

**As Introduced**

**136th General Assembly**

**Regular Session**

**2025-2026**

**H. B. No. 424**

**Representatives Willis, Craig**

**Cosponsors: Representatives Thomas, D., Williams, Lear, White, A., Fischer,  
Gross, Deeter, Newman, Workman**

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|----------------------------------------------|---|
| To amend section 145.295 of the Revised Code | 1 |
| regarding transfers or purchases of certain  | 2 |
| retirement service credit.                   | 3 |

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

|                                                               |   |
|---------------------------------------------------------------|---|
| <b>Section 1.</b> That section 145.295 of the Revised Code be | 4 |
| amended to read as follows:                                   | 5 |

|                                                              |   |
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| <b>Sec. 145.295.</b> (A) As used in this section and section | 6 |
| 145.2913 of the Revised Code:                                | 7 |

|                                                               |    |
|---------------------------------------------------------------|----|
| (1) "Uniform retirement system" or "uniform system" means     | 8  |
| the Ohio police and fire pension fund or state highway patrol | 9  |
| retirement system.                                            | 10 |

|                                                             |    |
|-------------------------------------------------------------|----|
| (2) "Military service credit" means credit purchased or     | 11 |
| obtained under this chapter or Chapter 742. or 5505. of the | 12 |
| Revised Code for service in the armed forces of the United  | 13 |
| States.                                                     | 14 |

|                                                                  |    |
|------------------------------------------------------------------|----|
| (B) A member of the public employees retirement system who       | 15 |
| has contributions on deposit with, but is no longer contributing | 16 |
| to, a uniform retirement system shall, in computing years of     | 17 |
| service, be given full credit for service credit earned under    | 18 |

Chapter 742. or 5505. of the Revised Code or for military 19  
service credit if a transfer to the public employees retirement 20  
system is made under this division. At the request of the member 21  
a transfer shall be made if all of the following conditions are 22  
met: 23

~~(1) The member's service credit in the public employees~~ 24  
~~retirement system is greater than the amount of credit that~~ 25  
~~would be transferred under this division.~~ 26

~~(2)~~ The member is eligible, or with the credit will be 27  
eligible, for a retirement or disability benefit. 28

~~(3)~~ (2) The member agrees to retire or accept a disability 29  
benefit not later than ninety days after receiving notice from 30  
the public employees retirement system that the credit has been 31  
obtained. 32

~~(4)~~ (3) For each year of service the uniform system 33  
transfers to the public employees retirement system the sum of 34  
the following: 35

(a) An amount equal to the member's accumulated 36  
contributions to the uniform system making the transfer and any 37  
payments by the member for military service credit; 38

(b) An amount equal to the lesser of the employer's 39  
contributions to the uniform system or the appropriate employer 40  
contribution under section 145.48 or 145.49 of the Revised Code; 41

(c) Interest, determined as provided in division (H) of 42  
this section, on the amounts specified in divisions ~~(B) (4) (a)~~ 43  
(B) (3) (a) and (b) of this section for the period from the last 44  
day of the year for which the service credit in the uniform 45  
system was earned or in which the military service credit was 46  
purchased or obtained to the date the transfer is made. 47

(C) A member of the public employees retirement system who 48  
has at least eighteen months of contributing service credit with 49  
the public employees retirement system, who is a former member 50  
of a uniform retirement system, and who has received a refund of 51  
the member's accumulated contributions to that uniform system 52  
may obtain credit for service credit earned under Chapter 742. 53  
or 5505. of the Revised Code or for military service credit if 54  
all of the following conditions are met: 55

~~(1) The member's service credit in the public employees-~~ 56  
~~retirement system is greater than the amount of credit that~~ 57  
~~would be transferred under this division.~~ 58

~~(2)~~ The member is eligible, or with the credit will be 59  
eligible, for a retirement or disability benefit. 60

~~(3)~~ (2) The member agrees to retire or accept a disability 61  
benefit not later than ninety days after receiving notice from 62  
the public employees retirement system that the credit has been 63  
obtained. 64

~~(4)~~ (3) For each year of service, the public employees 65  
retirement system receives the sum of the following: 66

