the Revised Code or under an STRS defined contribution plan from the position for which the annual compensation at the time of retirement is highest and continue to contribute to the retirement system for the other STRS position or positions.

(2) Subject to division (E) of this section, a member of the state teachers retirement system who also holds one or more other positions covered by the other state retirement systems may retire under section 3307.57, 3307.58, or 3307.60 of the Revised Code or under an STRS defined contribution plan from the STRS position and continue contributing to the other state retirement systems if the annual compensation for the STRS position at the time of retirement is greater than annual compensation or earnable salary for the position, or any of the positions, covered by the other state retirement systems.

(3) Subject to division (E) of this section, a member of the state teachers retirement system who holds two or more STRS positions and at least one other position covered by one of the other state retirement systems may retire under section 3307.57, 3307.58, or 3307.60 of the Revised Code or under an STRS defined contribution plan from one of the STRS positions and continue contributing to the state teachers retirement system and the other state retirement system if the annual compensation for the STRS position from which the member is retiring is, at the time of retirement, greater than the annual compensation or earnable salary for any of the positions for which the member is continuing to make contributions.

(4) Subject to division (E) of this section, a member of the state teachers retirement system who also holds one or more other positions covered by the other state retirement systems may retire under section ~~145.37, 3307.57, 3307.58, or 3307.60~~ 3309.35 of the Revised Code or under ~~an STRS defined contribution a plan established under section 145.81 or 3309.81 of the Revised Code~~ from one of the other state retirement system positions and continue contributing to the state teachers retirement system if the annual compensation for the other state retirement system position from which the member is retiring is, at the time of retirement, greater than the annual compensation for any of the positions for which the member is continuing to make contributions.

(5) A member of the state teachers retirement system who has retired as provided in division (B)(2) or (3) of section 145.383 or division (B)(2) or (3) of section 3309.343 of the Revised Code may continue to contribute to the state teachers retirement system for an STRS position if the member held the position at the time of retirement from the other state retirement system.

(6) A member who contributes to the state teachers retirement system in accordance with division (B)(1), (3), (4), or (5) of this section shall contribute in accordance with section 3307.26 of the Revised Code. The member's employer shall contribute as provided in section 3307.28 of the Revised Code. Neither the member nor the member's survivors are eligible for any benefits based on those contributions other than those provided under section 145.384, 3307.352, or 3309.344 of the Revised Code.

(C)(1) In determining retirement eligibility and the annual retirement allowance of a member who retires as provided in division (B)(1), (2), (3), or (4) of this section, the following shall be used to the date of retirement:

(a) The member's earnable salary and compensation for all positions covered by a state retirement system;

(b) Total service credit in any state retirement system, except that the credit shall not exceed one year of credit for any period of twelve months;

(c) The member's accumulated contributions.

(2) A member who retires as provided in division (B)(1), (2), (3), or (4) of this section is a retirant for all purposes of this chapter, except that the member is not subject to divisions (F) and (G) of section 3307.35 of the Revised Code for a position or positions for which contributions continue under those divisions or division (B)(5) of this section.

(D) A retired member receiving a benefit under section 3307.352 of the Revised Code based on employment subject to this section is not a member of the state teachers retirement system and does not have any rights, privileges, or obligations of membership. The retired member is a superannuate for purposes of section 3307.35 of the Revised Code.

(E) Effective July 1, 2014, a member may continue to contribute to the retirement system for another STRS position or other state retirement system position under division (B)(1), (2), (3), or (4) of this section only for those positions the member continuously held for at least twelve consecutive months immediately prior to retirement under section 3307.57, 3307.58, or 3307.60 of the Revised Code or an STRS defined contribution plan.

(F) The state teachers retirement board may adopt rules to carry out this section.

Sec. 3307.352. For purposes of this section, "superannuate" includes a member who retired under section 3307.351 of the Revised Code.

(A) Except as provided in division (B)(3) of this section, a superannuate or other system retirant who has made contributions under section 3307.35 or 3307.351 of the Revised Code may ~~file~~ submit an application ~~with~~ to the state teachers retirement system for a benefit consisting of a single life annuity. The annuity shall have a reserve equal to the amount of the superannuate's or retirant's accumulated contributions, as defined in section 3307.50 of the Revised Code, for the period of employment, other than the contributions excluded pursuant to division (F) of section 3307.35 of the Revised Code, and an amount determined by the state teachers retirement board from the employers' trust created by section 3307.14 of the Revised Code, plus interest credited to the date of retirement at a rate of interest determined by the board. The superannuate 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 a rate of interest determined by the board, except that if the monthly annuity would be less than twenty-five dollars per month the superannuate or retirant shall receive a lump sum payment.

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

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

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

(3) If the superannuate or other system retirant was previously employed under section 3307.35 or 3307.351 of the Revised Code 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.

(B)(1) A superannuate or other system retirant under age sixty-five who has made contributions under section 3307.35 or 3307.351 of the Revised Code may ~~file~~submit an application ~~with to~~ the state teachers retirement system for a return of those contributions if both of the following conditions are met:

(a) The superannuate or retirant has terminated, for any reason other than death, the employment for which the contributions were made.

(b) If the superannuate or retirant received a return of contributions under this division for a previous period of employment under section 3307.35 or 3307.351 of the Revised Code, twelve months have passed since the date the retirement system returned the contributions.

(2) A return of contributions under this division shall consist of the sum of the following:

(a) The contributions the superannuate or other system retirant made under section 3307.35 or 3307.351 of the Revised Code other than the contributions excluded under division (F) of section 3307.35 of the Revised Code;

(b) Interest at a rate determined by the state teachers retirement board credited through the later of the month the superannuate or retirant terminated the employment for which the contributions are made or the date required by division (B)(1)(b) of this section.

(3) Payment of a return of contributions under this division shall be made on a date determined by the state teachers retirement board but shall be not earlier than the later of the first day of the first month following termination of employment or the date required by division (B)(1)(b) of this section. The payment cancels the ~~superannuate~~ superannuate's or retirant's right to a benefit under division (A) of this section for the service for which the contributions were made.

(C)(1) If a superannuate or other system retirant who made contributions under section 3307.35 or 3307.351 of the Revised Code dies before receiving a benefit under division (A) of this section or a return of contributions under division (B) of this section, a lump sum payment shall be paid to the beneficiary designated under division (D)(1) of section 3307.562 of the Revised Code. The lump sum shall be calculated in accordance with division (A) of this section, except that the interest shall be credited as follows:

(a) If the superannuate or retirant was under age sixty-five at the time of death, the interest shall be credited through the month of death.

(b) If the superannuate or retirant was age sixty-five or older at the time of death, the interest shall be credited through the later of the month in which the superannuate or retirant terminated the employment for which the contributions are made or the month the superannuate or retirant attained age sixty-five.

(2) If at the time of death a superannuate or other system retirant receiving a monthly annuity under division (A) of this section has received less than the superannuate or 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 superannuate's or retirant's beneficiary designated under division (D)(1) of section 3307.562 of the Revised Code.

(D) No amount received under this section shall be included in determining an additional benefit under section 3307.67 of the Revised Code or any other post-retirement benefit increase.

Sec. 3307.39. (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 coverage, or any combination thereof, for those individuals receiving, under the STRS defined benefit plan, service retirement or a disability or survivor benefit who subscribe 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 3307.28 of the Revised Code.

The board may enter into an agreement under this division for coverage of recipients of benefits under an STRS defined contribution plan if the plan selected includes health, medical, hospital, or surgical coverage, or any combination thereof. The board may contract for coverage on the basis that the cost of the coverage will be paid by the recipient or by the plan to which the recipient contributed under this chapter. The board may offer to recipients plans that provide for different levels of coverage or for prepayment of the cost of coverage.

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 coverage as authorized by the rules of the board.

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

(1) Twenty-nine dollars and ninety cents;

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

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

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

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

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

Sec. 3307.44. (A) Any person who is receiving an allowance, as defined in section 3307.50 of the Revised Code, benefit, or increase under this chapter may, at any time, waive the person's rights thereto, or to a portion thereof, by ~~filing~~ submitting a written notice of waiver ~~with to~~ the state teachers retirement board. Except as provided in division (B) of this section, such waiver shall remain in effect until the first day of the month following the person's death or the ~~filing~~ board's receipt of the person's written cancellation of such waiver with the board. Any amount so waived shall forever be forfeited.

(B) If a beneficiary waives in writing all claim to any benefits under this chapter prior to receipt of the first benefit, the waiver shall put into effect the succession of beneficiaries as provided in division (C) of section 3307.562 of the Revised Code and shall be irrevocable.

Sec. 3307.48. (A) As used in this section, "disability benefit recipient" means a recipient of a disability benefit under any of the following:

- (1) Section 3307.63 of the Revised Code;
- (2) Section 3307.631 of the Revised Code;
- (3) The STRS combined plan.

