

**As Passed by the House**

**129th General Assembly**

**Regular Session**

**2011-2012**

**Sub. S. B. No. 340**

**Senators Niehaus, Kearney**

**Cosponsors: Senators Bacon, Coley, Hite, Jones, Lehner, Schiavoni, Seitz**

**Representatives Adams, R., Amstutz, Anielski, Antonio, Baker, Blair,**

**Blessing, Boose, Boyce, Boyd, Buchy, Budish, Driehaus, Duffey, Fende,**

**Foley, Garland, Goyal, Grossman, Hackett, Hagan, C., Hagan, R., Heard,**

**Henne, Hill, Letson, Lynch, Martin, McGregor, Milkovich, Murray, Newbold,**

**Pillich, Ramos, Roegner, Ruhl, Sears, Smith, Stebelton, Stinziano,**

**Thompson, Wachtmann, Winburn, Young, Yuko Speaker Batchelder**

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**A B I L L**

To amend sections 171.04, 742.01, 742.04, 742.10, 1  
742.14, 742.16, 742.30, 742.301, 742.31, 742.32, 2  
742.33, 742.34, 742.35, 742.37, 742.3711, 3  
742.3716, 742.38, 742.39, 742.44, 742.442, 4  
742.443, 742.444, 742.45, 742.63, and 742.64; to 5  
enact sections 742.012, 742.013, and 742.161; and 6  
to repeal section 742.011 of the Revised Code to 7  
revise the law governing the Ohio Police and Fire 8  
Pension Fund. 9

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

**Section 1.** That sections 171.04, 742.01, 742.04, 742.10, 10  
742.14, 742.16, 742.30, 742.301, 742.31, 742.32, 742.33, 742.34, 11  
742.35, 742.37, 742.3711, 742.3716, 742.38, 742.39, 742.44, 12  
742.442, 742.443, 742.444, 742.45, 742.63, and 742.64 be amended 13  
and sections 742.012, 742.013, and 742.161 of the Revised Code be 14

enacted to read as follows: 15

**Sec. 171.04.** The Ohio retirement study council shall: 16

(A) Make an impartial review from time to time of all laws 17  
governing the administration and financing of the pension and 18  
retirement funds under Chapters 145., 146., 742., 3307., 3309., 19  
and 5505. of the Revised Code and recommend to the general 20  
assembly any changes it may find desirable with respect to the 21  
allowances and benefits, sound financing of the cost of benefits, 22  
the prudent investment of funds, and the improvement of the 23  
language, structure, and organization of the laws; 24

(B) Make an annual report to the governor and to the general 25  
assembly covering its evaluation and recommendations with respect 26  
to the operations of the state retirement systems and their funds; 27

(C) Study all changes in the retirement laws proposed to the 28  
general assembly and report to the general assembly on their 29  
probable costs, actuarial implications, and desirability as a 30  
matter of public policy; 31

(D) Review semiannually the policies, objectives, and 32  
criteria adopted under sections 145.11, 742.11, 3307.15, 3309.15, 33  
and 5505.06 of the Revised Code for the operation of the 34  
investment programs of the state retirement systems, including a 35  
review of asset allocation targets and ranges, risk factors, asset 36  
class benchmarks, time horizons, total return objectives, relative 37  
volatility, and performance evaluation guidelines. The council 38  
shall, not later than thirty days after completing a review, 39  
submit to the governor and the general assembly a report 40  
summarizing its findings. 41

(E) Have prepared by an independent actuary, at least once 42  
every ten years, an actuarial review of the ~~annual~~ actuarial 43  
valuations and quinquennial actuarial investigations prepared 44

under sections 145.22, 742.14, 3307.20, 3309.21, and 5505.12 of 45  
the Revised Code, including a review of the actuarial assumptions 46  
and methods, the data underlying the valuations and 47  
investigations, and the adequacy of each system's employee and 48  
employer contribution rates to amortize its unfunded actuarial 49  
pension liability, if any, and to support the payment of benefits 50  
authorized by Chapter 145., 742., 3307., 3309., or 5505. of the 51  
Revised Code. The council shall submit to the governor and the 52  
general assembly a report summarizing the review. 53

(F) Have conducted by an independent auditor at least once 54  
every ten years a fiduciary performance audit of each of the state 55  
retirement systems. 56

All costs associated with an audit conducted pursuant to 57  
division (F) of this section shall be paid by the retirement 58  
system audited. 59

(G) Provide each member of the council with copies of all 60  
proposed rules submitted to the council pursuant to sections 61  
145.09, 742.10, 3307.04, 3309.04, and 5505.04 of the Revised Code 62  
and submit any recommendations to the joint committee on agency 63  
rule review. 64

**Sec. 742.01.** As used in this chapter: 65

(A)(1) "Police department" means the police department of a 66  
municipal corporation. 67

(2) "Member of a police department" means any of the 68  
following: 69

(a) Any person who receives an original appointment as a 70  
full-time regular police officer in a police department from a 71  
duly established civil service eligible list or pursuant to 72  
section 124.411 of the Revised Code, or who is described in 73  
section 742.511 of the Revised Code, or who transfers from the 74

public employees retirement system to the Ohio police and fire 75  
pension fund pursuant to section 742.513 of the Revised Code, or 76  
who is appointed pursuant to section 737.15 or 737.16 of the 77  
Revised Code as a full-time regular police officer and is paid 78  
solely out of public funds of the employing municipal corporation; 79

(b) Any person who, on October 1, 1965, was contributing four 80  
per cent of the person's annual salary to a police relief and 81  
pension fund established under former section 741.32 of the 82  
Revised Code; 83

(c) Any person who commences employment on or after September 84  
16, 1998, as a full-time police officer with a police department 85  
in a position in which the person is required to satisfactorily 86  
complete a peace officer training course in compliance with 87  
section 109.77 of the Revised Code. 88

(B)(1) "Fire department" means a fire department of the state 89  
or an instrumentality of the state or of a municipal corporation, 90  
township, joint fire district, or other political subdivision. 91

(2) "Member of a fire department" means all of the following: 92

(a) Any person who commences employment after November 8, 93  
1990, as a full-time firefighter with a fire department, in a 94  
position in which the person is required to satisfactorily 95  
complete or have satisfactorily completed a firefighter training 96  
course approved under former section 3303.07 or section 4765.55 or 97  
conducted under section 3737.33 of the Revised Code; 98

(b) Any person who has elected under section 742.515 of the 99  
Revised Code to be transferred from the public employees 100  
retirement system to the Ohio police and fire pension fund; 101

(c) Any full-time firefighter who, on November 8, 1990, is a 102  
member of the Ohio police and fire pension fund. 103

(C) "Employee" means any person who is a member of a police 104

department or a member of a fire department. 105

(D) "Employer" means the government entity by which an 106  
employee is employed and paid. 107

(E) "Member of the fund" means any person, except an other 108  
system retirant as defined in section 742.26 of the Revised Code, 109  
who is contributing a percentage of the person's annual salary to 110  
the Ohio police and fire pension fund or who is receiving a 111  
disability benefit or pension from the fund as a result of service 112  
in a police or fire department. A person, other than an other 113  
system retirant, who is contributing a percentage of the person's 114  
annual salary to the fund and is dismissed, resigns, or is granted 115  
a leave of absence from a police or fire department shall be 116  
considered a "member of the fund" for a period of twelve months 117  
after the first day of the dismissal, resignation, or leave of 118  
absence, provided the sum deducted from the person's salary and 119  
credited to the person's account in the fund remains on deposit in 120  
the fund. 121

A member of the Ohio national guard, the Ohio military 122  
reserve, the Ohio naval militia, or a reserve component of the 123  
armed forces of the United States who is absent from employment 124  
due to active military duty because of an executive order issued 125  
by the president of the United States or an act of congress shall 126  
be considered a member of the fund for the duration of the active 127  
military duty. 128

(F) "Year," for the purpose of determining benefits, means 129  
any twelve consecutive calendar months of active service as a 130  
member of the fund, or, in the case of a member whose salary is 131  
paid weekly or biweekly, fifty-two consecutive weeks of active 132  
service as a member. 133

(G) "Average annual salary" means the highest average annual 134  
salary of a member of the fund during any ~~three~~ of the number of 135

years of contributions specified in section 742.37 or 742.39 of 136  
the Revised Code, as appropriate, and determined by dividing the 137  
member's total salary as an employee during ~~the~~ those years by 138  
three that number. 139

For the purpose of determining average annual salary for 140  
members who, as of July 1, 2013, have fifteen or more years of 141  
service credit, "salary" has the same meaning as in division 142  
(L)(2) of this section, except that it does not include any 143  
amounts that exceed the salary benchmark, determined as follows: 144

(1) Divide by three the total of the member's salaries for 145  
the contiguous three-year period immediately preceding the 146  
contiguous three-year period immediately prior to the member's 147  
effective date of retirement under section 742.37 or effective 148  
date of participation in a deferred option retirement plan under 149  
section 742.44 of the Revised Code; 150

(2) Multiply the amount determined under division (G)(1) of 151  
this section by one hundred ten per cent; 152

(3) Multiply the amount determined under division (G)(2) of 153  
this section by one hundred ten per cent; 154

(4) Multiply the amount determined under division (G)(3) of 155  
this section by one hundred ten per cent; 156

(5) The amount determined under division (G)(4) of this 157  
section is the salary benchmark. 158

(H) "Normal service pension benefit" means the pension 159  
benefit payable to a member of the fund under division (C)(1) of 160  
section 742.37 of the Revised Code upon ~~attaining age forty-eight~~ 161  
attainment of the applicable age listed in that section. 162

(I) "Retirement allowance" means the total pension benefit or 163  
disability benefit to which a member of the fund may be entitled 164  
under division (C) of section 742.37 or section 742.39 of the 165

