As Introduced

135th General Assembly

Regular Session 2023-2024

H. B. No. 310

Representative Jones

Cosponsors: Representatives Carruthers, Hillyer, Gross, Johnson, Miller, J.

A BILL

Го	amend sections 3307.70, 3307.751, and 3307.752	-
	of the Revised Code regarding purchases of	2
	military service credit by State Teachers	
	Retirement System members.	2

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

Section 1. That sections 3307.70, 3307.751, and 3307.752	5
of the Revised Code be amended to read as follows:	6
Sec. 3307.70. (A) A member of the state teachers	7
retirement system who elects to purchase service credit	8
described in section 3307.73, 3307.74, 3307.751, 3307.76,	9
3307.771, or 3307.78 of the Revised Code shall do both of the	10
following:	11
(1) Submit an application to the state teachers retirement board in a manner or form approved by the board;	12 13
(2)(a) If the purchase will be completed not later than	14
December 31, 2013, for each year, or portion of a year, of	15
credit purchased, pay to the teachers' savings fund the amount	16
specified by former section 3307.73, 3307.74, 3307.751, 3307.76,	17
3307.771, or 3307.78 of the Revised Code as the appropriate	18

section existed immediately before January 7, 2013.	19
(b) If the purchase will not be completed until on or	20
after January 1, 2014, for each year, or portion of a year, of	21
credit purchased, pay to the teachers' savings fund an amount	22
specified by the board that is equal to one hundred per cent of	23
the actuarial liability resulting from the purchase of that year	24
or portion of a year of credit as determined by an actuary	25
employed by the board.	26
(c) If, on January 7, 2013, the purchase is being made	27
through a payroll deduction plan under section 3307.701 of the	28
Revised Code and at least one deduction has been made, pay to	29
the teachers' savings fund the amount specified by former	30
section 3307.73, 3307.74, 3307.751, 3307.76, 3307.771, or	31
3307.78 of the Revised Code as the appropriate section existed	32
immediately before January 7, 2013.	33
(B) (1) (B) Division (A) (2) (b) of this section does not	34
apply to a member purchasing service credit under section	35
3307.751 of the Revised Code.	36
(C)(1) A purchase shall be considered completed for	37
purposes of division (A)(2)(a) of this section only if the	38
member's application is received by the retirement system as	39
completed not later than December 31, 2013, and all payments are	40
received by the retirement system not later than June 30, 2014.	41
(2) A member purchasing credit through a payroll deduction	42
plan under division (A)(2)(c) of this section may pay in a	43
single payment the balance of the cost of the credit.	44
(C) (D) Subject to board rules, a member may choose to	45
purchase only part of any eligible service credit in any one	46
payment.	47

(D) (E) The board shall adopt rules establishing criteria	48
for determining eligibility for purchases of service credit and	49
procedures for purchases of credit under this section.	50
Any determination of the board under this section shall be	51
final.	52
$\frac{(E)-(F)}{(E)}$ Service credit purchased under this section shall	53
be included in the member's total service credit.	54
If a member dies or withdraws from service, any payment	55
made by the member under this section shall be considered as	56
accumulated contributions of the member.	57
Sec. 3307.751. (A)(1) A member participating in the STRS	58
defined benefit plan may purchase service credit under section	59
3307.70 of the Revised Code <u>in an amount described in division</u>	60
(E) of this section for each year or portion of a year of	61
service incurred by reason of having been on active duty as a	62
member of the armed forces of the United States, as defined in	63
section 3307.75 of the Revised Code.	64
(2) As used in division (A)(2) of this section, "reserves"	65
means a reserve component of any of the armed forces of the	66
United States enumerated in division (A)(1) of section 3307.75	67
of the Revised Code.	68
On presentation of documentation of the service and	69
subject to state teachers retirement board rules, a member	70
participating in the STRS defined benefit plan may purchase	71
service credit under section 3307.70 of the Revised Code <u>in an</u>	72
amount described in division (E) of this section for each year	73
or portion of a year of service incurred by reason of having	74
been on active duty as a member of the Ohio national guard or	75
reserves for which the member is not eligible to purchase credit	76