(B) A disability benefit recipient, notwithstanding section 3319.13 of the Revised Code, shall retain membership in the state teachers retirement system and shall be considered on leave of absence during the first five years following the effective date of a disability benefit.

(C) The state teachers retirement board ~~shall~~ may require any disability benefit recipient to submit to an annual medical examination by a physician selected by the board; ~~except that the board may forgo the medical examination if the board's physician determines that the recipient's disability is ongoing~~ or may require additional examinations if the board's physician determines that additional information should be obtained. If a disability benefit recipient fails to submit to a medical examination, the recipient's disability benefit shall be suspended until the examination has occurred. If the failure continues for one year or the disability benefit is terminated for any reason during the one-year period, all the recipient's rights under and to the disability benefit shall be terminated as of the effective date of the ~~original~~ suspension.

After the examination, the examiner shall report ~~and certify~~ to the board whether the disability benefit recipient is no longer ~~physically and mentally~~ incapable of resuming the service from which the recipient was found disabled. If the examiner determines that the disability benefit recipient is no longer incapable of resuming the service from which the recipient was found disabled, the retirement board shall appoint a medical review board composed of at least three disinterested physicians to evaluate the examiner's report. The medical review board shall report its finding to the retirement board. If the retirement board concurs in a report finding by the examining physician medical review board that the disability benefit recipient is no longer incapable, the board shall order termination of payment of a disability benefit as follows:

- (1) Immediately upon employment as a teacher;
- (2) If the leave of absence has not expired and the recipient is not employed as a teacher, the later of the last day of the third month following the board's termination or the following thirty-first day of August;
- (3) If the leave of absence has expired and the recipient is not employed as a teacher, the last day of the third month following the board's termination.

The board shall provide notice to the recipient of the board's order. At the request of the recipient, a hearing on the order shall be conducted in accordance with procedures established by the board. If the leave of absence has not expired, the board shall so certify to the disability benefit recipient's last employer before being found disabled that the recipient is no longer ~~physically and mentally~~ incapable of resuming service that is the same or similar to that from which the recipient was found disabled. If the recipient was under contract at the time the recipient was found disabled, the employer by the first day of the next succeeding year shall restore the recipient to the recipient's previous position and salary or to a position and salary similar thereto, unless the recipient was dismissed or resigned in lieu of dismissal for dishonesty, misfeasance, malfeasance, or conviction of a felony.

(D) An individual receiving a disability benefit from the system shall be ineligible to perform any teaching service, as defined by the board. A disability benefit shall immediately terminate if the disability benefit recipient performs any teaching service in this state or elsewhere. The board shall notify the recipient that the benefit is terminated. The recipient may submit, not later than thirty days after the date the notice is sent, to the board information specifying that the disability recipient did not perform teaching services while receiving disability benefits along with any supporting evidence available to the recipient. The board shall review the information and any accompanying evidence to determine whether the individual performed teaching services. The board may designate an individual to review the information and submit a recommendation to the board. The board shall determine whether the benefit was correctly terminated. If not, the benefit shall be reinstated and any missed payments paid to the recipient. The board's decision is final.

(E) If any employer should employ or reemploy a disability benefit recipient prior to the termination of a disability benefit, the employer shall ~~file-submit a~~ notice of employment with the board designating the date of the employment. If the disability benefit recipient received a disability benefit and performed teaching services for all or any part of the same month, the recipient shall repay to the annuity and pension reserve fund the amount of the disability benefit received by the recipient from the beginning of employment.

(F) Each disability benefit recipient shall ~~file-with-submit to~~ the board an annual statement of earnings, current medical information on the recipient's condition, and any other information required in rules adopted by the board. The board may waive the requirement that a disability benefit recipient ~~file-submit~~ an annual statement of earnings or current medical information 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 fails to ~~file-submit~~ the statement or information, the disability benefit shall be suspended until the statement and information are ~~filed submitted~~. If the failure continues for one year or the disability benefit is terminated for any reason during the one-year period, the recipient's right to the disability benefit shall be terminated as of the effective date of the ~~original~~ suspension.

(G) A disability benefit may be terminated by the board at the request of the disability benefit recipient.

(H) If disability retirement under section 3307.63 of the Revised Code is terminated for any reason, the annuity and pension reserves at that time in the annuity and pension reserve fund shall be transferred to the teachers' savings fund and the employers' trust fund, respectively. If the total

disability benefit paid was less than the amount of the accumulated contributions of the member transferred to the annuity and pension reserve fund at the time of the member's disability retirement, then the difference shall be transferred from the annuity and pension reserve fund to another fund as required. In determining the amount of a member's account following the termination of disability retirement for any reason, the total amount paid shall be charged against the member's refundable account.

(I) If a disability allowance paid under section 3307.631 of the Revised Code is terminated for any reason, the reserve on the allowance at that time in the annuity and pension reserve fund shall be transferred from that fund to the employers' trust fund.

(J) A former disability benefit recipient shall receive credit for the period as a disability benefit recipient if either of the following occurs:

(1) The former disability recipient again becomes a contributor, other than as an other system retirant under section 3307.35 of the Revised Code, to this retirement system in the STRS defined benefit plan or to the school employees retirement system, or the public employees retirement system in the PERS defined benefit plan, and completes at least two additional years of service credit;

(2) The former disability benefit recipient again becomes a contributor, other than as an other system retirant under section 3307.35 of the Revised Code, to this retirement system in the STRS defined contribution plan and completes at least two additional years of service credit.

Credit may be received for more than one period of leave as a disability benefit recipient, except that for credit received on or after July 1, 2013, the total number of years received shall not exceed the lesser of the years of contributing service following the termination of disability benefits or five years of total service credit.

Sec. 3307.501. (A) As used in this section, "percentage increase" means the percentage that an increase in compensation is of the compensation paid prior to the increase.

(B) For the purpose of determining final average salary under this section, "compensation" has the same meaning as in section 3307.01 of the Revised Code, except that it does not include any amount resulting from a percentage increase paid to a member during the member's two highest years of compensation, and any partial year of compensation as determined under divisions (C)(1) and (2) of this section to which the percentage increase also applies, if the percentage increase exceeds the greater of the following:

(1) The highest percentage increase in compensation paid to the member during any of the three years immediately preceding the earlier of the member's two highest years of compensation;

(2) A percentage increase paid to the member as part of an increase generally applicable to members employed by the employer. An increase shall be considered generally applicable if it is paid to members employed by a school district board of education in positions requiring a license issued under section 3319.22 of the Revised Code in accordance with uniform criteria applicable to all such members or if paid to members employed by an employer other than a school district board of education in accordance with uniform criteria applicable to all such members.

(C) The state teachers retirement board shall determine the final average salary of a member as follows:

(1) For benefits beginning before August 1, 2015, by dividing the sum of the member's annual compensation for the three highest years of compensation for which the member made

contributions plus any amount determined under division (E) of this section by three, except that if the member has a partial year of contributing service in the year the member's employment terminates and the compensation for the partial year is at a rate higher than the rate of compensation for any one of the member's highest three years of compensation, the board shall substitute the compensation for the partial year for the compensation for the same portion of the lowest of the member's three highest years of compensation;

(2) For benefits beginning on or after August 1, 2015, except as provided in division (C)(3) of this section, by dividing the sum of the member's annual compensation for the five highest years of compensation for which the member made contributions plus any amount determined under division (E) of this section by five, except that if the member has a partial year of contributing service in the year the member's employment terminates and the compensation for the partial year is at a rate higher than the rate of compensation for any one of the member's highest five years of compensation, the board shall substitute the compensation for the partial year for the compensation for the same portion of the lowest of the member's five highest years of compensation;

(3) For benefits beginning on or after August 1, 2015, that were preceded by a disability benefit effective before that date and with no break in benefits, by dividing the sum of the member's annual compensation for the three highest years of compensation for which the member made contributions plus any amount determined under division (E) of this section by three, except that if the member has a partial year of contributing service in the year the member's employment terminates and the compensation for the partial year is at a rate higher than the rate of compensation for any one of the member's highest three years of compensation, the board shall substitute the compensation for the partial year for the compensation for the same portion of the lowest of the member's three highest years of compensation.

If a member has less than the requisite years of contributing membership, the member's final average salary shall be the member's total compensation for the period of contributing membership plus any amount determined under division (E) of this section divided by the total years, including any portion of a year, of contributing service.

For the purpose of calculating benefits payable to a member qualifying for service credit under division (I) of section 3307.01 of the Revised Code, the board shall calculate the member's final average salary by dividing the member's total compensation as a teacher covered under this chapter plus any amount determined under division (E) of this section by the total number of years, including any portion of a year, of contributing membership during that period. If contributions were made for less than twelve months, the member's final average salary is the total amount of compensation paid to the member during all periods of contributions under this chapter.