Revised Code.	166
(J) "Fiduciary" means a person who does any of the following:	167
(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;	168 169 170
(2) Renders investment advice for a fee, direct or indirect, with respect to money or property of the system;	171 172
(3) Has any discretionary authority or responsibility in the administration of the system.	173 174
(K) <del>"Terminal</del> <u>Except as provided in rules authorized by section 742.013 of the Revised Code, "terminal pay" means the following payments made by an employer to an employee on termination of employment regardless of whether the payments are made before or after termination:</u>	175 176 177 178 179
(1) Payments for accrued but unused leave, including sick leave, vacation, personal leave, and compensatory time;	180 181
(2) Payments deferred more than one year compensating the employee for holidays worked or for longevity;	182 183
(3) Payments for overtime worked that are not included either in the payroll for the period in which the overtime is worked or <del>for the next subsequent payroll</del> <u>for any period ending not later than sixty days after the overtime is worked;</u>	184 185 186 187
(4) Other payments that are not compensation for services rendered in the last pay period in which services were rendered and are designated as terminal pay by rule of the board of trustees of the Ohio police and fire pension fund. The board shall not designate as terminal pay payments deferred one year or less compensating an employee for holidays worked or for longevity.	188 189 190 191 192 193
(L)(1) Except as otherwise provided in this division <u>or in rules authorized by section 742.013 of the Revised Code, "salary"</u>	194 195

means all compensation, wages, and other earnings paid to an 196  
employee by reason of employment, but without regard to whether 197  
compensation, wages, or other earnings are treated as deferred 198  
income for federal income tax purposes. "Salary" includes payments 199  
for overtime that are ~~made not later than the payroll following~~ 200  
included in the payroll for the period in which the overtime is 201  
worked or the payroll for any period not later than sixty days 202  
after the overtime is worked. 203

(2) "Salary" does not include any of the following: 204

(a) Compensation for services outside the scope of an 205  
employee's regular employment; 206

(b) Reimbursement of expenses; 207

(c) Terminal pay; 208

(d) Payments for accrued but unused sick leave or personal 209  
leave, or vacation pay covering periods for which salary, 210  
compensation, or benefits are paid; 211

(e) Payments made under division (B), (C), or (E) of section 212  
5923.05 of the Revised Code, Section 4 of Substitute Senate Bill 213  
No. 3 of the 119th general assembly, Section 3 of Amended 214  
Substitute Senate Bill No. 164 of the 124th general assembly, or 215  
Amended Substitute House Bill No. 405 of the 124th general 216  
assembly; 217

(f) Payments made to or on behalf of an employee that are in 218  
excess of the annual compensation that may be taken into account 219  
by the fund under division (a)(17) of section 401 of the "Internal 220  
Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401(a)(17), as 221  
amended. 222

(3) The board shall determine by rule whether any 223  
compensation, wages, or earnings not enumerated in this division 224  
is salary, and its decision shall be final. 225

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

- (1) Is a member of the American academy of actuaries;
- (2) Is an associate or fellow of the society of actuaries;
- (3) Has a minimum of five years' experience in providing actuarial services to public retirement plans.

Sec. 742.012. Contributions made to the Ohio police and fire pension fund for salary that exceeds the salary benchmark calculated under division (G) of section 742.01 of the Revised Code shall be refunded in accordance with rules adopted by the trustees of the board under section 742.10 of the Revised Code.

Sec. 742.013. The board may, by rule adopted under section 742.10 of the Revised Code, establish definitions of "terminal pay" and "salary" that differ from those in divisions (K) and (L) of section 742.01 of the Revised Code. In establishing the definitions, the board may use elements of the compensation provisions of the United States Internal Revenue Code and the Internal Revenue Code form W-2, as those provisions are interpreted by the internal revenue service of the United States department of treasury.

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

Election of the employee members, firefighter retirant member, and police retirant member of the board of trustees of the Ohio police and fire pension fund shall be under the supervision and direction of the board in accordance with rules adopted under section 742.045 of the Revised Code.

Nominating petitions for candidates for an employee member of

the board elected by police officers shall be signed by at least 255  
one hundred police officers, with at least twenty signers from 256  
each of at least five counties of the state, and certified in 257  
accordance with rules adopted under section 742.045 of the Revised 258  
Code. 259

Nominating petitions for candidates for an employee member of 260  
the board elected by firefighters shall be signed by at least one 261  
hundred firefighters, with at least twenty signers from each of at 262  
least five counties of the state, and certified in accordance with 263  
rules adopted under section 742.045 of the Revised Code. 264

Nominating petitions for candidates for an employee member of 265  
the board shall be filed in the office of the board not later than 266  
four p.m. on the first Monday in April preceding the date of the 267  
expiration of the term of the employee member of the board whose 268  
successor is to be elected. 269

The board shall cause ballots to be prepared for the election 270  
of employee members of the board which shall contain the names of 271  
all candidates for whom certified nominating petitions have been 272  
filed with the board. 273

A police officer or firefighter is eligible to vote in an 274  
election if the police officer or firefighter is a member of the 275  
fund on the thirty-first ~~Monday in March~~ day of January preceding 276  
the date of the expiration of the term of the employee member of 277  
the board whose successor is to be elected. The board shall 278  
determine whether a member of the fund is eligible to vote at an 279  
election and its decision shall be final. 280

On or before the first Monday in May preceding the date of 281  
the expiration of the term of the employee member of the board 282  
whose successor is to be elected, the board shall cause ballots to 283  
be sent to each member of the fund who is eligible to vote at such 284  
election to the address of such member as shown on the records of 285

the board. 286

Ballots shall be returned to the board not later than the 287  
third Tuesday in May following the date that the ballots were 288  
mailed to the members of the fund eligible to vote at such 289  
election. 290

On certification of the election results in accordance with 291  
rules adopted under section 742.045 of the Revised Code, the 292  
person receiving the highest number of votes shall be elected as 293  
an employee member of the board for a term of four years beginning 294  
on the first Monday in June following such election. 295

Nominating petitions for candidates for the police retirant 296  
member of the board shall be signed by at least fifty police 297  
retirants, with at least ten signers from at least five counties 298  
of the state, and certified in accordance with rules adopted under 299  
section 742.045 of the Revised Code. 300

Nominating petitions for candidates for the firefighter 301  
retirant member of the board shall be signed by at least fifty 302  
firefighter retirants, with at least ten signers from at least 303  
five counties of the state, and certified in accordance with rules 304  
adopted under section 742.045 of the Revised Code. 305

Nominating petitions for candidates for the retirant members 306  
of the board shall be filed in the office of the board not later 307  
than four p.m. on the first Monday in April preceding the date of 308  
the expiration of the term of the retirant member of the board 309  
whose successor is to be elected. 310

The board shall cause ballots to be prepared for the election 311  
of these board members which shall contain the names of all 312  
candidates for whom certified nominating petitions have been filed 313  
with the board. 314

A retirant is eligible to vote in an election if the retirant 315  
is a police retirant or firefighter retirant on the thirty-first 316

~~Monday in April~~ day of January preceding the date of the 317  
expiration of the term of the retirant member of the board whose 318  
successor is to be elected. The board shall determine whether a 319  
police retirant or firefighter retirant is eligible to vote at an 320  
election and its decision shall be final. 321

On or before the first Monday in May preceding the date of 322  
the expiration of the term of a retirant member of the board whose 323  
successor is to be elected, the board shall cause ballots to be 324  
sent to each person who is eligible to vote in the election to the 325  
address of the person as shown on the records of the board. 326

Ballots shall be returned to the board not later than the 327  
third Tuesday in May following the date that the ballots were 328  
mailed to the persons eligible to vote in the election. 329

On certification of the election results in accordance with 330  
rules adopted under section 742.045 of the Revised Code, the 331  
person receiving the highest number of votes shall be elected as 332  
the police retirant member or the firefighter retirant member of 333  
the board for a term of four years beginning on the first Monday 334  
in June following the election. 335

**Sec. 742.10.** The board of trustees of the Ohio police and 336  
fire pension fund may sue and be sued, plead and be impleaded, 337  
contract and be contracted with, employ and fix the compensation 338  
of employees, and adopt rules for the proper administration and 339  
management of the fund. 340

Effective ninety days after ~~the effective date of this~~ 341  
~~amendment~~ September 15, 2004, the board of trustees may not employ 342  
a state retirement system investment officer, as defined in 343  
section 1707.01 of the Revised Code, who does not hold a valid 344  
state retirement system investment officer license issued by the 345  
division of securities in the department of commerce. 346

If the Ohio retirement study council establishes a uniform 347  
format for any report the board is required to submit to the 348  
council, the board shall submit the report in that format. 349

The attorney general shall prescribe procedures for the 350  
adoption of rules authorized under this chapter, consistent with 351  
the provisions of section 111.15 of the Revised Code under which 352  
all rules shall be filed in order to be effective. Such procedures 353  
shall establish methods by which notice of proposed rules is given 354  
to interested parties and rules adopted by the board published and 355  
otherwise made available. When it files a rule with the joint 356  
committee on agency rule review pursuant to section 111.15 of the 357  
Revised Code, the board shall submit to the Ohio retirement study 358  
council a copy of the full text of the rule, and if applicable, a 359  
copy of the rule summary and fiscal analysis required by division 360  
(B) of section 127.18 of the Revised Code. 361

~~All rules adopted pursuant to this chapter, prior to August 362  
20, 1976, shall be published and made available to interested 363  
parties by January 1, 1977. 364~~

**Sec. 742.14.** (A) The board of trustees of the Ohio police and 365  
fire pension fund shall have prepared ~~annually~~ triennially by or 366  
under the supervision of an actuary an actuarial valuation of the 367  
pension assets, liabilities, and funding requirements of the Ohio 368  
police and fire pension fund as established pursuant to sections 369  
742.01 to 742.61 of the Revised Code. The actuary shall complete 370  
the valuation in accordance with actuarial standards of practice 371  
promulgated by the actuarial standards board of the American 372  
academy of actuaries and prepare a report of the valuation. The 373  
report shall include all of the following: 374