(a) An amount, which shall be paid by the member, equal to 67  
the amount refunded by the uniform system to the member for that 68  
year for accumulated contributions and payments for military 69  
service credit, with interest at a rate established by the 70  
public employees retirement board on that amount from the date 71  
of the refund to the date of the payment; 72

(b) Interest, which shall be transferred by the uniform 73  
system, on the amount refunded to the member that is 74  
attributable to the year of service from the last day of the 75  
year for which the service credit was earned or in which payment 76

was made for military service credit to the date the refund was 77  
made; 78

(c) An amount, which shall be transferred by the uniform 79  
system, equal to the lesser of the employer's contributions to 80  
the uniform system or the appropriate employer contribution 81  
under section 145.48 or 145.49 of the Revised Code, with 82  
interest on that amount from the last day of the year for which 83  
the service credit was earned or in which payment was made for 84  
military service credit to the date of the transfer. 85

On receipt of payment from the member, the public 86  
employees retirement system shall notify the uniform system, 87  
which, on receipt of the notice, shall make the transfer 88  
required by this division. Interest shall be determined as 89  
provided in division (H) of this section. 90

(D) A member of the public employees retirement system who 91  
purchased credit under former division (A)(1) of this section, 92  
as it existed before August 25, 1995, for service as a member of 93  
a uniform retirement system may elect to have the amount the 94  
member paid for this service credit refunded to the member under 95  
this division if the member agrees to repurchase this service 96  
credit pursuant to division (C) of this section. 97

(E) Service credit purchased or otherwise obtained under 98  
this section shall be considered the equivalent of Ohio service 99  
credit. 100

The public employees retirement system shall withdraw the 101  
credit and refund all amounts paid or transferred under this 102  
section if either of the following occurs: 103

(1) The member fails to retire or accept a disability 104  
benefit not later than ninety days after receiving notice from 105

the public employees retirement system that credit has been 106  
obtained. 107

(2) The member's application for a disability benefit is 108  
denied. 109

A member may choose to purchase only part of the credit 110  
the member is eligible to purchase under division (C) of this 111  
section, subject to rules of the public employees retirement 112  
board. A member is ineligible to purchase or otherwise obtain 113  
credit under this section for service to be used in calculation 114  
of any retirement benefit currently being paid or payable to the 115  
member in the future under any other retirement program or for 116  
service credit that may be transferred under section 145.2913 of 117  
the Revised Code. 118

(F) If a member of the public employees retirement system 119  
who is not a current contributor elects to receive credit under 120  
section 742.21 or 5505.40 of the Revised Code for service for 121  
which the member contributed to the system or made payment for 122  
military service credit, the system shall transfer to the Ohio 123  
police and fire pension fund or the state highway patrol 124  
retirement system, as applicable, the amount specified in 125  
division (D) of section 742.21 or division (B) (2) of section 126  
5505.40 of the Revised Code. 127

(G) A member of the public employees retirement system who 128  
earned service credit in the public employees retirement system 129  
for full-time service as a township or municipal police officer 130  
and received service credit in the Ohio police and fire pension 131  
fund under section 742.511 or 742.512 of the Revised Code for 132  
such service may elect to have the credit restored as public 133  
employees retirement system service credit by paying the public 134  
employees retirement system an amount equal to the accumulated 135

contributions paid by the member to the Ohio police and fire 136  
pension fund under section 742.511 or 742.512 of the Revised 137  
Code. When such an election is made, the Ohio police and fire 138  
pension fund shall transfer to the public employees retirement 139  
system the amount previously transferred under section 742.511 140  
or 742.512 of the Revised Code from the public employees 141  
retirement system to the Ohio police and fire pension fund. 142

(H) Interest charged under this section shall be 143  
calculated separately for each year of service credit. Unless 144  
otherwise specified in this section, it shall be calculated at 145  
the lesser of the actuarial assumption rate for that year of the 146  
public employees retirement system or of the uniform retirement 147  
system in which the credit was earned. The interest shall be 148  
compounded annually. 149

(I) At the request of the public employees retirement 150  
system, the uniform retirement system shall certify to the 151  
public employees retirement system a copy of the records of the 152  
service and contributions of a public employees retirement 153  
system member who seeks service credit under this section. 154

**Section 2.** That existing section 145.295 of the Revised 155  
Code is hereby repealed. 156