(D) Contributions made by a member on amounts that, pursuant to division (B) of this section, are not compensation or are not included, pursuant to division (E) of this section, for the purpose of determining final average salary shall be treated as additional deposits to the member's account under section 3307.26 of the Revised Code and used to provide additional annuity income.

(E) The state teachers retirement board shall adopt rules establishing criteria and procedures for administering this division.

The board shall notify each applicant for retirement of any amount excluded from the applicant's compensation in accordance with division (B) of this section and of the procedures

established by the board for requesting a hearing on this exclusion.

Any applicant for retirement who has had any amount excluded from the applicant's compensation in accordance with division (B) of this section may request a hearing on this exclusion. Upon receiving such a request, the board shall determine in accordance with its criteria and procedures whether, for good cause as determined by the board, all or any portion of any amount excluded from the applicant's compensation in accordance with division (B) of this section, up to a maximum of seventy-five hundred dollars, is to be included in the determination of final average salary under division (C) of this section. Any determination of the board under this division shall be final.

Sec. 3307.56. (A)(1) Subject to section 3307.37 of the Revised Code and except as provided in division (B)(2) of this section, a member participating in the STRS defined benefit plan who ceases to be a teacher for any cause other than death, retirement, receipt of a disability benefit, or current employment in a position in which the member has elected to participate in an alternative retirement plan under section 3305.05 or 3305.051 of the Revised Code, upon application, shall be paid the accumulated contributions standing to the credit of the member's individual account in the teachers' savings fund plus an amount calculated in accordance with section 3307.563 of the Revised Code. If the member or the member's legal representative cannot be found within ten years after the member ceased making contributions pursuant to section 3307.26 of the Revised Code, the accumulated contributions may be transferred to the guarantee fund and thereafter paid to the member, to the member's beneficiaries, or to the member's estate, upon proper application.

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

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

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

Subject to section 3307.37 of the Revised Code, the state teachers retirement system shall do the following:

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

(2) If a member has accumulated contributions, in addition to those subject to division (B)(1) of this section, standing to the credit of a member's individual account and is not otherwise in a

position in which the member is considered a teacher for the purposes of that position, pay, to the provider the member selected pursuant to section 3305.05 or 3305.051 of the Revised Code, the accumulated contributions standing to the credit of the member's individual account in the teachers' saving fund plus an amount calculated in accordance with section 3307.563 of the Revised Code. The payment shall be made on the member's application.

(C) Payment of a member's accumulated contributions under division (B) of this section cancels the member's total service credit in the state teachers retirement system. A member whose accumulated contributions are paid to a provider pursuant to division (B) of this section is forever barred from claiming or purchasing service credit under the state teachers retirement system for the period of employment attributable to those contributions.

Sec. 3307.562. (A) As used in this section and section 3307.66 of the Revised Code:

(1) "Child" means a biological or legally adopted child of a deceased member. If a court hearing for an interlocutory decree for adoption was held prior to the member's death, "child" includes the child who was the subject of the hearing if a final decree of adoption adjudging the member's spouse as the adoptive parent is made subsequent to the member's death.

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

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

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

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

(B) Except as provided in division (B) of section 3307.563 or division (G)(1) of section 3307.66 of the Revised Code, should a member who is participating in the STRS defined benefit plan die before service retirement, the member's accumulated contributions, plus an amount calculated in accordance with section 3307.563 of the Revised Code, and any amounts owed and unpaid to a disability benefit recipient shall be paid to such beneficiaries as the member has nominated by written designation signed by the member and received by the state teachers retirement board prior to death. A member may designate two or more persons as beneficiaries to be paid the amount determined under this division. On and after July 1, 2013, and subject to rules adopted by the board, a member who designates two or more persons as beneficiaries shall specify the percentage of the amount that each beneficiary is to be paid. If the member has not specified the percentages, the amount shall be divided equally among the designated beneficiaries. If a designated beneficiary is deceased, the amount allocated to the deceased beneficiary shall be allocated to the remaining beneficiaries based on each remaining beneficiary's initial percentage. The nomination of beneficiary shall be on a form provided by the retirement board. The last nomination of any beneficiary revokes all previous nominations. The member's marriage, divorce, marriage dissolution, legal separation, or withdrawal of account, or the birth of the member's child, or the member's adoption of a child, shall constitute an automatic revocation of the member's previous designation. If a deceased member was also a member of the public employees retirement system or the school employees retirement system, the beneficiary last established among the systems shall be the sole beneficiary in all the systems.

Any beneficiary ineligible for monthly survivor benefits as provided by section 3307.66 of the Revised Code may waive in writing all claim to any benefits and such waiver shall thereby put in

effect the succession of beneficiaries under division (C) of this section, provided the beneficiary thereunder is immediately eligible and agrees in writing to accept survivor benefits as provided by section 3307.66 of the Revised Code. If the accumulated contributions of a deceased member are not claimed by a beneficiary, or by the estate of the deceased member, within ten years, they shall be transferred to the guarantee fund and thereafter paid to such beneficiary or to the member's estate upon application to the board. The board shall formulate and adopt rules governing all designations of beneficiaries.

(C) Except as provided in division (G)(1) of section 3307.66 of the Revised Code, if a member dies before service retirement and is not survived by a designated beneficiary, any beneficiaries shall qualify, in the following order of precedence, with all attendant rights and privileges:

- (1) Surviving spouse;
- (2) Children, share and share alike;
- (3) A dependent parent, if that parent elects to take survivor benefits under division (C)(2) of section 3307.66 of the Revised Code;
- (4) Parents, share and share alike;
- (5) Estate.

If any survivor dies before payment is made under this section or is not located prior to the ninety-first day after the board receives notification of the member's death, the survivor next in order of precedence shall qualify as a beneficiary, provided that benefits under division (C)(2) of section 3307.66 of the Revised Code are elected. In the event that the beneficiary originally determined is subsequently located, the beneficiary may qualify for benefits under division (C)(2) of section 3307.66 of the Revised Code upon meeting the conditions of eligibility set forth in division (B) of that section, but in no case earlier than the first day of the month following application by such beneficiary. Any payment made to a beneficiary as determined by the board shall be a full discharge and release to the board from any future claims.

(D)(1) Any amount due any person, as an annuitant, receiving a monthly benefit, and unpaid to the annuitant at death, shall be paid to the beneficiary named by written designation signed by the annuitant and received by the state teachers retirement board prior to death. If no such designation has been ~~filed~~ submitted, or if the beneficiary designated is deceased or is not located prior to the ninety-first day after the board receives notification of the annuitant's death, such amount shall be paid, in the following order of precedence to the annuitant's:

- (a) Surviving spouse;
- (b) Children, share and share alike;
- (c) Parents, share and share alike;
- (d) Estate.

(2) If there is no beneficiary under division (D)(1) of this section, an amount not exceeding the cost of the annuitant's burial expenses may be paid to the person responsible for the burial expenses.

For purposes of this division an "annuitant" is the last person who received a monthly benefit pursuant to the plan of payment selected by the former member. Such payment shall be a full discharge and release to the board from any future claim for such payment.

(E) If the validity of marriage cannot be established to the satisfaction of the board for the purpose of disbursing any amount due under this section or section 3307.66 of the Revised Code, the board may accept a decision rendered by a court having jurisdiction in the state in which the member was domiciled at the time of death that the relationship constituted a valid marriage at the time of death, or the "spouse" would have the same status as a widow or widower for purposes of sharing the distribution of the member's intestate personal property.

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

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

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

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

(b) An existing or former law of any other state, the United States, or a foreign nation that is substantially equivalent to section 2903.01, 2903.02, or 2903.03 of the Revised Code;

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

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

Sec. 3307.58. (A) As used in this section, "qualifying service credit" means all of the following:

(1) Credit earned under section 3307.53 or for which contributions were made under section 145.47 or 3309.47 of the Revised Code;

(2) Credit restored under section 145.31, 3307.71, or 3309.26 of the Revised Code;

(3) Credit purchased under section 145.302, 3307.752, or 3309.022, or division (D) of section 5505.16 of the Revised Code, or obtained under section 742.521 of the Revised Code;

(4) Credit obtained under section 3307.761, 3307.763, or 3307.765 of the Revised Code other than military service credit as defined in section 3307.761 of the Revised Code, except that "qualifying service credit" includes credit obtained under section 3307.761, 3307.763, or 3307.765 of the Revised Code that was initially purchased under division (D) of section 5505.16 of the Revised Code or obtained under section 742.521 of the Revised Code.

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

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

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

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

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

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

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

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

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

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

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

(vii) On or after August 1, 2026, has thirty-five or more years of service credit and has attained age sixty.

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

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

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

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

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

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

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

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

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

(vi) On or after August 1, 2023, has thirty or more years of service credit at any age.