(1) A summary of the benefit provisions evaluated; 375

(2) A summary of the census data and financial information 376  
used in the valuation; 377

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

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

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

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

~~The board shall submit the first triennial report shall be made not later than November 1, 2013, to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of November following the year for which the valuation was made and thereafter triennially, not later than the first day of November.~~

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

~~(C)~~ At such times as the board determines, and at least once in each quinquennial period, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the mortality, service, and other experience of the members of the

fund and of other system retirants, as defined in section 742.26 409  
of the Revised Code, who are members of a police department or a 410  
fire department to update the actuarial assumptions used in the 411  
actuarial valuation required by division (A) of this section. The 412  
actuary shall prepare a report of the actuarial investigation. The 413  
report shall be prepared and any recommended changes in actuarial 414  
assumptions shall be made in accordance with the actuarial 415  
standards of practice promulgated by the actuarial standards board 416  
of the American academy of actuaries. The report shall include all 417  
of the following: 418

(1) A summary of relevant decrement and economic assumption 419  
experience observed over the period of the investigation; 420

(2) Recommended changes in actuarial assumptions to be used 421  
in subsequent actuarial valuations required by division (A) of 422  
this section; 423

(3) A measurement of the financial effect of the recommended 424  
changes in actuarial assumptions; 425

(4) If the investigation required by this division includes 426  
the investigation required by division ~~(F)~~(E) of this section, a 427  
report of the result of that investigation. 428

The board shall submit the report to the Ohio retirement 429  
study council and the standing committees of the house of 430  
representatives and the senate with primary responsibility for 431  
retirement legislation not later than the first day of November 432  
following the last fiscal year of the period the report covers. 433

~~(D)~~(C) The board shall have prepared by or under the 434  
supervision of an actuary an actuarial analysis of any introduced 435  
legislation expected to have a measurable financial impact on the 436  
pension fund. The actuarial analysis shall be completed in 437  
accordance with the actuarial standards of practice promulgated by 438  
the actuarial standards board of the American academy of 439

actuaries. The actuary shall prepare a report of the actuarial 440  
analysis, which shall include all of the following: 441

(1) A summary of the statutory changes that are being 442  
evaluated; 443

(2) A description of or reference to the actuarial 444  
assumptions and actuarial cost method used in the report; 445

(3) A description of the participant group or groups included 446  
in the report; 447

(4) A statement of the financial impact of the legislation, 448  
including the resulting increase, if any, in the employer normal 449  
cost percentage; the increase, if any, in actuarial accrued 450  
liabilities; and the per cent of payroll that would be required to 451  
amortize the increase in actuarial accrued liabilities as a level 452  
per cent of covered payroll for all active members of the fund 453  
over a period not to exceed thirty years; 454

(5) A statement of whether the scheduled contributions to the 455  
system after the proposed change is enacted are expected to be 456  
sufficient to satisfy the funding objectives established by the 457  
board. 458

Not later than sixty days from the date of introduction of 459  
the legislation, the board shall submit a copy of the actuarial 460  
analysis to the legislative service commission, the standing 461  
committees of the house of representatives and the senate with 462  
primary responsibility for retirement legislation, and the Ohio 463  
retirement study council. 464

~~(E)~~(D) The board shall have prepared ~~annually~~ triennially a 465  
report giving a full accounting of the revenues and costs relating 466  
to the provision of benefits under section 742.45 of the Revised 467  
Code. The first triennial report shall be made as of December 31, 468  
~~1997~~ 2013, and the thirty-first day of December ~~of each year~~ 469  
triennially thereafter. The report shall include the following: 470

(1) A description of the statutory authority for the benefits provided;	471 472
(2) A summary of the benefits;	473
(3) A summary of the eligibility requirements for the benefits;	474 475
(4) A statement of the number of participants eligible for the benefits;	476 477
(5) A description of the accounting, asset valuation, and funding method used to provide the benefits;	478 479
(6) A statement of the net assets available for the provision of the benefits as of the last day of the fiscal year;	480 481
(7) A statement of any changes in the net assets available for the provision of benefits, including participant and employer contributions, net investment income, administrative expenses, and benefits provided to participants, as of the last day of the fiscal year;	482 483 484 485 486
(8) For the last six consecutive fiscal years, a schedule of the net assets available for the benefits, the annual cost of benefits, administrative expenses incurred, and annual employer contributions allocated for the provision of benefits;	487 488 489 490
(9) A description of any significant changes that affect the comparability of the report required under this division;	491 492
(10) A statement of the amount paid under division (B) of section 742.45 of the Revised Code.	493 494
The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the thirtieth day of June following the year for which the report was made.	495 496 497 498 499
<del>(F)</del> (E) At least once in each quinquennial period, the board	500

shall have prepared by or under the supervision of an actuary an 501  
actuarial investigation of the deferred retirement option plan 502  
established under section 742.43 of the Revised Code. The 503  
investigation shall include an examination of the financial 504  
impact, if any, on the fund of offering the plan to members. 505

The actuary shall prepare a report of the actuarial 506  
investigation. The report shall include a determination of whether 507  
the plan, as established or modified, has a negative financial 508  
impact on the fund and, if so, recommendations on how to modify 509  
the plan to eliminate the negative financial impact. If the 510  
actuarial report indicates that the plan has a negative financial 511  
impact on the fund, the board may modify the plan or cease to 512  
allow members who have not already done so to elect to participate 513  
in the plan. The firefighter and police officers employers' 514  
contributions shall not be increased to offset any negative 515  
financial impact of the plan. 516

If the board ceases to allow members to elect to participate 517  
in the plan, the rights and obligations of members who have 518  
already elected to participate shall not be altered. 519

The board may include the actuarial investigation required 520  
under this division as part of the actuarial investigation 521  
required under division ~~(C)~~(B) of this section. If the report of 522  
the actuarial investigation required by this division is not 523  
included in the report required by division ~~(C)~~(B) of this 524  
section, the board shall submit the report required by this 525  
division to the Ohio retirement study council and the standing 526  
committees of the house of representatives and the senate with 527  
primary responsibility for retirement legislation not later than 528  
the first day of November following the last fiscal year of the 529  
period the report covers. 530

**Sec. 742.16.** The board of trustees of the Ohio police and 531

fire pension fund shall establish a period of not more than thirty 532  
years to amortize the Ohio police and fire pension fund's unfunded 533  
actuarial accrued pension liabilities. The board shall adopt a 534  
plan that specifies how it proposes to meet the thirty-year 535  
amortization period not later than December 31, 2006. If ~~in any~~ 536  
~~year~~ the period necessary to amortize the unfunded actuarial 537  
accrued pension liability exceeds thirty years, as determined by 538  
the ~~annual~~ actuarial valuation required by section 742.14 of the 539  
Revised Code, the board, not later than ninety days after receipt 540  
of the valuation, shall prepare and submit to the Ohio retirement 541  
study council and the standing committees of the house of 542  
representatives and the senate with primary responsibility for 543  
retirement legislation a report that includes the following 544  
information: 545

(A) The number of years needed to amortize the unfunded 546  
actuarial accrued pension liability as determined by the ~~annual~~ 547  
actuarial valuation; 548

(B) A plan approved by the board that indicates how the board 549  
will reduce the amortization period of unfunded actuarial accrued 550  
pension liability to not more than thirty years; 551

(C) Whether the board has made any progress in meeting the 552  
thirty-year amortization period. 553

Sec. 742.161. Following the actuarial investigation required 554  
by division (B) of section 742.14 of the Revised Code due on 555  
November 1, 2017, and following each quinquennial actuarial 556  
investigation thereafter, if, in consultation with its actuary, 557  
the Ohio police and fire pension fund board of trustees determines 558  
that an adjustment to the age and years of service credit required 559  
to receive a pension or benefit under division (C) of section 560  
742.37 of the Revised Code is appropriate, the board may, in 561  
accordance with rules adopted under section 742.10 of the Revised 562

Code, do either of the following: 563

(A) If the board's determination is that increasing the age 564  
and years of service requirements is necessary to preserve the 565  
fiscal integrity of the fund, increase the age and years of 566  
service credit required to receive a pension or benefit; 567

(B) If the board's determination is that reducing the age and 568  
years of service requirements would not materially impair the 569  
fiscal integrity of the fund, reduce the age and years of service 570  
credit required to receive a pension or benefit. 571

**Sec. 742.30.** (A) The employer's accrued liability, as 572  
determined pursuant to former section 742.29 of the Revised Code, 573  
shall be paid to the Ohio police and fire pension fund. Payments 574  
shall be credited to the police officers' pension reserve fund, or 575  
to the firefighters' pension reserve fund, in accordance with the 576  
relief and pension fund from which the liability for such payment 577  
arises, until such time as the employer's accrued liability on 578  
account of pensioners and other benefit recipients on the rolls of 579  
the particular police relief and pension fund or firemen's relief 580  
and pension fund is satisfied. Thereafter, payments shall be 581  
credited to the police officers' contribution fund or the 582  
firefighters' contribution fund, in accordance with the relief and 583  
pension fund from which the liability for such payments arises, 584  
until such time as the employer's accrued liability on account of 585  
deductions made from the compensation of police officers or 586  
firefighters under the particular police relief and pension fund 587  
or firemen's relief and pension fund is satisfied. Thereafter, 588  
payments shall be credited to the police officer employers' 589  
contribution fund, or firefighter employers' contribution fund, in 590  
accordance with the relief and pension fund from which the 591  
liability for such payments arises, until such time as the 592  
employer's total accrued liability under the particular police 593

relief and pension fund or firemen's relief and pension fund is 594  
satisfied. 595

(B) That part of the employer's accrued liability remaining 596  
unpaid on January 1, 1969, shall be paid by the employer at not 597  
less than the following rates per year: two per cent in 1969, two 598  
per cent in 1970, three per cent in 1971, four per cent in 1972, 599  
and five per cent per annum beginning in 1973 and each year 600  
thereafter for sixty-two years. Except as provided in division (C) 601  
of this section, payments shall be fixed annually and paid on 602  
dates fixed by the board of trustees of the Ohio police and fire 603  
pension fund. 604