under division (A)(1) of this section. For purposes of division	77
(A)(2) of this section, active duty in the reserves or the Ohio	78
national guard includes assembly for drill and instruction;	79
training at encampments, maneuvers, outdoor target practice, or	80
other exercises; and any training or duty in this state ordered	81
by the governor.	82
(3) Credit shall not be granted for any period of duty	83
during which the member was contributing to the retirement	84
system.	85
The credit may be purchased at any time prior to the	86
effective date of a benefit. The number of years purchased under	87
this division shall not exceed five.	88
(B) For the purposes of this division, "prisoner of war"	89
means any regularly appointed, enrolled, enlisted, or inducted	90
member of the armed forces of the United States who was	91
captured, separated, and incarcerated by an enemy of the United	92
States.	93
A member participating in the STRS defined benefit plan	94
may purchase service credit under section 3307.70 of the Revised	95
Code in an amount described in division (E) of this section for	96
each year of service such member was a prisoner of war. The	97
number of years purchased shall not exceed five. Service credit	98
may be purchased for the same years of service used to purchase	99
service credit described in division (A) of this section.	100
(C) The total number of years described in this section	101
that may be purchased shall not exceed the member's total	102
accumulated number of years of Ohio service.	103
(D) The retirement system shall calculate the number of	104

years or portions of a year of credit the member is eligible to

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purchase under division (A)(2) of this section by dividing the	106
number of days actually served by three hundred sixty-five.	107
A member of the state teachers retirement system is	108
ineligible to purchase service credit described in this section	109
for any year of military service that was:	110
(1) Used in the calculation of any retirement benefit	111
currently being paid to such member or payable in the future	112
under any other retirement program, except for retired pay for	113
non-regular service under Chapter 1223 of Section 1662 of Title	114
XVI of the "National Defense Authorization Act for Fiscal Year	115
1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or	116
social security;	117
(2) Used to obtain service credit pursuant to section	118
3307.75 or 3307.752 of the Revised Code.	119
At the time the credit is purchased, the member shall	120
certify on a form furnished by the board that the member does	121
and will conform to this requirement.	122
(E) (1) The board shall calculate the cost for each	123
year of service credit a member elects to purchase under this	124
section separately. For each year or portion of a year of	125
service purchased under this section, the member, subject to	126
board rules, shall pay to the system for credit to the member's	127
accumulated account an amount equal to the sum of the amount of	128
contributions that would have been paid pursuant to section	129
3307.26 of the Revised Code plus the amount of contributions	130
that would have been paid by the member's employer pursuant to	131
section 3307.28 of the Revised Code as if the member had been in	132
active service as a teacher during the year or portion of a year	133
of military service for which the member is purchasing credit.	134

(2) The board shall not require the member to pay any	135
amount to the system in addition to the amount required under	136
division (E)(1) of this section to purchase the service credit,	137
including interest or an amount equal to any percentage of the	138
actuarial liability resulting from the purchase.	139
(F) Credit described in this section may be combined	140
pursuant to section 3307.57 of the Revised Code with credit for	141
military service purchased under sections 145.301, 742.52,	142
3309.021, and 5505.25 of the Revised Code or military service	143
credit purchased in the Cincinnati retirement system, except	144
that not more than a total of five years of credit described in	145
division (A) of this section, division (B) of section 145.301,	146
division (A) of section 742.52, division (A) of section	147
3309.021, and division (A) of section 5505.25 of the Revised	148
Code and not more than a total of five years of credit described	149
in division (B) of this section, division (C) of section	150
145.301, division (B) of section 742.52, division (B) of section	151
3309.021 and division (B) of section 5505.25 of the Revised Code	152
or military service credit purchased in the Cincinnati	153
retirement system shall be used in determining retirement	154
eligibility or calculating benefits under section 3307.57 of the	155
Revised Code.	156
Sec. 3307.752. (A) As used in this section:	157
(1) "Service in the uniformed services" means the	158
performance of duty on a voluntary or involuntary basis in a	159
uniformed service under competent authority and includes active	160
duty, active duty for training, initial active duty for	161
training, inactive duty training, full-time national guard duty,	162
and a period for which a person is absent from a position of	163
employment for the purpose of an examination to determine the	164

fitness of the person to perform any such duty.