(3) The board may adjust the retirement eligibility requirements of this section if the board's actuary, in its annual actuarial valuation required by section 3307.51 of the Revised Code or in other evaluations conducted under that section, determines that an adjustment does not materially impair

the fiscal integrity of the retirement system or is necessary to preserve the fiscal integrity of the system.

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

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

(2) The attainment of minimum age and service credit eligibility for benefits provided under this section;

(3) The termination of a disability benefit received under section 3307.63 or 3307.631 of the Revised Code and attainment of minimum age and service credit eligibility for benefits provided under this section.

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

(a) Eighty-six dollars;

(b) The sum of the following amounts:

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

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

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

34.01 - 35.00 2.9

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

(c) For purposes of division (D)(1) of this section, a percentage of final average salary in excess of two and two-tenths per cent shall be applied to service credit under section 3307.57 of the Revised Code only if the service credit was established under section 145.30, 145.301, 145.302, 145.47, 145.483, 3309.02, 3309.021, 3309.022, or 3309.47 of the Revised Code or restored under section 145.31 or 3309.26 of the Revised Code.

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

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

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

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

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

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

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

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

Attained Age	or	Years of Ohio Service Credit	Per Cent of Base Amount
58		25	75%
59		26	80
60		27	85
61			88
		28	90
62			91
63			94
		29	95
64			97
65		30 or more	100

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

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

1, 2015, or the amount determined under division (D)(3) of this section.

(G) The annual single lifetime benefit determined under division (D) or (E) of this section shall not exceed the lesser of one hundred per cent of the final average salary or the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

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

- (1) An annuity with a reserve equal to the member's accumulated contributions;
- (2) A pension equal to the amount in division (H)(1) of this section;
- (3) An additional pension of forty dollars annually multiplied by the number of years of prior and military service credit, except years of credit purchased under section 3307.751 or 3307.752 of the Revised Code.

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

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

Sec. 3307.60. (A) Upon application for retirement as provided in section 3307.58 or 3307.59 of the Revised Code, the retirant may elect a plan of payment under this division or, on and after the date specified in division (B) of this section, a plan of payment under that division. Under this division, the retirant may elect to receive a single lifetime benefit, or may elect to receive the actuarial equivalent of the retirant's benefit in a lesser amount, payable for life, and continuing after death to a beneficiary under one of the following optional plans:

(1) Option 1. The retirant's lesser benefit shall be paid for life to the sole beneficiary named at retirement.

(2) Option 2. Some other portion of the retirant's benefit shall be paid for life to the sole beneficiary named at retirement. The beneficiary's monthly amount shall not exceed the monthly amount payable to the retirant during the retirant's lifetime.

(3) Option 3. The retirant's lesser benefit established as provided under option 1 or option 2 shall be paid for life to the sole beneficiary named at retirement, except that in the event of the death of the sole beneficiary or termination of a marital relationship between the retirant and the sole

beneficiary the retirant may elect to return to a single lifetime benefit equivalent as determined by the state teachers retirement board, if, in the case of termination of a marital relationship, the election is made with the written consent of the beneficiary or pursuant to an order of the court with jurisdiction over termination of the marital relationship.

(4) Option 4. The retirant's lesser benefit or a portion of the retirant's lesser benefit shall be paid for life to two, three, or four surviving beneficiaries named at retirement. The portion of the allowance that continues after the member's death shall be allocated among the beneficiaries at the time of the member's retirement. If the retirant elects this plan as required by a court order issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property and compliance with the court order requires the allocation of a portion less than ten per cent to any person, the retirant shall allocate a portion less than ten per cent to that beneficiary in accordance with that order. In all other circumstances, no portion allocated under this plan of payment shall be less than ten per cent. The total of the portions allocated shall not exceed one hundred per cent of the retirant's lesser allowance. In the event of the death of a beneficiary or termination of a marital relationship between the retirant and a beneficiary, the retirant may elect to cancel the portion of the plan of payment providing continuing lifetime benefits to that beneficiary except that, in the case of termination of a marital relationship, the election may be made only with the written consent of the beneficiary or pursuant to an order of the court with jurisdiction over termination of the marital relationship. The retirant shall receive the actuarial equivalent of the remainder of the retirant's single lifetime benefit based on the number of remaining beneficiaries, with no change in the amount payable to any remaining beneficiary.

(5) Option 5. Upon the retirant's death before the expiration of a certain period from the retirement date and elected by the retirant, and approved by the board, the retirant's benefit shall be continued for the remainder of such period to the beneficiary. Monthly benefits shall not be paid to joint beneficiaries, but they may receive the present value of any remaining payments in a lump sum settlement. If all beneficiaries die before the expiration of the certain period, the present value of all payments yet remaining in such period shall be paid to the estate of the beneficiary last receiving.

(6) Option 6. A plan of payment established by the state teachers retirement board combining any of the features of options 1, 2, and 5.

(B) ~~Beginning on a date selected by the state teachers retirement board, which shall be not later than July-October 1, 2004~~2002, a retirant may elect, in lieu of a plan of payment under division (A) of this section, a plan consisting of both of the following:

(1) A lump sum in an amount the member designates that constitutes a portion of the member's single lifetime benefit;

(2) Either of the following:

(a) The remainder of the retirant's single lifetime benefit;

(b) The actuarial equivalent of the remainder of the retirant's benefit in a lesser amount, payable for life, and continuing after death to a beneficiary under one of the options described in divisions (A)(1) to (6) of this section.

The amount designated by the member under division (B)(1) of this section shall be not less than six times and not more than thirty-six times the monthly amount that would be payable to the member as a single lifetime benefit and shall not result in a monthly allowance that is less than fifty

per cent of that amount.

(C) A retirant shall not elect a plan of payment under division (A) or (B) of this section that results in a monthly payment of the retirant's lesser benefit to a beneficiary of one hundred dollars or less a month. This division does not apply to a retirant who is subject to division (I)(1) of this section.

(D) Until the first payment is made to a former member under section 3307.58 or 3307.59 of the Revised Code, the former member may change the selection of a plan of payment.

~~(D)~~(E)(1) If a deceased member was eligible for but had not yet been awarded a service retirement benefit under section 3307.58 or 3307.59 of the Revised Code at the time of death, option 1 as provided for in division (A)(1) of this section shall be paid to the spouse or other sole dependent beneficiary.

(2) Beginning on ~~a date selected by the board, which shall be not later than July-October 1, 2004~~2002, the spouse or sole beneficiary may elect, in lieu of option 1, a plan of payment consisting of both of the following:

(a) A lump sum in an amount the spouse or other sole dependent beneficiary designates that constitutes a portion of the retirant's single life annuity;

(b) The actuarial equivalent of the remainder of the retirant's single life annuity paid as a benefit under option 1 for life to the spouse or other sole dependent beneficiary.

The amount designated by the spouse or other sole dependent beneficiary under division ~~(D)~~(E)(2)(a) of this section shall be not less than six times and not more than thirty-six times the monthly amount that would be payable as the retirant's single life annuity and shall not result in a monthly allowance that is less than fifty per cent of that monthly amount.

~~(E)~~(F) If the total benefit paid under this section is less than the balance in the teachers' savings fund, the difference shall be paid to the beneficiary provided under division (D)(1) of section 3307.562 of the Revised Code.

~~(F)~~(G) In the case of a retirant who elected an optional plan prior to September 15, 1989:

(1) The death of the spouse or other designated beneficiary following retirement shall, at the election of the retirant, cancel any optional plan selected at retirement to provide continuing lifetime benefits to the spouse or other beneficiary and return the retirant to a single lifetime benefit equivalent as determined by the board.

(2) A divorce, annulment, or marriage dissolution shall, at the election of the retirant, cancel any optional plan selected at retirement to provide continuing lifetime benefits to the spouse as designated beneficiary and return the retirant to a single lifetime benefit equivalent as determined by the board if the election is made with the written consent of the beneficiary or pursuant to an order of a court of common pleas or the court of another state with jurisdiction over the termination of the marriage.

~~(G)~~(H)(1) Following marriage or remarriage, both of the following apply:

(a) A retirant who elected to receive a single lifetime benefit or an optional plan of payment under division (A)(3) or (4) of this section may elect a new optional plan of payment based on the actuarial equivalent of the retirant's single lifetime benefit, as determined by the board. The new plan must be a plan described in division (A)(1), (2), (3), (4), or (6) of this section under which only the retirant's new spouse is added as a beneficiary and the application for the new plan must be received by the board prior to the retirant's death. A spouse may not be added if there are four beneficiaries

under division (A)(4) of this section that must be retained pursuant to a court order described under division ~~(H)(I)(1)(b)~~ of this section or if the amount payable to any beneficiary pursuant to such court order would be reduced. A retirant who is receiving a retirement allowance under an optional plan that provides for continuation of benefits after death to a former spouse may elect a new optional plan of payment only with the written consent of the former spouse or pursuant to an order of the court with jurisdiction over the termination of the marriage, except that consent of the former spouse is not required if the new optional plan of payment will not affect payments to the former spouse.