(C) The board may enter into an agreement with a municipal 605  
corporation or township for a single payment by the municipal 606  
corporation or township of the employer's accrued liability. The 607  
agreement may provide for a reduction in the amount of the accrued 608  
liability based on the value to the fund of receiving a single 609  
payment. A municipal corporation or township that has made payment 610  
in accordance with such an agreement shall have no further 611  
obligation to make payments under this section. 612

(D) The board shall report every ~~two~~ three years to the 613  
general assembly ~~during its first regular session on~~ the condition 614  
of the retirement system, with particular emphasis upon the 615  
payment of the employer's accrued liability, and make such 616  
recommendations, upon the advice of its actuary, as it considers 617  
necessary for the proper funding of the liabilities. 618

**Sec. 742.301.** (A) Each employer shall promptly pay the amount 619  
due on the accrued liability on the dates fixed by the board of 620  
trustees of the Ohio police and fire pension fund. Upon 621  
certification by the board that payment of an employer's accrued 622  
liability has not been paid within thirty days following the date 623  
a payment is due, a penalty of five per cent of the amount due 624

shall be assessed against such employer. If the payment and 625  
penalty have not been paid within ninety days following the date a 626  
payment is due, annual interest at six per cent shall be assessed 627  
against the payment and penalty from the date that the payment is 628  
due. 629

(B) Upon certification by the board to the superintendent of 630  
liquor control or the county auditor of an amount due from any 631  
employer who is subject to this chapter by reason of such 632  
employer's delinquency in making payments on the accrued 633  
liability, the amount due shall be withheld from the employer from 634  
liquor control permit fees to be distributed to that employer 635  
according to Chapter 4301. of the Revised Code or from the local 636  
government fund allocated for distribution to that employer by the 637  
county budget commission in accordance with Chapter 5739. of the 638  
Revised Code. Upon receipt of the certification from the board, 639  
the superintendent or county auditor shall provide for payment 640  
against such funds in favor of the Ohio police and fire pension 641  
fund for the certified amount due and any penalty and interest 642  
thereon. 643

(C) If the payments under divisions (A) and (B) of this 644  
section are insufficient to pay the Ohio police and fire pension 645  
fund any amounts due the fund from an employer, the fund may seek 646  
payment through the office of budget and management. On 647  
certification by the board to the director of budget and 648  
management of any such amount due, the director shall withhold 649  
from the employer any amount available, not to exceed the amount 650  
certified as due the fund, from any amounts under the director's 651  
control that are payable or due the employer. The director shall 652  
pay the amount withheld to the fund. 653

Sec. 742.31. Each (A) Except as provided in division (B) of 654  
this section, each employee shall contribute an amount equal to 655

~~ten per cent~~ a percentage of the employee's salary to the Ohio 656  
police and fire pension fund. The according to the following 657  
schedule: 658

(1) For salary earned in pay periods beginning not later than 659  
July 1, 2013, ten per cent; 660

(2) For salary earned in pay periods beginning not earlier 661  
than July 2, 2013, but not later than July 1, 2014, ten and 662  
three-quarters per cent; 663

(3) For salary earned in pay periods beginning not earlier 664  
than July 2, 2014, but not later than July 1, 2015, eleven and 665  
one-half per cent; 666

(4) For salary earned in pay periods beginning not earlier 667  
than July 2, 2015, twelve and one-quarter per cent. 668

(B) Following the actuarial investigation required by 669  
division (B) of section 742.14 of the Revised Code due on November 670  
1, 2017, and following each quinquennial actuarial investigation 671  
thereafter, if, in consultation with the board's actuary, the 672  
board determines that an adjustment to the contribution rate is 673  
appropriate, the board may, in accordance with rules adopted under 674  
section 742.10 of the Revised Code, do either of the following: 675

(1) If the board's determination is that an increase in the 676  
contribution rate is necessary to preserve the fiscal integrity of 677  
the fund, increase the contribution rate; 678

(2) If the board's determination is that a decrease in the 679  
contribution rate would not materially impair the fiscal integrity 680  
of the fund, decrease the contribution rate. 681

(C) The amount shall be deducted by the employer from the 682  
employee's salary as defined in division (L) of section 742.01 of 683  
the Revised Code for each payroll period, irrespective of whether 684  
the minimum compensation provided by law for the employee is 685

reduced thereby. Every employee shall be deemed to consent to the 686  
deductions, and payment to the employee less the deductions is a 687  
complete discharge and acquittance of all claims and demands for 688  
the services rendered by the employee during the period covered by 689  
such payment. 690

**Sec. 742.32.** (A) The fiscal officer of each employer shall 691  
transmit monthly to the secretary of the board of trustees of the 692  
Ohio police and fire pension fund a report of employee deductions 693  
in such form as the board requires. The report shall show all 694  
deductions for the fund made pursuant to section 742.31 of the 695  
Revised Code and shall be accompanied by payments covering the 696  
total of such deductions. The report shall also include the name 697  
of each member for whom deductions were made and the portion of 698  
the payment attributed to that member. Separate payments shall be 699  
so transmitted for that portion of such deductions made from the 700  
salaries of members of the police department and for that portion 701  
of such deductions made from the salaries of members of the fire 702  
department. The report and payment are due the last day of the 703  
month following the last business day of the reporting period. A 704

(B) A penalty determined under section 742.352 of the Revised 705  
Code shall be assessed if any of the following occur: 706

~~(A)~~(1) The report is received by the board after the due date 707  
or is not in the form required by the board. 708

~~(B)~~(2) Payments to cover the total amount due from the 709  
salaries of all employees of the employer are received by the 710  
board after the due date. 711

The penalty shall be added to and collected on the next 712  
succeeding regular employer billing. If the penalty is not paid 713  
within sixty days after it is added to the regular employer 714  
billing, interest at a rate determined by the board may be charged 715  
on the total amount due and the amount of the penalty from the 716

date the amount is due to the date of payment. 717

(C) The secretary of the board, after making a record of all 718  
such receipts and crediting each employee's individual account 719  
with the amount deducted from the employee's salary, shall deposit 720  
the receipts with the treasurer of state for use as provided by 721  
this chapter. Where an employer fails to deduct contributions for 722  
any employee and transmit such amounts to the fund, the board may 723  
make a determination of the employee's liability for contributions 724  
and certify to the employer the amounts due for collection in the 725  
same manner and subject to the same penalties as payments due the 726  
employer's contributions funds. 727

**Sec. 742.33.** (A) Each employer shall pay ~~quarterly~~ monthly, 728  
on such dates as the board of trustees of the Ohio police and fire 729  
pension fund requires, from its general fund, or from a levy 730  
imposed pursuant to division (J) or (W) of section 5705.19 of the 731  
Revised Code, to the fund an amount known as the "police officer 732  
employers' contribution," which shall be nineteen and one-half per 733  
cent of the salaries as defined in division (L) of section 742.01 734  
of the Revised Code of the members of the police department of the 735  
employer. 736

(B) The taxing authority of each municipal corporation in 737  
which there was a police relief and pension fund on October 1, 738  
1965, shall annually, in the manner provided for making other 739  
municipal levies and in addition to all other levies authorized by 740  
law, levy a tax of three-tenths of one mill upon all the real and 741  
personal property as listed for taxation in the municipal 742  
corporation for the purpose of paying the police officer 743  
employers' contribution and the municipal corporation's accrued 744  
liability for its former police relief and pension fund and 745  
interest thereon, and of defraying the current operating expenses 746  
of the municipal corporation. The annual revenues derived from the 747

tax shall be used in the following order: 748

(1) First, to pay the current police officer employers' 749  
contribution and any interest related thereto; 750

(2) Second, to pay any accrued liability chargeable to the 751  
municipal corporation during the current calendar year for its 752  
former police relief and pension fund and any interest related 753  
thereto; 754

(3) Third, to defray the current operating expenses of the 755  
municipal corporation. 756

**Sec. 742.34.** (A) Each employer shall pay ~~quarterly~~ monthly, 757  
on such dates as the board of trustees of the Ohio police and fire 758  
pension fund requires, from its general fund, or from a levy 759  
imposed pursuant to division (I) or (W) of section 5705.19 of the 760  
Revised Code, to the fund an amount known as the "firefighter 761  
employers' contribution," which shall be twenty-four per cent of 762  
the salaries as defined in division (L) of section 742.01 of the 763  
Revised Code of the members of the fire department of the 764  
employer. 765

(B) The taxing authority of each municipal corporation in 766  
which there was a firemen's relief and pension fund on October 1, 767  
1965, shall annually, in the manner provided for making other 768  
municipal levies and in addition to all other levies authorized by 769  
law, levy a tax of three-tenths of one mill upon all the real and 770  
personal property as listed for taxation in the municipal 771  
corporation for the purpose of paying the firefighter employers' 772  
contribution and the municipal corporation's accrued liability for 773  
its former firemen's relief and pension fund and interest thereon, 774  
and of defraying the current operating expenses of the municipal 775  
corporation. The annual revenues derived from the tax shall be 776  
used in the following order: 777

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

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

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

**Sec. 742.35.** ~~As used in this section, "calendar quarter" means the three-month period ending on the last day of March, June, September, or December.~~

Each employer shall pay its ~~annual~~ police officer employers' contribution and firefighter employers' contribution in ~~four equal installments promptly~~ monthly payments as provided in sections 742.33 and 742.34 of the Revised Code. ~~If an~~ The employer ~~fails to~~ shall make a each payment ~~on or before the date that is sixty days after the last day of the calendar quarter~~ not later than the last day of the month after the month for which the police officer or firefighter employee contributions were withheld. If an employer fails to make the payment installment by the date it is due, a penalty determined under section 742.352 of the Revised Code shall be assessed against the employer. In addition, interest on past due accounts and penalties may be charged at a rate determined by the board from the date the ~~installment~~ payment is due to the date of payment.