(2) "Uniformed services" means the army, navy, air force, 166 marine corps, coast quard, or any reserve components of such 167 services; national guard; the commissioned corps of the United 168 States public health service; service as a red cross nurse with 169 the army, navy, air force, or hospital service of the United 170 States, army nurse corps, navy nurse corps, or serving full-time 171 with the American red cross in a combat zone; and any other 172 category of persons designated by the president in time of war 173 174 or emergency.

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- (B) On the re-employment of a member participating in the 175 STRS defined benefit plan as a teacher by the same public 176 employer that employed the member prior to the member's service 177 in the uniformed services, the member may apply to the state 178 teachers retirement system on a form provided by the system to 179 purchase service credit for service in the uniformed services 180 that shall be considered the equivalent of Ohio service credit. 181 On receipt of the application, the system shall request from the 182 employer that employed the member as a teacher prior to the 183 military service a certification that the member was employed by 184 the employer prior to, and returned to employment with the 185 employer within three months of honorable discharge or release 186 from, service in the uniformed services. If the employer can so 187 certify, it shall do so and shall pay to the system the 188 employer's contribution required by this section. The service 189 credit shall be granted the member if all of the following 190 requirements are met: 191
- (1) The member was a member of and maintained membership in the state teachers retirement system throughout service in the uniformed services;

(2) The member was out of active service as a teacher by	195
reason of service in the uniformed services;	196
(3) The member was honorably discharged or released from	197
service in the uniformed services;	198
(4) The member pays contributions to the system in	199
accordance with this section.	200
(C) Credit may be purchased pursuant to this section at	201
any time prior to receipt of a benefit. The member may choose to	202
purchase only part of the credit in any one payment, subject to	203
board rules. The system shall grant service credit under this	204
section, not to exceed five years, for service in the uniformed	205
services for which contributions have been received.	206
(D) For service purchased under this section, the member	207
and the member's employer, subject to board rules, shall pay to	208
the system for credit to the member's accumulated account an	209
amount equal to the contributions that would have been paid	210
pursuant to sections 3307.26 and 3307.28 of the Revised Code if	211
the member had not been out of active service as a teacher by	212
reason of service in the uniformed services.	213
If a member pays all or any portion of the contributions	214
required by section 3307.26 of the Revised Code later than the	215
lesser of five years or a period that is three times the	216
member's period of service in the uniformed services beginning	217
from the later of the member's date of re-employment as a	218
teacher or October 29, 1996, an amount equal to compound	219
interest at a rate established by the board from the later of	220
the member's date of re-employment as a teacher or October 29,	221
1996, to the date of payment shall be added to the remaining	222
amount to be paid by the member to purchase service credit under	223

H. B. No. 310
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this section The board shall not require the member to pay	224
interest on the amount paid to the system to purchase service	225
credit under this section.	226
(E) This section does not cancel any military service	227
credit or service in the uniformed services earned or granted	228
under this chapter prior to October 29, 1996.	229
(F) If a member purchased service credit under section	230
3307.751 of the Revised Code prior to October 29, 1996, is not	231
receiving a benefit, and would have been eligible to obtain	232
service credit pursuant to this section had it been in effect at	233
the time of purchase, the system shall refund the amounts paid	234
by the member for the purchase if both of the following	
requirements are met:	236
(1) The member makes a written request for a refund on a	237
form provided by the system;	238
(2) The member pays to the system the contributions	239
required by this section.	240
(G) If the member meets the requirements of division (F)	241
of this section, the employer shall pay to the system the	242
employer's contributions required by this section.	243
Section 2. That existing sections 3307.70, 3307.751, and	244
3307.752 of the Revised Code are hereby repealed.	245