(b) A retirant who is receiving a benefit pursuant to a plan of payment providing for payment to a former spouse pursuant to a court order described in division ~~(H)(I)(1)(b)~~ of this section may elect a new plan of payment under "option 4" with the retirant's spouse as a beneficiary based on the actuarial equivalent of the retirant's single lifetime retirement allowance as determined by the board if the new plan of payment elected does not reduce the payment to the former spouse.

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

A valid election under division ~~(G)(H)(1)~~ or (2) of this section shall become effective on the date of receipt by the board of an application on a form approved by the board. The election must be signed by the retirant and received by the board prior to the retirant's death. Any change in the amount of the benefit shall commence on the first day of the month following the effective date of the plan.

~~(H)(I)(1)~~ Except as otherwise provided in this division and division ~~(H)(I)(2)~~ of this section, an application for service retirement made pursuant to section 3307.58 or 3307.59 of the Revised Code by a married person shall be considered an election of a benefit under option 3 as provided for in division (A)(3) of this section under which one-half of the lesser benefit payable during the life of the retirant will be paid after death to the retirant's spouse for life as sole beneficiary. The exceptions are as follows:

(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 benefit payable during the life of the retirant.

(b) A plan of payment providing for payment in a specified amount continuing after the retirant's death to a former spouse is required by a court order issued prior to the effective date of retirement under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding division of marital property.

(c) 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 annuity 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 benefit payable during the life of the retirant.

(d) Any other reason specified by the board.

(2) If a retirant is subject to division ~~(H)(I)(1)(b)~~ of this section and the board has received a copy of the order described in that division, the board shall accept the retirant's election of a plan of payment under this section only if the retirant complies with both of the following:

(a) The retirant elects a plan of payment that is in accordance with the order described in division ~~(H)(I)(1)(b)~~ of this section.

(b) If the retirant is married, the retirant elects "option 4" and designates the retirant's current spouse as a beneficiary under that plan unless that spouse consents in writing to not being designated a beneficiary under any plan of payment or the board waives the requirement that the current spouse consent.

(3) 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 or there is a court order dividing marital property issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property that provides for payment in a specified amount, the member's retirement allowance will be paid under "option 3" as provided for in division (A)(3) of this section 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~~ submitted to the board.

Consent shall be valid only if it is signed, in writing, and witnessed by a notary public.

(4) If the retirant does not select an optional plan of payment as described in division ~~(H)(I)~~ (1)(a) of this section, no court has ordered a plan of payment described in division ~~(H)(I)(1)(b)~~ of this section, and the board does not receive the written statement provided for in division ~~(H)(I)(1)(c)~~ of this section, the board shall determine and pay the retirement allowance in accordance with this division, except that the board may provide by rule for waiver by the board of the statement and payment of the benefits other than in accordance with this division or payment under section 3307.56 of the Revised Code if the retirant is unable to obtain the statement due to absence or incapacity of the spouse or other cause specified by the board.

~~(H)(J)~~ For the purpose of determining actuarial equivalence under this section, on the advice of an actuary employed by the board, the board shall adopt mortality tables that may take into consideration the membership experience of the state teachers retirement system and may also include the membership experience of the public employees retirement system and the school employees retirement system.

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

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

(1) If the member had service credit on account on June 30, 2013, has at least five years of qualifying service credit;

(2) If the member did not have any service credit on account on June 30, 2013, has at least ten years of qualifying service credit.

Not later than October 16, 1992, the state teachers retirement board shall give each person who is a member on July 29, 1992, the opportunity to elect disability coverage either under former section 3307.43 of the Revised Code or under former section 3307.431 of the Revised Code. The board shall mail notice of the election, accompanied by an explanation of the coverage under each of

the Revised Code sections and a form on which the election is to be made, to each member at the member's last known address. The board shall also provide the explanation and form to any member on the member's request.

Regardless of whether the member actually receives notice of the right to make an election, a member who fails to ~~file~~submit a valid election under this section shall be considered to have elected disability coverage under section 3307.63 of the Revised Code. To be valid, an election must be made on the form provided by the board, signed by the member, and ~~filed with~~submitted to the board not later than one hundred eighty days after the date the notice was mailed, or, in the case of a form provided at the request of a member, a date specified by rule of the board. Once made, an election is irrevocable, but if the member ceases to be a member of the system, the election is void. If a person who makes an election under this section also makes an election under section 145.35 or 3309.39 of the Revised Code, the election made for the system that pays a disability benefit to that person shall govern the benefit.

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

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

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

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

- (1) The last day for which compensation was paid;
- (2) The date on which the member's most recent application for a disability benefit was received by the board.

(C) Medical examination of the member shall be conducted by a competent, disinterested physician or physicians selected by the board to determine whether the member is mentally or physically incapacitated for the performance of duty by a disabling condition, either permanent or presumed to be permanent for twelve continuous months following the ~~filing~~board's receipt of an application. The disability must have occurred since last becoming a member, or it must have increased since last becoming a member to such an extent as to make the disability permanent or presumably permanent for twelve continuous months following the ~~filing~~board's receipt of an application.

(D) Application for a disability benefit must be made within a two-year period from the date the member's contributing service terminated, unless the board determines that the member's medical records demonstrate conclusively that at the time the period expired the member was physically or mentally incapacitated and unable to make application, except that if the member did not have any service credit on account on June 30, 2013, application must be made within a one-year period from the date contributing service terminated. Application may not be made by any person receiving service retirement benefits under section 3307.58 or 3307.59 of the Revised Code or any person whose accumulated contributions standing to the credit of the person's individual account in the

teachers' savings fund have been paid under section 3307.56 of the Revised Code.

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

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

(G) The state teachers retirement board shall adopt rules requiring each 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 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.

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

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

- (1) Retire on disability under section 3307.63 of the Revised Code;
- (2) Receive a disability allowance under section 3307.631 of the Revised Code.

Sec. 3307.66. (A) As used in this section:

(1) "Physically or mentally incompetent" means incapable of earning a living because of a physically or mentally disabling condition. Physical or mental incompetency may be determined by a court or by a doctor of medicine or osteopathic medicine appointed by the state teachers retirement board.

(2) "Qualifying service credit" has the same meaning as in section 3307.58 of the Revised Code.

(B) For the purposes of this section:

(1) A qualified spouse is the surviving spouse of a deceased member of the state teachers retirement system participating in the STRS defined benefit plan who is one of the following:

(a) Sixty-two years of age or older or any age if the deceased member had ten or more years of Ohio service credit;

(b) Caring for a qualified child;

(c) Adjudged physically or mentally incompetent at the time of the member's death and has remained continuously incompetent;

(d) Any age if the deceased member was eligible for a service retirement allowance as provided in section 3307.58 of the Revised Code and the surviving spouse elects to receive a benefit under division (C)(1) of this section.

(2) A qualified child is a person who is the child of a deceased member participating in the STRS defined benefit plan to whom both of the following apply:

(a) Never married;

(b) Meets either of the following age-related requirements:

(i) Is under age twenty-two;

(ii) Is any age if adjudged physically or mentally incompetent, if the person became incompetent prior to attainment of age twenty-two and has remained continuously incompetent.

(3) A qualified parent is a dependent parent of a deceased member participating in the STRS defined benefit plan who is age sixty-five or older.

(4) A person is a "qualified survivor" if the person qualifies as a surviving spouse, child, or dependent parent.

(C) Except as provided in division (G)(1) of this section, in lieu of accepting the payment of the accumulated account of a member participating in the STRS defined benefit plan who dies before service retirement, a beneficiary, as determined in section 3307.562 of the Revised Code, may elect to forfeit the accumulated account and to substitute benefits under this division.

(1) If a deceased member was eligible for a service retirement allowance as provided in section 3307.58 or 3307.59 of the Revised Code, a surviving spouse or an individual designated as the member's sole beneficiary pursuant to division (B) of section 3307.562 of the Revised Code who was a qualified child or dependent parent of the member or received one-half or more of support from the member during the twelve-month period preceding the member's death may elect to receive a monthly benefit computed as the joint-survivor allowance designated as option 1 in section 3307.60 of the Revised Code, which the member would have received had the member retired on the last day of the month of death and had the member at that time selected such joint-survivor plan.

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

(i) The deceased member had service credit on account on June 30, 2013, and had completed at least one and one-half years of qualifying service credit, with at least one-quarter year of qualifying service credit within the two and one-half years prior to the date of death, or, if the member did not have service credit on account on June 30, 2013, had completed at least five years of qualifying service credit and died not later than one year after the date contributing service terminated.