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

Upon receipt of such certification, the county auditor shall draw 809  
a warrant against such funds in favor of the fund for the amount. 810

**Sec. 742.37.** The board of trustees of the Ohio police and 811  
fire pension fund shall adopt rules for the management of the fund 812  
and for the disbursement of benefits and pensions as set forth in 813  
this section and section 742.39 of the Revised Code. Any payment 814  
of a benefit or pension under this section is subject to the 815  
provisions of section 742.461 of the Revised Code. Notwithstanding 816  
any other provision of this section, no pension or benefit paid or 817  
determined under division (B) or (C) of this section or section 818  
742.39 of the Revised Code shall exceed the limit established by 819  
section 415 of the "Internal Revenue Code of 1986," 100 Stat. 820  
2085, 26 U.S.C.A. 415, as amended. 821

(A) Persons who were receiving benefit or pension payments 822  
from a police relief and pension fund established under former 823  
section 741.32 of the Revised Code, or from a firemen's relief and 824  
pension fund established under former section 521.02 or 741.02 of 825  
the Revised Code, at the time the assets of the fund were 826  
transferred to the Ohio police and fire pension fund, known at 827  
that time as the police and firemen's disability and pension fund, 828  
shall receive benefit and pension payments from the Ohio police 829  
and fire pension fund in the same amount and subject to the same 830  
conditions as such payments were being made from the former fund 831  
on the date of the transfer. 832

(B) A member of the fund who, pursuant to law, elected to 833  
receive benefits and pensions from a police relief and pension 834  
fund established under former section 741.32 of the Revised Code, 835  
or from a firemen's relief and pension fund established under 836  
former section 741.02 of the Revised Code, in accordance with the 837  
rules of the fund governing the granting of benefits or pensions 838  
therefrom in force on April 1, 1947, shall receive benefits and 839

pensions from the Ohio police and fire pension fund in accordance 840  
with such rules; provided, that any member of the fund who is not 841  
receiving a benefit or pension from the fund on August 12, 1975, 842  
may, upon application for a benefit or pension to be received on 843  
or after August 12, 1975, elect to receive a benefit or pension in 844  
accordance with division (C) of this section. 845

(C) ~~Members~~ Unless the board acts under section 742.161 of 846  
the Revised Code, members of the fund who have not elected to 847  
receive benefits and pensions from a police relief and pension 848  
fund or a firemen's relief and pension fund in accordance with the 849  
rules of the fund in force on April 1, 1947, shall receive 850  
pensions and benefits in accordance with the following provisions: 851

(1) A member of the fund who has ~~completed~~ twenty-five years 852  
of ~~active service in a police or fire department credit~~ and has 853  
attained ~~forty-eight years of the requisite age~~ may, ~~at the~~ 854  
~~member's election, elect to retire from the police or fire~~ 855  
~~department. Upon~~ The requisite age is forty-eight for a member 856  
whose membership began before July 2, 2013, and fifty-two for a 857  
member whose membership began on or after that date. 858

Upon notifying the board in writing of the election, the 859  
member shall receive an annual pension, payable in twelve monthly 860  
installments, in an amount equal to a percentage of the member's 861  
average annual salary. ~~The~~ If, as of July 2, 2013, the member had 862  
fifteen or more years of service credit, the average annual salary 863  
shall be determined using three years of contributions. If, as of 864  
that date, the member had less than fifteen years of service 865  
credit, the average annual salary shall be determined using five 866  
years of contributions. 867

The percentage shall be the sum of two and one-half per cent 868  
for each of the first twenty years ~~the member was in the active of~~ 869  
~~service of the department credit~~, plus two per cent for each of 870  
the twenty-first to twenty-fifth years ~~the member was in the~~ 871

active of service ~~of the department credit~~, plus one and one-half 872  
per cent for each year in excess of twenty-five years ~~the member~~ 873  
~~was in the active~~ of service ~~of the department credit~~. The annual 874  
pension shall not exceed seventy-two per cent of the member's 875  
average annual salary. 876

A member who ~~completed~~ has twenty-five years of active 877  
service credit, has resigned or been discharged, and has left the 878  
sum deducted from the member's salary on deposit in the pension 879  
fund shall, upon attaining ~~forty-eight years of the requisite age,~~ 880  
be entitled to receive a normal service pension benefit computed 881  
and paid under division (C)(1) of this section. 882

While participating in the deferred retirement option plan 883  
established under section 742.43 of the Revised Code, a member 884  
shall not be considered to have elected retirement under division 885  
(C)(1) of this section. On notifying the board under division 886  
(B)(1) of section 742.444 of the Revised Code of the member's 887  
election to terminate active service, a member described in 888  
division (B) of that section shall receive an annual pension under 889  
division (C)(1) of this section calculated in accordance with 890  
section 742.442 of the Revised Code and rules that shall be 891  
adopted by the board of trustees of the Ohio police and fire 892  
pension fund. 893

(2) A member of the fund who has ~~served~~ fifteen or more years 894  
~~as an active member of a police or fire department~~ service credit 895  
and who voluntarily resigns or is discharged from the department 896  
for any reason other than dishonesty, cowardice, intemperate 897  
habits, or conviction of a felony, shall receive an annual 898  
pension, payable in twelve monthly installments, in an amount 899  
equal to one and one-half per cent of the member's average annual 900  
salary multiplied by the number of full years of the member was in 901  
the active member's service of the department credit. The If, as 902  
of July 2, 2013, the member had fifteen or more years of service 903

credit, the average annual salary shall be determined using three 904  
years of contributions. If, as of that date, the member had less 905  
than fifteen years of service credit, the average annual salary 906  
shall be determined using five years of contributions. 907

If a member's membership began before July 2, 2013, the 908  
pension payments shall not commence until the member has attained 909  
the age of forty-eight years and until twenty-five years have 910  
elapsed from the date on which the member became a full-time 911  
regular police officer or firefighter ~~in the department~~. Pension 912  
payments shall not commence for a member whose membership began on 913  
or after July 2, 2013, until the member has attained the age of 914  
fifty-two years and until twenty-five years have elapsed from the 915  
date on which the member became a full-time regular police officer 916  
or firefighter. 917

(3) A member of the fund who has ~~completed~~ fifteen or more 918  
years of ~~active service in a police or fire department~~ credit and 919  
who has attained sixty-two years of age, may retire from the 920  
department and, upon notifying the board in writing of the 921  
election to retire, shall receive an annual pension, payable in 922  
twelve monthly installments, in an amount equal to a percentage of 923  
the member's average annual salary. If, as of July 2, 2013, the 924  
member had fifteen or more years of service credit, the average 925  
annual salary shall be determined using three years of 926  
contributions. If, as of that date, the member had less than 927  
fifteen years of service credit, the average annual salary shall 928  
be determined using five years of contributions. The percentage 929  
shall be the sum of two and one-half per cent for each of the 930  
first twenty years ~~the member was in the active of service of the~~ 931  
~~department~~ credit, plus two per cent for each of the twenty-first 932  
to twenty-fifth years ~~the member was in the active of service of~~ 933  
~~the department~~ credit, plus one and one-half per cent for each 934  
year in excess of twenty-five years ~~the member was in the active~~ 935

~~of service of the department credit.~~ The annual pension shall not 936  
exceed seventy-two per cent of the member's average annual salary. 937

(4) A member of the fund whose membership began on or after 938  
July 2, 2013, and who has twenty-five years of service credit and 939  
has attained forty-eight years of age may elect to retire. Upon 940  
notifying the board in writing of the election, the member shall 941  
receive an annual pension, payable in twelve monthly installments, 942  
in an amount determined under division (C)(1) of this section 943  
except that the amount shall be reduced to be the actuarial 944  
equivalent, as determined by the fund's actuary, of the amount 945  
payable had the member retired at fifty-two years of age. 946

(5) With the exception of those persons who may make 947  
application for benefits as provided in section 742.26 of the 948  
Revised Code, no person receiving a pension or other benefit under 949  
division (C) of this section on or after July 24, 1986, shall be 950  
entitled to apply for any new, changed, or different benefit. 951

If a member covered by division (C) of this section or 952  
section 742.38 of the Revised Code dies prior to the time the 953  
member has received a payment and leaves a surviving spouse or 954  
dependent child, the surviving spouse or dependent child shall 955  
receive a pension under division (D) or (E) of this section. 956

(D)(1) Except as provided in division (D)(2) of this section, 957  
a surviving spouse of a deceased member of the fund or a surviving 958  
spouse described in division (D)(4) of this section shall receive 959  
a monthly pension as follows: 960

(a) For the period beginning July 1, 1999, and ending June 961  
30, 2000, five hundred fifty dollars; 962

(b) For the period beginning July 1, 2000, and ending June 963  
30, 2002, five hundred fifty dollars plus an amount determined by 964  
multiplying five hundred fifty dollars by the average percentage 965  
change in the consumer price index, not exceeding three per cent, 966

as was annually determined by the board under ~~former~~ section 967  
742.3716 of the Revised Code as that section existed on January 968  
31, 2002; 969

(c) For the period beginning July 1, 2002, and the period 970  
beginning the first day of July of each year thereafter and 971  
continuing for the following twelve months, an amount equal to the 972  
monthly amount paid during the prior twelve-month period plus 973  
sixteen dollars and fifty cents. 974

(2) A surviving spouse of a deceased member of the fund shall 975  
receive a monthly pension of four hundred ten dollars if the 976  
surviving spouse is eligible for a benefit under division (B) or 977  
(D) of section 742.63 of the Revised Code. If the surviving spouse 978  
ceases to be eligible for a benefit under division (B) or (D) of 979  
section 742.63 of the Revised Code, the pension shall be 980  
increased, effective the first day of the first month following 981  
the day on which the surviving spouse ceases to be eligible for 982  
the benefit, to the amount it would be under division (D)(1) of 983  
this section had the spouse never been eligible for a benefit 984  
under division (B) or (D) of section 742.63 of the Revised Code. 985