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

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

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

(i) Number of qualified survivors	Annual benefit as a per cent of member's final average salary
1	25%
2	40
3	50
4	55
5 or more	60

(ii) Years of service	Annual benefit as a per cent of member's final average salary
20	29%
21	33
22	37
23	41
24	45
25	48
26	51
27	54
28	57
29 or more	60

(3)(a) If at the time of death the deceased member was receiving a disability benefit under section 3307.63 or 3307.631 of the Revised Code, the benefit elected under division (C)(1) or (2) of this section shall be increased by a percentage equal to the total of any percentage increases the member received under section 3307.67 of the Revised Code, plus any additional amount the member received under this chapter while receiving the disability benefit. The increase shall be based on the benefit determined under division (C)(1) or (2) of this section. The benefit used to calculate any future increases under section 3307.67 of the Revised Code shall be the benefit determined under division (C)(1) or (2) of this section, plus any additional amounts added to the benefit determined under this division that established a new base benefit to the deceased member.

(b) If eligibility for a benefit under division (C)(1) or (2) of this section is not established until more than one year after the member's death, the annual benefit shall be increased by a

percentage equal to the total of the percentage increases that would have been made under section 3307.67 of the Revised Code, plus any additional amount that would have been paid under this chapter had the benefit begun in the year in which the member died. However, the benefit used to calculate any future increases under section 3307.67 of the Revised Code shall be the benefit determined under division (C)(1) or (2) of this section, plus any additional amounts added to the benefit determined under this division that established a new base benefit to the deceased member.

(D) If a benefit is calculated pursuant to division (C)(2)(b)(i) of this section, benefits to a surviving spouse shall be paid in the amount determined for the first qualifying survivor in division (C)(2)(b)(i) of this section. All other qualifying survivors shall share equally in the benefit or remaining portion thereof.

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

Number of survivors	Spouse's share of total benefit
2	62.5%
3	50.0%
4	45.45%
5 or more	41.67%

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

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

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

Benefits to a qualified survivor shall terminate upon a first marriage, abandonment, or adoption. The termination of benefits is effective on the first day of the month following the day the person ceases to be a qualified survivor. 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.

Benefits to a qualified child who is at least eighteen years of age but under twenty-two years of age that under a former version of this section never commenced or were terminated due to a lack of attendance at an institution of learning or training and not commenced or resumed before ~~the effective date of this amendment~~ April 6, 2017, shall commence or resume on the first day of the month immediately following receipt by the board of an application on a form provided by the board, if the application is received on or before the fifteenth day of a month. These benefits terminate on the child attaining twenty-two years of age.

Upon the death of any subsequent spouse who was a member of the public employees

retirement system, state teachers retirement system, or school employees retirement system, the surviving spouse of such member may elect to continue receiving benefits under this division, or to receive survivor's benefits, based upon the subsequent spouse's membership in one or more of the systems, for which such surviving spouse is eligible under this section or section 145.45 or 3309.45 of the Revised Code. If the surviving spouse elects to continue receiving benefits under this division, such election shall not preclude the payment of benefits under this division to any other qualified survivor.

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

(G)(1) Regardless of whether the member is survived by a spouse or designated beneficiary, if the state teachers retirement system receives notice that a deceased member described in division (C)(1) or (2) of this section has one or more qualified children, all persons who are qualified survivors under division (C)(2) of this section shall receive monthly benefits as provided in division (C)(2) of this section.

If, after determining the monthly benefits to be paid under division (C)(2) of this section, the system receives notice that there is a qualified survivor who was not considered when the determination was made, the system shall, notwithstanding section 3307.42 of the Revised Code, recalculate the monthly benefits with that qualified survivor included, even if the benefits to qualified survivors already receiving benefits are reduced as a result. The benefits shall be calculated as if the qualified survivor who is the subject of the notice became eligible on the date the notice was received and shall be paid to qualified survivors effective on the first day of the first month following the system's receipt of the notice.

If the system did not receive notice that a deceased member has one or more qualified children prior to making payment under section 3307.562 of the Revised Code to a beneficiary as determined by the system, the payment is a full discharge and release of the system from any future claims under this section or section 3307.562 of the Revised Code.

(2) If benefits under division (C)(2) of this section to all persons, or to all persons other than a surviving spouse or sole beneficiary, terminate, there are no children under the age of twenty-two years, and the surviving spouse or beneficiary qualifies for benefits under division (C)(1) of this section, the surviving spouse or beneficiary may elect to receive benefits under division (C)(1) of this section. The benefit shall be calculated based on the age of the spouse or beneficiary at the time of the member's death and is effective on the first day of the month following receipt by the board of an application for benefits under division (C)(1) of this section.

(H) If the benefits due and paid under division (C) of this section are in a total amount less than the member's accumulated account that was transferred from the teachers' savings fund, school employees retirement fund, and public employees retirement fund, to the survivors' benefit fund, then the difference between the total amount of the benefits paid shall be paid to the beneficiary under section 3307.562 of the Revised Code.

Sec. 3307.71. (A)(1) Except as provided in this section, section 3305.05, or section 3305.051 of the Revised Code, a member or former member of the state teachers retirement system

participating in the STRS defined benefit plan who has 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 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 state teachers retirement board. Interest shall be payable from the first of the month of withdrawal through the month of repayment.

(2) If the accumulated contributions were withdrawn under section 3307.561 of the Revised Code, service credit may be restored only if the member or former member accrued one and one-half years of service credit after the withdrawal and cancellation of service credit in this system.

(B) 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 fire pension fund, the state highway patrol retirement system, or the city of Cincinnati Retirement System, the former member is ineligible to restore that service credit under this section.

(C) The total payment to restore canceled service credit shall be credited as follows:

(1) To the member's account in the teachers' savings fund, ~~the all of the following:~~

~~(a) The portion of the payment that consists of contributions made under section 3307.26 of the Revised Code, any;~~

~~(b) Any interest on the contributions received by the member under division (A)(1), (2), or (3)(a) of section 3307.563 of the Revised Code, and any;~~

~~(c) Any interest paid on the amounts described in divisions (C)(1)(a) and (b) of this section added to the payment under division (A)(1) of this section;~~

(2) To the employers trust fund, ~~the all of the following:~~

~~(a) The portion of the payment that consists of any amounts received by the member under division (A)(3)(b) of section 3307.563 of the Revised Code, and any;~~

~~(b) Any interest paid on the amount described in division (C)(2)(a) of this section added to the payment under division (A)(1) of this section.~~

Sec. 3307.74. (A) Service credit may be purchased under section 3307.70 of the Revised Code by a member participating in the STRS defined benefit plan 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 primarily for United States citizens. Teaching credit 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, school employees retirement system, Ohio police and fire pension fund, state highway patrol retirement system, or 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 the member's behalf to a municipal retirement system in this state, except that if the conditions specified in section 3307.762

of the Revised Code are met, service credit for this service may be purchased only in accordance with section 3307.763 of the Revised Code.

The number of years of service credit for service described in this section shall not exceed the lesser of five years or the member's total accumulated number of years of Ohio service.

(B) Credit shall be purchased under this section in accordance with section 3307.70 of the Revised Code.

(C) With the exception of social security, a member is ineligible to purchase credit for service described in this section that is used in the calculation of any retirement benefit that has been paid, is currently being paid, or is payable in the future to such member under any other retirement program; ~~or service for five or more years for which contributions were made to a defined contribution plan if the member has been paid all contributions standing to the member's credit or is not entitled to be paid any such contributions.~~ At the time the credit is purchased, the member shall certify on a form furnished by the board that the member does and will conform to this requirement.

(D) Credit for service described in this section may be combined pursuant to section 3307.57 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' credit for service described in this section and sections 145.293 and 3309.31 of the Revised Code shall be used in determining retirement eligibility or calculating benefits under section 3307.57 of the Revised Code.

Sec. 3307.761. (A) As used in this section and section 3307.765 of the Revised Code:

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

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

(B) A member of the state teachers retirement system participating in the STRS defined benefit plan who has contributions on deposit with a uniform 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 for military service credit if a transfer to the state teachers retirement system is made under this division. At the request of the member, the uniform 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 accumulated contributions to the uniform system and any payments by the member for military service credit;

(2) An amount equal to the lesser of the employer's contributions to the uniform 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 at the time the credit was earned;

(3) Interest, determined as provided in division (F) of this section, on the amounts specified in divisions (B)(1) and (2) of this section from the last day of the year for which the service credit in the uniform system was earned or in which payment was made ~~for to purchase or obtain~~ purchase or obtain military service credit ~~was purchased or obtained~~ to the date the transfer is made.

(C) A member participating in the STRS defined benefit plan who has at least one and one-half years of contributing service with the state teachers retirement system, is a former member of a uniform retirement system, and has received a refund of contributions to that uniform 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 for military service credit 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 uniform system to the member for that year for accumulated contributions and payments for military service credit, with interest at a rate established by the state teachers retirement board on that amount from the date of the refund to the date of the payment;

(2) Interest, which shall be transferred by the uniform 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 payment was made for military service credit to the date the refund was made;

(3) An amount, which shall be transferred by the uniform system, equal to the lesser of the employer's contributions to the uniform 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 at the time the credit was earned, with interest on that amount from the last day of the year for which the service credit was earned or in which payment was made for military service to the date of the transfer.

On receipt of payment from the member, the state teachers retirement system shall notify the uniform system, which, on receipt of the notice, shall make the transfer required by this division. Interest shall be determined as provided in division (F) 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.

(D) 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 under any other retirement program or for service credit that may be transferred under section 3307.765 of the Revised Code.

(E) If a member of the state teachers retirement system who is not a current contributor elects to obtain credit under section 742.21 or 5505.40 of the Revised Code for service for which the member contributed to the system or purchased for military service credit, the system shall transfer to the uniform retirement system, as applicable, the amount specified in division (D) of section 742.21 or division (B)(2) of section 5505.40 of the Revised Code.

(F) Interest charged under this section shall be calculated separately for each year of service credit. Unless otherwise specified in this section it shall be calculated at the lesser of the actuarial assumption rate for that year of the state teachers retirement system or of the uniform retirement system in which the credit was earned. The interest shall be compounded annually.

(G) The state teachers retirement board shall credit to a member's account in the teachers' savings fund the amounts described in divisions (B)(1) and (C)(1) of this section, except that the interest paid by the member under division (C)(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 (B)(2) and (3) and (C)(2) and (3) of this section.

(H) At the request of the state teachers retirement system, the Ohio police and fire pension fund or state highway patrol retirement system shall certify to the state teachers retirement system a copy of the records of the service and contributions of a state teachers retirement system member

who seeks service credit under this section.

Sec. 3309.01. As used in this chapter:

(A) "Employer" or "public employer" means boards of education, school districts, joint vocational districts, governing authorities of community schools established under Chapter 3314. of the Revised Code, a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code, educational institutions, technical colleges, state, municipal, and community colleges, community college branches, universities, university branches, other educational institutions, or other agencies within the state by which an employee is employed and paid, including any organization using federal funds, provided the federal funds are disbursed by an employer as determined by the above. In all cases of doubt, the school employees retirement board shall determine whether any employer is an employer as defined in this chapter, and its decision shall be final.

(B) "Employee" means all of the following:

(1) Any person employed by a public employer in a position for which the person is not required to have a certificate or license issued pursuant to sections 3319.22 to 3319.31 of the Revised Code;

(2) Any person who performs a service common to the normal daily operation of an educational unit even though the person is employed and paid by one who has contracted with an employer to perform the service, and the contracting board or educational unit shall be the employer for the purposes of administering the provisions of this chapter;

(3) Any person, not a faculty member, employed in any school or college or other institution wholly controlled and managed, and wholly or partly supported by the state or any political subdivision thereof, the board of trustees, or other managing body of which shall accept the requirements and obligations of this chapter.

In all cases of doubt, the school employees retirement board shall determine whether any person is an employee, as defined in this division, and its decision is final.

(C) "Prior service" means all service rendered prior to September 1, 1937:

(1) As an employee as defined in division (B) of this section;

(2) As an employee in a capacity covered by the public employees retirement system or the state teachers retirement system;

(3) As an employee of an institution in another state, service credit for which was procured by a member under the provisions of section 3309.31 of the Revised Code.

Prior service, for service as an employee in a capacity covered by the public employees retirement system or the state teachers retirement system, shall be granted a member under qualifications identical to the laws and rules applicable to service credit in those systems.

Prior service shall not be granted any member for service rendered in a capacity covered by the public employees retirement system, the state teachers retirement system, and this system in the event the service credit has, in the respective systems, been received, waived by exemption, or forfeited by withdrawal of contributions, except as provided in this chapter.

If a member who has been granted prior service should, subsequent to September 16, 1957, and before retirement, establish three years of contributing service in the public employees retirement system, or one year in the state teachers retirement system, then the prior service granted shall

become, at retirement, the liability of the other system, if the prior service or employment was in a capacity that is covered by that system.

The provisions of this division shall not cancel any prior service granted a member by the school employees retirement board prior to August 1, 1959.

(D) "Total service," "total service credit," or "Ohio service credit" means all contributing service of a member of the school employees retirement system, and all prior service, computed as provided in this chapter, and all service established pursuant to sections 3309.31, 3309.311, and 3309.33 of the Revised Code. In addition, "total service" includes any period, not in excess of three years, during which a member was out of service and receiving benefits from the state insurance fund, provided the injury or incapacitation was the direct result of school employment.

(E) "Member" means any employee, except an SERS retirant or other system retirant as defined in section 3309.341 of the Revised Code, who has established membership in the school employees retirement system. "Member" includes a disability benefit recipient.

(F) "Contributor" means any person who has an account in the employees' savings fund. When used in the sections listed in division (B) of section 3309.82 of the Revised Code, "contributor" includes any person participating in a plan established under section 3309.81 of the Revised Code.

(G) "Retirant" means any former member who retired and is receiving a ~~service-retirement allowance under section 3309.36 or commuted service retirement allowance as provided in this chapter 3309.381 or former section 3309.38 of the Revised Code.~~

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

(I) "Interest," as specified in division (E) of section 3309.60 of the Revised Code, means interest at the rates for the respective funds and accounts as the school employees retirement board may determine from time to time.

(J) "Accumulated contributions" means the sum of all amounts credited to a contributor's account in the employees' savings fund together with any regular interest credited thereon at the rates approved by the retirement board prior to retirement.

(K) "Final average salary" means the sum of the annual compensation for the three highest years of compensation for which contributions were made by the member, divided by three. If the member has a partial year of contributing service in the year in which the member terminates employment and the partial year is at a rate of compensation that is higher than the rate of compensation for any one of the highest three years of annual earnings, the board shall substitute the compensation earned for the partial year for the compensation earned for a similar fractional portion in the lowest of the three high years of annual compensation before dividing by three. If a member has less than three years of contributing membership, the final average salary shall be the total compensation divided by the total number of years, including any fraction of a year, of contributing service.

(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)(1) "Pension" means annual payments for life derived from appropriations made by an employer and paid from the employers' trust fund or the annuity and pension reserve fund. All pensions shall be paid in twelve equal monthly installments.

(2) "Disability retirement" means retirement as provided in section 3309.40 of the Revised Code.

(N) "Retirement allowance" means the pension plus the annuity.

(O)(1) "Benefit" means a payment, other than a retirement allowance or the annuity paid under section 3309.344 of the Revised Code, payable from the accumulated contributions of the member or the employer, or both, under this chapter and includes a disability allowance or disability benefit.

(2) "Disability allowance" means an allowance paid on account of disability under section 3309.401 of the Revised Code.

(3) "Disability benefit" means a benefit paid as disability retirement under section 3309.40 of the Revised Code, as a disability allowance under section 3309.401 of the Revised Code, or as a disability benefit under section 3309.35 of the Revised Code.

(P) "Annuity reserve" means the present value, computed upon the basis of mortality tables adopted by the school employees retirement board, of all payments to be made on account of any annuity, or benefit in lieu of any annuity, granted to a retirant.

(Q) "Pension reserve" means the present value, computed upon the basis of mortality tables adopted by the school employees retirement board, of all payments to be made on account of any pension, or benefit in lieu of any pension, granted to a retirant or a beneficiary.

(R) "Year" means the year beginning the first day of July and ending with the thirtieth day of June next following.

(S) "Local district pension system" means any school employees' pension fund created in any school district of the state prior to September 1, 1937.

(T) "Employer contribution" means the amount paid by an employer as determined under section 3309.49 of the Revised Code.

(U) "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.

(V)(1) Except as otherwise provided in this division, "compensation" means all salary, wages, and other earnings paid to a contributor by reason of employment. 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 3309.47 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.

(2) Compensation does not include any of the following:

(a) Payments for accrued but unused sick leave or personal leave, including payments made under a plan established pursuant to section 124.39 of the Revised Code or any other plan established

by the employer;

(b) Payments made for accrued but unused vacation leave, including payments made pursuant to section 124.13 of the Revised Code or a plan established by the employer;

(c) Payments made for vacation pay covering concurrent periods for which other salary or compensation is also paid or during which benefits are paid under this chapter;

(d) 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;

(e) Incidental benefits, including lodging, food, laundry, parking, or services furnished by the employer, use of the employer's property or equipment, and reimbursement for job-related expenses authorized by the employer, including moving and travel expenses and expenses related to professional development;

(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. For a contributor who first establishes membership before July 1, 1996, the annual compensation that may be taken into account by the retirement system shall be determined under division (d)(3) of section 13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub. L. No. 103-66, 107 Stat. 472;

(g) Payments made under division (B), (C), or (E) of section 5923.05 of the Revised Code, Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly, Section 3 of Amended Substitute Senate Bill No. 164 of the 124th general assembly, or Amended Substitute House Bill No. 405 of the 124th 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 compensation 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 from the payments.