(3) A pension paid under this division shall continue during 986  
the natural life of the surviving spouse. Benefits to a deceased 987  
member's surviving spouse that were terminated under a former 988  
version of this section that required termination due to 989  
remarriage and were not resumed prior to September 16, 1998, shall 990  
resume on the first day of the month immediately following receipt 991  
by the board of an application on a form provided by the board. 992

(4) A surviving spouse of a deceased member of or contributor 993  
to a fund established under former Chapter 521. or 741. of the 994  
Revised Code whose benefit or pension was terminated or not paid 995  
due to remarriage shall receive a monthly pension under division 996  
(D)(1) of this section. 997

The pension shall commence on the first day of the month 998  
immediately following receipt by the board of a completed 999  
application on a form provided by the board and evidence 1000  
acceptable to the board that at the time of death the deceased 1001  
spouse was a member of or contributor to a police or firemen's 1002  
relief and pension fund established under former Chapter 521. or 1003  
741. of the Revised Code and that the surviving spouse's benefits 1004  
were terminated or not granted due to remarriage. 1005

(E)(1) Each surviving child of a deceased member of the fund 1006  
shall receive a monthly pension until the child attains the age of 1007  
eighteen years, or marries, whichever event occurs first. A 1008  
pension under this division, however, shall continue to be payable 1009  
to a child under age twenty-two who is a student in and attending 1010  
an institution of learning or training pursuant to a program 1011  
designed to complete in each school year the equivalent of at 1012  
least two-thirds of the full-time curriculum requirements of the 1013  
institution, as determined by the board. If any surviving child, 1014  
regardless of age at the time of the member's death, because of 1015  
physical or mental disability, is totally dependent upon the 1016  
deceased member for support at the time of death, the child shall 1017  
receive a monthly pension under this division during the child's 1018  
natural life or until the child has recovered from the disability. 1019

(2) An eligible surviving child shall receive a monthly 1020  
pension as follows: 1021

(a) For the period beginning July 1, 2001, and ending June 1022  
30, 2002, a monthly pension of one hundred fifty dollars plus the 1023  
cost of living increase ~~provided for in~~ that was determined under 1024  
former section 742.3720 of the Revised Code; 1025

(b) For the period beginning July 1, 2002, and ending June 1026  
30, 2003, one hundred sixty-three dollars and fifty cents; 1027

(c) For the period beginning July 1, 2003, and the period 1028

beginning the first day of each July thereafter and continuing for 1029  
the following twelve months, an amount equal to the monthly amount 1030  
paid during the prior twelve-month period plus four dollars and 1031  
fifty cents. 1032

(F)(1) If a deceased member of the fund leaves no surviving 1033  
spouse or surviving children, but leaves one or two parents 1034  
dependent upon the deceased member for support, each parent shall 1035  
be paid a monthly pension. The pensions provided for in this 1036  
division shall be paid during the natural life of the surviving 1037  
parents, or until dependency ceases, or until remarriage, 1038  
whichever event occurs first. 1039

(2) Each eligible surviving parent shall be paid a monthly 1040  
pension as follows: 1041

(a) For the period ending June 30, 2002, one hundred six 1042  
dollars for each parent or two hundred twelve dollars for a sole 1043  
dependent parent; 1044

(b) For the period beginning July 1, 2002, and ending June 1045  
30, 2003, one hundred nine dollars for each parent or two hundred 1046  
eighteen dollars for a sole dependent parent; 1047

(c) For the period beginning July 1, 2003, and the first day 1048  
of each July thereafter and continuing for the following twelve 1049  
months, an amount equal to the monthly amount paid during the 1050  
prior twelve-month period plus three dollars for each parent or 1051  
six dollars for a sole dependent parent. 1052

(G)(1) Subject to the provisions of section 742.461 of the 1053  
Revised Code, a member of the fund who voluntarily resigns or is 1054  
removed from active service in a police or fire department is 1055  
entitled to receive an amount equal to the sums deducted from the 1056  
member's salary and credited to the member's account in the fund, 1057  
except that a member receiving a disability benefit or service 1058  
pension is not entitled to receive any return of contributions to 1059

the fund. 1060

(2) A member described in division (G)(1) of this section who 1061  
is married at the time of application for payment and would be 1062  
eligible for age and service retirement under this section or 1063  
section 742.39 of the Revised Code but for a forfeiture ordered 1064  
under division (A) or (B) of section 2929.192 of the Revised Code 1065  
shall submit with the application a written statement by the 1066  
member's spouse attesting that the spouse consents to the payment 1067  
of the member's accumulated contributions. Consent shall be valid 1068  
only if it is signed and witnessed by a notary public. The board 1069  
may waive the requirement of consent if the spouse is 1070  
incapacitated or cannot be located, or for any other reason 1071  
specified by the board. Consent or waiver is effective only with 1072  
regard to the spouse who is the subject of the consent or waiver. 1073

(H) On and after January 1, 1970, all pensions shall be 1074  
increased in accordance with the following provisions: 1075

(1) A member of the fund who retired prior to January 1, 1076  
1967, has attained age sixty-five on January 1, 1970, and was 1077  
receiving a pension on December 31, 1969, pursuant to division (B) 1078  
or (C)(1) of this section or former division (C)(2), (3), (4), or 1079  
(5) of this section, shall have the pension increased by ten per 1080  
cent. 1081

(2) The monthly pension payable to eligible surviving spouses 1082  
under division (D) of this section shall be increased by forty 1083  
dollars for each surviving spouse receiving a pension on December 1084  
31, 1969. 1085

(3) The monthly pension payable to each eligible child under 1086  
division (E) of this section shall be increased by ten dollars for 1087  
each child receiving a pension on December 31, 1969. 1088

(4) The monthly pension payable to each eligible dependent 1089  
parent under division (F) of this section shall be increased by 1090

thirty dollars for each parent receiving a pension on December 31, 1091  
1969. 1092

(5) A member of the fund, including a survivor of a member, 1093  
who is receiving a pension in accordance with the rules governing 1094  
the granting of pensions and benefits in force on April 1, 1947, 1095  
that provide an increase in the original pension from time to time 1096  
pursuant to changes in the salaries of active members, shall not 1097  
be eligible for the benefits provided in this division. 1098

(I) On and after January 1, 1977, a member of the fund who 1099  
was receiving a pension or benefit on December 31, 1973, under 1100  
division (A), (B), (C)(1), or former division (C)(2) or (7) of 1101  
this section shall have the pension or benefit increased as 1102  
follows: 1103

(1) If the member's annual pension or benefit is less than 1104  
two thousand seven hundred dollars, it shall be increased to three 1105  
thousand dollars. 1106

(2) If the member's annual pension or benefit is two thousand 1107  
seven hundred dollars or more, it shall be increased by three 1108  
hundred dollars. 1109

The following shall not be eligible to receive increased 1110  
pensions or benefits as provided in this division: 1111

(a) A member of the fund who is receiving a pension or 1112  
benefit in accordance with the rules in force on April 1, 1947, 1113  
governing the granting of pensions and benefits, which provide an 1114  
increase in the original pension or benefit from time to time 1115  
pursuant to changes in the salaries of active members; 1116

(b) A member of the fund who is receiving a pension or 1117  
benefit under division (A) or (B) of this section, based on funded 1118  
volunteer or funded part-time service, or off-duty disability, or 1119  
partial on-duty disability, or early vested service; 1120

(c) A member of the fund who is receiving a pension under 1121  
division (C)(1) of this section, based on funded volunteer or 1122  
funded part-time service. 1123

(J) On and after July 1, 1977, a member of the fund who was 1124  
receiving an annual pension or benefit on December 31, 1973, 1125  
pursuant to division (B) of this section, based upon partial 1126  
disability, off-duty disability, or early vested service, or 1127  
pursuant to former division (C)(3), (5), or (6) of this section, 1128  
shall have such annual pension or benefit increased by three 1129  
hundred dollars. 1130

The following are not eligible to receive the increase 1131  
provided by this division: 1132

(1) A member of the fund who is receiving a pension or 1133  
benefit in accordance with the rules in force on April 1, 1947, 1134  
governing the granting of pensions and benefits, which provide an 1135  
increase in the original pension or benefit from time to time 1136  
pursuant to changes in the salaries of active members; 1137

(2) A member of the fund who is receiving a pension or 1138  
benefit under division (B) or (C)(2) of this section or former 1139  
division (C)(3), (5), or (6) of this section based on volunteer or 1140  
part-time service. 1141

(K)(1) Except as otherwise provided in this division, every 1142  
person who on July 24, 1986, is receiving an age and service or 1143  
disability pension, allowance, or benefit pursuant to this chapter 1144  
in an amount less than thirteen thousand dollars a year that is 1145  
based upon an award made effective prior to February 28, 1984, 1146  
shall receive an increase of six hundred dollars a year or the 1147  
amount necessary to increase the pension or benefit to four 1148  
thousand two hundred dollars after all adjustments required by 1149  
this section, whichever is greater. 1150

(2) Division (K)(1) of this section does not apply to the 1151

following: 1152

(a) A member of the fund who is receiving a pension or 1153  
benefit in accordance with rules in force on April 1, 1947, that 1154  
govern the granting of pensions and benefits and that provide an 1155  
increase in the original pension or benefit from time to time 1156  
pursuant to changes in the salaries of active members; 1157

(b) A member of the fund who is receiving a pension or 1158  
benefit based on funded volunteer or funded part-time service. 1159

(L) On and after July 24, 1986: 1160

(1) The pension of each person receiving a pension under 1161  
division (D) of this section on July 24, 1986, shall be increased 1162  
to three hundred ten dollars per month. 1163

(2) The pension of each person receiving a pension under 1164  
division (E) of this section on July 24, 1986, shall be increased 1165  
to ninety-three dollars per month. 1166