(3) The retirement board shall determine by rule whether any form of earnings not enumerated in this division is to be included in compensation, and its decision shall be final.

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

(X) "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. 3309.011. "Employee" as defined in division (B) of section 3309.01 of the Revised Code, does not include any of the following:

(A) Any person having a license issued pursuant to sections 3319.22 to 3319.31 of the Revised Code and employed in a public school in this state in an educational position, as determined by the state board of education, under programs provided for by federal acts or regulations and financed in whole or in part from federal funds, but for which no licensure requirements for the position can be made under the provisions of such federal acts or regulations;

(B) Any person who participates in an alternative retirement plan established under Chapter 3305. of the Revised Code;

(C) Any person who elects to transfer from the school employees retirement system to the public employees retirement system under section 3309.312 of the Revised Code;

(D) Any person whose full-time employment by the university of Akron as a state university law enforcement officer pursuant to section 3345.04 of the Revised Code commences on or after September 16, 1998;

(E) Any person described in division (B) of section 3309.013 of the Revised Code;

(F) Any person described in division (D) of section 145.011 of the Revised Code;

(G) Any person described in division (B)(1)(b) of section 3307.01 of the Revised Code.

Sec. 3309.22. (A)(1) As used in this division, "personal history record" means information maintained in any format by the board on an individual who is a member, former member, contributor, former contributor, retirant, or beneficiary that includes the address, electronic mail address, telephone number, social security number, record of contributions, correspondence with the system, and other information the board determines to be confidential.

(2) The records of the board shall be open to public inspection and may be made available in printed or electronic format, except for the following, which shall be excluded, except with the written authorization of the individual concerned:

(a) The individual's statement of previous service and other information as provided for in section 3309.28 of the Revised Code;

(b) Any information identifying by name and address the amount of a monthly allowance or benefit paid to the individual;

(c) The individual's personal history record.

(B) All medical reports and recommendations required by the system are privileged except as follows:

(1) Copies of medical reports or recommendations shall be made available to the following:

(a) The individual concerned, on written request;

(b) The personal physician, attorney, or authorized agent of the individual concerned on written release received from the individual or the individual's agent;

(c) The board assigned physician.

(2) Documentation required by section 2929.193 of the Revised Code shall be provided to a court holding a hearing under that section.

(C) Any person who is a contributor of the system shall be furnished, on written request, with a statement of the amount to the credit of the person's account. The board need not answer more than one such request of a person in any one year.

(D) Notwithstanding the exceptions to public inspection in division (A)(2) of this section, the board may furnish the following information:

(1) If a member, former member, contributor, former contributor, or retirant is subject to an order issued under section 2907.15 of the Revised Code or an order issued under division (A) or (B) of section 2929.192 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 or administrative order issued under section 3119.80, 3119.81, 3121.02, 3121.03, or 3123.06 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 written request of any person, the board shall provide to the person a list of the names and addresses of members, former members, retirants, contributors, former contributors, or beneficiaries. The costs of compiling, copying, and mailing the list shall be paid by such person.

(4) Within fourteen days after receiving from the director of job and family services a list of the names and social security numbers of recipients of public assistance pursuant to section 5101.181 of the Revised Code, the board shall inform the auditor of state of the name, current or most recent employer address, and social security number of each contributor 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 section 5101.181 of the Revised Code.

(5) The system shall comply with orders issued under section 3105.87 of the Revised Code.

On the written request of an alternate payee, as defined in section 3105.80 of the Revised Code, the system shall furnish to the alternate payee information on the amount and status of any amounts payable to the alternate payee under an order issued under section 3105.171 or 3105.65 of the Revised Code.

(6) At the request of any person, the board shall make available to the person copies of all documents, including resumes, in the board's possession regarding filling a vacancy of an employee member or retirant member of the board. The person who made the request shall pay the cost of compiling, copying, and mailing the documents. The information described in this division is a public record.

(7) The system shall provide the notice required by section 3309.673 of the Revised Code to the prosecutor assigned to the case.

(8) The system may provide information requested by the United States social security administration, United States centers for medicare and medicaid services, Ohio public employees deferred compensation program, Ohio police and fire pension fund, state teachers retirement system, public employees retirement system, state highway patrol retirement system, Cincinnati retirement system, or a third party that the school employees retirement board has contracted with for the purpose of administering any part of this chapter.

(E) A statement that contains information obtained from the system's records that is signed by an officer of the retirement system and to which the system's official seal is affixed, or copies of the system's records to which the signature and seal are attached, shall be received as true copies of the system's records in any court or before any officer of this state.

Sec. 3309.671. (A) As used in this section, "alternate payee," "benefit," "lump sum payment," "participant," and "public retirement program" have the same meanings as in section 3105.80 of the Revised Code.

(B) On receipt of an order issued under section 3105.171 or 3105.65 of the Revised Code, the school employees retirement system shall determine whether the order meets the requirements of sections 3105.80 to 3105.90 of the Revised Code. The system shall retain in the participant's record an order the system determines meets the requirements. Not later than sixty days after receipt, the system shall return to the court that issued the order any order the system determines does not meet the requirements.

(C) The system shall comply with an order retained under division (B) of this section at the following times as appropriate:

(1) If the participant has applied for or is receiving a benefit or has applied for but not yet received a lump sum payment, as soon as practicable;

(2) If the participant has not applied for a benefit or lump sum payment, on application by the participant for a benefit or lump sum payment.

(D) If the system transfers a participant's service credit or contributions made by or on behalf of a participant to a public retirement program that is not named in the order, the system shall do both of the following:

(1) Notify the court that issued the order by sending the court a copy of the order and the name and address of the public retirement program to which the transfer was made.

(2) Send a copy of the order to the public retirement program to which the transfer was made.

(E) If it receives a participant's service credit or contributions and a copy of an order as provided in division (D) of this section, the system shall administer the order as if it were the public retirement program named in the order.

(F) If a participant's benefit or lump sum payment is or will be subject to more than one order described in section 3105.81 of the Revised Code or to an order described in section 3105.81 of the Revised Code and a withholding order under section ~~3111.23 or 3113.21~~ 3121.03 of the Revised Code, the system shall, after determining that the amounts that are or will be withheld will cause the benefit or lump sum payment to fall below the limits described in section 3105.85 of the Revised Code, do all of the following:

(1) Establish, in accordance with division (G) of this section and subject to the limits described in section 3105.85 of the Revised Code, the priority in which the orders are or will be paid by the system;

(2) Reduce the amount paid to an alternate payee based on the priority established under division (F)(1) of this section;

(3) Notify, by regular mail, a participant and alternate payee of any action taken under this division.

(G) A withholding or deduction notice issued under section ~~3111.23 or 3113.21~~ 3121.03 of the Revised Code or an order described in section 3115.501 of the Revised Code has priority over all other orders and shall be complied with in accordance with child support enforcement laws. All other orders are entitled to priority in order of earliest retention by the system. The system is not to retain an order that provides for the division of property unless the order is filed in a court with jurisdiction

in this state.

(H) The system is not liable in civil damages for loss resulting from any action or failure to act in compliance with this section.

SECTION 2. That existing sections 145.01, 145.016, 145.33, 145.332, 145.362, 145.384, 145.45, 145.571, 145.62, 742.03, 742.05, 3307.05, 3307.14, 3307.20, 3307.231, 3307.25, 3307.251, 3307.26, 3307.28, 3307.351, 3307.352, 3307.39, 3307.44, 3307.48, 3307.501, 3307.56, 3307.562, 3307.58, 3307.60, 3307.62, 3307.66, 3307.71, 3307.74, 3307.761, 3309.01, 3309.011, 3309.22, and 3309.671 and sections 3307.23, 3307.241, 3307.96, 3307.97, and 3307.98 of the Revised Code are hereby repealed.

SECTION 3. Section 145.018 of the Revised Code, as enacted by this act, applies to a member of the Public Employees Retirement System for the period beginning January 1, 2017, and ending on the effective date of that section if both of the following apply:

(A) The member received less than a full year of service credit for employment that would have qualified the member for a full year of service credit under that section had that section taken effect January 1, 2017;

(B) Not later than ninety days after the effective date of that section, the county board of developmental disabilities that employed the member during the period beginning January 1, 2017, and ending on the effective date of that section, acting through the county auditor, reports to the Public Employees Retirement System the member's name and any additional information required by the System in the form the System requires.

SECTION 4. Section 145.332 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 158 and Sub. S.B. 293 of the 131st General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

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 _____