**Sec. 742.3711.** (A) On application for retirement as provided 1167  
in section 742.37 of the Revised Code, a member of the fund may 1168  
elect to receive a retirement allowance payable throughout the 1169  
member's life, or may elect, on the application for retirement, to 1170  
receive the actuarial equivalent of the member's retirement 1171  
allowance in a lesser amount payable for life and continuing after 1172  
death to a surviving designated beneficiary under one of the 1173  
following optional plans, provided the amount payable to the 1174  
beneficiary shall not exceed the amount payable to the retiring 1175  
member of the fund, and is certified by the actuary engaged by the 1176  
board of trustees of the Ohio police and fire pension fund to be 1177  
the actuarial equivalent of the member's retirement allowance and 1178  
is approved by the board. 1179

(1) Option 1. The member's lesser retirement allowance shall 1180  
be paid for life to the sole beneficiary designated at the time of 1181

the member's retirement. 1182

(2) Option 2. One-half or some other portion of the member's 1183  
lesser retirement allowance shall be paid for life to the sole 1184  
beneficiary designated at the time of the member's retirement. 1185

(3) Option 3. Upon the member's death before the expiration 1186  
of a certain period from the retirement date and elected by the 1187  
member and approved by the retirement board, the member's lesser 1188  
retirement allowance shall be continued for the remainder of that 1189  
period to the beneficiary the member has ~~nominated by written~~ 1190  
~~designation and~~ designated in writing filed with the retirement 1191  
board. 1192

Should the ~~nominated beneficiary~~ member's designated in 1193  
~~writing become deceased~~ beneficiary die prior to the expiration of 1194  
the guarantee period, then for the purpose of completing payment 1195  
for the remainder of the guarantee period, the present value of 1196  
such payments shall be paid to the estate of the beneficiary last 1197  
receiving. 1198

(4) Option 4. The member's lesser retirement allowance or a 1199  
portion of the lesser retirement allowance shall be paid for life 1200  
to two, three, or four surviving beneficiaries designated at the 1201  
time of the member's retirement, in such portions as specified at 1202  
retirement. If the member elects this plan as required by a court 1203  
order issued under section 3105.171 or 3105.65 of the Revised Code 1204  
or the laws of another state regarding the division of marital 1205  
property and compliance with the court order requires the 1206  
allocation of a portion less than ten per cent to any beneficiary, 1207  
the member shall allocate a portion less than ten per cent to that 1208  
beneficiary in accordance with that order. In all other 1209  
circumstances, no portion allocated under this plan of payment 1210  
shall be less than ten per cent. The total of the portions 1211  
allocated shall not exceed one hundred per cent of the member's 1212  
lesser allowance. 1213

(B)(1) The death of a spouse ~~nominated~~ designated as 1214  
beneficiary or the death of any other ~~nominated~~ designated 1215  
beneficiary following a member's retirement or election under 1216  
section 742.44 of the Revised Code to participate in the deferred 1217  
retirement option plan shall cancel the portion of the optional 1218  
plan of payment providing continuing lifetime benefits to the 1219  
deceased ~~nominated~~ designated beneficiary. The member of the fund 1220  
shall receive the actuarial equivalent of the member's single 1221  
lifetime benefit, as determined by the board, based on the number 1222  
of remaining beneficiaries, with no change in the amount payable 1223  
to any remaining beneficiary. The change shall be effective the 1224  
month following receipt by the board of notice of the death. 1225

(2) On divorce, annulment, or marriage dissolution, a member 1226  
receiving a retirement allowance under a plan that provides for 1227  
continuation of all or part of the allowance after death for the 1228  
lifetime of the member's surviving spouse may, with the written 1229  
consent of the spouse or pursuant to an order of the court with 1230  
jurisdiction over the termination of the marriage, elect to cancel 1231  
the portion of the plan providing continuing lifetime benefits to 1232  
that spouse. The member shall receive the actuarial equivalent of 1233  
the member's single lifetime benefit as determined by the board 1234  
based on the number of remaining beneficiaries, with no change in 1235  
amount payable to any remaining beneficiary. The election shall be 1236  
made on a form provided by the board and shall be effective the 1237  
month following its receipt by the board. 1238

(C)(1) Following marriage or remarriage, both of the 1239  
following apply: 1240

(a) A member of the fund receiving a retirement allowance 1241  
under section 742.37 or 742.39 of the Revised Code may elect not 1242  
later than one year after the date of marriage or remarriage a new 1243  
optional plan of payment based on the actuarial equivalent of the 1244  
member's single lifetime benefit as determined by the board. 1245

(b) If a member is receiving a retirement allowance pursuant 1246  
to a plan of payment providing for payment to a former spouse 1247  
pursuant to a court order described in division (D)(1)(c) of this 1248  
section and the board has received a copy of the order described 1249  
in that division, the member may elect a new plan of payment under 1250  
"option 4" based on the actuarial equivalent of the retirant's 1251  
single lifetime retirement allowance as determined by the board if 1252  
the new plan of payment elected does not reduce the payment to the 1253  
former spouse. 1254

(2) A plan elected under this division and the member's 1255  
lesser retirement allowance shall become effective on the date of 1256  
receipt by the board of an application on a form approved by the 1257  
board. 1258

(D)(1) Unless one of the following occurs, an application for 1259  
retirement by a married person shall be considered an election of 1260  
a benefit under option 2 as provided for in division (A)(2) of 1261  
this section under which one-half of the lesser retirement 1262  
allowance payable during the life of the retirant will be paid 1263  
after death to the retirant's spouse for life as sole beneficiary: 1264

(a) The retirant selects an optional plan under division (A) 1265  
of this section providing for payment after death to the 1266  
retirant's spouse for life as sole beneficiary of more than 1267  
one-half of the lesser retirement allowance payable during the 1268  
life of the retirant; 1269

(b) The retirant submits to the ~~retirement~~ board a written 1270  
statement signed by the spouse attesting that the spouse consents 1271  
to the retirant's election to receive a single lifetime retirement 1272  
allowance or a payment under an optional benefit plan under which 1273  
after the death of the retirant the surviving spouse will receive 1274  
less than one-half of the lesser retirement allowance payable 1275  
during the life of the retirant; 1276

(c) 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 the retirant's retirement under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding division of marital property.

(d) If a retirant is subject to division (D)(1)(c) 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:

(i) The retirant elects a plan of payment that is in accordance with the order described in division (D)(1)(c) of this section.

(ii) 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.

(2) An application for retirement shall include an explanation of all of the following:

(a) That, if the member is married, unless the spouse consents to another plan of payment 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 2" and consist of the actuarial equivalent of the member's retirement allowance in a lesser amount payable for life and one-half of the lesser allowance continuing after death to the surviving spouse for the life of the spouse;

(b) A description of the alternative plans of payment	1308
available with the consent of the spouse;	1309
(c) That the spouse may consent to another plan of payment	1310
and the procedure for giving consent;	1311
(d) That consent is irrevocable once notice of consent is	1312
filed with the board.	1313
Consent shall be valid only if it is signed, in writing, and	1314
witnessed by an employee of the board or a notary public.	1315
(3) If the retirant does not select an optional plan as	1316
described in division (D)(1)(a) of this section and the board does	1317
not receive the written statement provided for in division	1318
(D)(1)(b) of this section, it shall determine and pay the	1319
retirement allowance in accordance with division (A)(2) of this	1320
section, except that the board may provide by rule for waiver by	1321
the board of the statement and payment of the allowance other than	1322
in accordance with division (A)(2) of this section if the retirant	1323
is unable to obtain the statement due to absence or incapacity of	1324
the spouse or other cause specified by the board.	1325
(E) A member of the fund who has elected an optional plan	1326
under this section or section 742.3715 of the Revised Code may,	1327
with the consent of the designated beneficiary, cancel the	1328
optional plan and receive the retirement allowance payable	1329
throughout life the member would have received had the member not	1330
elected the optional plan, if the member makes a request to cancel	1331
the optional plan not later than one year after the later of	1332
September 9, 1988, or the date on which the member first receives	1333
a payment under this section or section 742.3715 of the Revised	1334
Code. Cancellation of the optional plan shall be effective the	1335
month after acceptance of the request by the trustees of the fund.	1336
No payment or adjustment shall be made in the retirement allowance	1337
payable throughout the member's life to compensate for the lesser	1338

allowance the member received under the optional plan. 1339

The request to cancel the optional plan shall be made on a 1340  
form provided by the fund and shall be valid only if the completed 1341  
form includes a signed statement of the designated beneficiary's 1342  
understanding of and consent to the cancellation. The signature 1343  
shall be verified by the trustees of the fund prior to their 1344  
acceptance of the cancellation. 1345

(F) Any option elected and payments made under this section 1346  
shall be in addition to any benefit payable under divisions (D), 1347  
(E), and (F) of section 742.37 of the Revised Code. 1348

(G) A person is eligible to receive a benefit increase under 1349  
this division if the person is receiving a retirement allowance or 1350  
benefit under an optional plan elected under this section or 1351  
section 742.3715 of the Revised Code based on an award made prior 1352  
to July 24, 1986. A person is not eligible to receive an increase 1353  
under this division if the person is receiving a pension or 1354  
benefit in accordance with rules in force on April 1, 1947, that 1355  
govern the granting of pensions and benefits and that provide an 1356  
increase in the original pension or benefit from time to time 1357  
pursuant to changes in the salaries of active members. 1358

The board shall annually increase all benefits payable under 1359  
this section or section 742.3715 of the Revised Code to eligible 1360  
persons by the actuarial equivalent of three hundred sixty 1361  
dollars, except that no benefit shall exceed the limit established 1362  
by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 1363  
2085, 26 U.S.C.A. 415, as amended. 1364

The first increase is payable to all eligible persons on July 1365  
1, 1988. The increase is payable for the ensuing twelve-month 1366  
period or until the next increase is granted under this section, 1367  
whichever is later. 1368

The date of the first increase payable under this section 1369

shall be the anniversary date for future increases. 1370

If payment of a portion of a benefit is made to an alternate 1371  
payee under section 742.462 of the Revised Code, increases under 1372  
this division granted while the order is in effect shall be 1373  
apportioned between the alternate payee and the benefit recipient 1374  
in the same proportion that the amount being paid to the alternate 1375  
payee bears to the amount paid to the benefit recipient. 1376

If payment of a portion of a retirement allowance is made to 1377  
one or more beneficiaries under "option 4" under division (A)(4) 1378  
of section 742.3711 of the Revised Code, each increase under this 1379  
division granted while the plan of payment is in effect shall be 1380  
divided among the designated beneficiaries in accordance with the 1381  
portion each beneficiary has been allocated. 1382

**Sec. 742.3716.** (A)~~(1)~~ As used in this section: 1383

~~(a) "Eligible person" means a person who meets all of the 1384  
following conditions: 1385~~

~~(i) Has been receiving a pension or benefit under this 1386  
chapter for one year or more based on an award made on or after 1387  
July 24, 1986; 1388~~

~~(ii) Has not made the election provided for in division (B) 1389  
of this section; 1390~~

~~(iii) Is not the spouse or survivor of a person who has made 1391  
the election provided for in division (B) of this section; 1392~~

~~(iv) Is receiving a benefit in accordance with division (A), 1393  
(B), or (C) of section 742.37, division (C)(2), (3), (4), or (5) 1394  
of former section 742.37, section 742.3711, or section 742.39 of 1395  
the Revised Code. 1396~~

~~(b)(1) "Recalculated average annual salary" means the highest 1397  
average annual compensation of a member of the Ohio police and 1398  
fire pension fund during any three years of contributions, 1399~~

including amounts included in terminal pay attributable to such 1400  
three years, determined by dividing the member's total earnings as 1401  
an employee during such years by three. 1402

~~(2) In the case of a member participating in the deferred 1403  
retirement option plan established under section 742.43 of the 1404  
Revised Code or a member described in division (B) of section 1405  
742.444 of the Revised Code, the period of one year or more 1406  
described in division (A)(1)(a)(i) of this section begins on the 1407  
effective date of the member's election under section 742.44 of 1408  
the Revised Code. 1409~~

~~(B)(1) Notwithstanding section 742.37 or 742.39 of the 1410  
Revised Code, a member of the fund who is not receiving a pension 1411  
or benefit under this chapter and who on January 1, 1989, has 1412  
completed fifteen or more years of active service in a police or 1413  
fire department may elect to have any future benefit or pension 1414  
paid to the member or the member's spouse or survivors under this 1415  
chapter calculated on the basis of the member's recalculated 1416  
average annual salary rather than the member's average annual 1417  
salary. The election shall be made by the member prior to or at 1418  
the time of making an election under section 742.3711 of the 1419  
Revised Code. This division does not apply to a member of the fund 1420  
who elected to participate in the deferred retirement option plan 1421  
established under section 742.43 of the Revised Code unless the 1422  
member's participation has terminated pursuant to division (C) of 1423  
section 742.444 or to section 742.445 of the Revised Code. 1424~~

~~(2) If the member eligible to make the election under 1425  
division (B)(1) of this section dies prior to making the election 1426  
and at the time of death is eligible to retire and receive a 1427  
pension or benefit under division (C)(1) or (3) of section 742.37 1428  
of the Revised Code, the person entitled to receive a benefit 1429  
under section 742.3714 of the Revised Code may make the election 1430  
provided for in division (B)(1) of this section. 1431~~

~~(3) The election under division (B)(1) or (2) of this section shall be made on forms provided by the trustees of the fund. Once received by the fund, the election shall be irrevocable and shall bind the member and any other person who receives a pension or benefit based on the member's service. No person who receives a pension or benefit calculated in accordance with division (B) of this section is eligible to receive a cost of living allowance under this section. If the person making the election receives a benefit under section 742.3714 of the Revised Code, that person is not eligible to receive a cost of living allowance under section 742.3711 of the Revised Code.~~

~~(C)(1) The (2) "Consumer price index" means the index, as 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), or, if that index is no longer published, a generally available comparable index.~~

~~(B) For persons who become members of the fund on or after July 1, 2013, and members of the fund who as of July 1, 2013, have less than fifteen years of service credit and are not receiving a pension or disability benefit under this chapter, the board of trustees of the Ohio police and fire pension fund shall annually increase all the pension or benefits that become payable to eligible persons by three per cent, except that no benefit shall each member pursuant to section 742.37 of the Revised Code or division (D)(2) or (4) of section 742.38 of the Revised Code once the member has received the pension or benefit for at least one year and has attained the age of fifty-five. Benefits that become payable pursuant to division (D)(1) of section 742.38 of the Revised Code shall be increased annually once the member has received the benefits for at least one year.~~

~~The pension or benefit shall be increased by the lesser of the following:~~

<u>(1) Three per cent;</u>	1464
<u>(2) The percentage increase, if any, in the consumer price index over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one per cent.</u>	1465 1466 1467 1468
<u>In no event shall the pension or benefit exceed the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.</u>	1469 1470 1471
<del>The first increase is payable to all eligible persons who on July 1, 1988, have been receiving a pension or benefit for twelve months or longer. The increase is payable for the ensuing twelve-month period or until the next increase is granted under this section, whichever is later.</del>	1472 1473 1474 1475 1476
<u>The date of the first increase paid under this section division shall be the anniversary date for future increases. The pension or benefit used in the first calculation of an increase under this section division shall remain as the base for all future increases paid under this section division, unless a new base is established by law. In the case of a member who has elected</u>	1477 1478 1479 1480 1481 1482 1483
<u>(C) For members of the fund who as of July 1, 2013, have fifteen or more years of service credit and are not receiving a pension or disability benefit under this chapter and members who are receiving a pension or disability benefit that became effective before that date and did not make the election under division (D) of this section, the board shall annually increase the pension or benefits that become payable to each member pursuant to section 742.37 of the Revised Code or division (D)(2) or (4) of section 742.38 of the Revised Code once the member has received the pension or benefits for at least one year and has attained the age of fifty-five. Benefits that become payable</u>	1484 1485 1486 1487 1488 1489 1490 1491 1492 1493 1494

pursuant to division (D)(1) of section 742.38 of the Revised Code 1495  
shall be increased once the member has received the benefits for 1496  
at least one year. 1497

The pension or disability benefit shall be increased by three 1498  
per cent. In no event shall the pension or benefit exceed the 1499  
limit established by section 415 of the "Internal Revenue Code of 1500  
1986," 100 Stat. 2085, 26 U.S.C. 415, as amended. 1501

The date of the first increase paid under this division shall 1502  
be the anniversary date for future increases. The pension or 1503  
benefit used in the first calculation of an increase under this 1504  
division shall remain as the base for all future increases paid 1505  
under this division unless a new base is established by law. 1506

(D)(1) Notwithstanding any other provision of this section, 1507  
section 742.37, or section 742.39 of the Revised Code, a member of 1508  
the fund who is not receiving a pension or benefit under this 1509  
chapter and on January 1, 1989, had fifteen or more years of 1510  
service credit under this chapter may elect to have any future 1511  
pension or benefit paid to the member or the member's spouse or 1512  
survivors under this chapter calculated on the basis of the 1513  
member's recalculated average annual salary rather than the 1514  
member's average annual salary as determined under section 742.37 1515  
or 742.39 of the Revised Code. The election shall be made by the 1516  
member prior to or at the time of making an election under section 1517  
742.3711 of the Revised Code. 1518

(2) If a member eligible to make the election under division 1519  
(D)(1) of this section dies prior to making the election and at 1520  
the time of death is eligible to retire and receive a pension or 1521  
benefit under division (C)(1) or (3) of section 742.37 of the 1522  
Revised Code, the person entitled to receive a benefit under 1523  
section 742.3714 of the Revised Code may make the election 1524  
provided for in this division. 1525

(3) The election under division (D)(1) or (2) of this section shall be made on forms provided by the fund. Once received by the fund, the election is irrevocable and binds the member and any other person who receives a pension or benefit based on the member's service. No person who receives a pension or benefit calculated in accordance with division (D) of this section is eligible to receive an increase under this section. If the person making the election receives a benefit under section 742.3714 of the Revised Code, that person is not eligible to receive an increase under division (G) of section 742.3711 of the Revised Code.

~~(E) A member whose election to participate in the deferred retirement option plan established under section 742.43 of the Revised Code or a member described in division (B) of section 742.444 of the Revised Code, the pension amount used in the first calculation of an increase under this section shall be the amount calculated under section 742.442 of the Revised Code unless the member's participation has terminated pursuant to division (C) of section 742.444 or to section 742.445 of the Revised Code.~~

~~(2) Increases paid in years subsequent to the year of the first increase paid under this section shall be paid to all eligible persons who, on the date that the increase is authorized by the board, have been receiving a pension or benefit for twelve months is effective prior to July 2, 2013, is eligible to receive an increase under this section while participating in the deferred retirement option plan on attaining the age of fifty-five and having participated in the plan twelve months. The pension amount used in the first calculation of an increase under this section shall be the amount calculated under section 742.442 of the Revised Code unless the member's participation has terminated pursuant to division (C) of section 742.444 or to section 742.445 of the Revised Code. A member whose election to participate in the~~

deferred retirement option plan is effective on or after July 2, 1558  
2013, shall not receive an increase under this section while 1559  
participating in the deferred retirement option plan. 1560

~~(E)~~(F) If payment of a portion of a benefit is made to an 1561  
alternate payee under section 742.462 of the Revised Code, 1562  
increases under this section granted while the order is in effect 1563  
shall be apportioned between the alternate payee and the benefit 1564  
recipient in the same proportion that the amount being paid to the 1565  
alternate payee bears to the amount paid to the benefit recipient. 1566

If payment of a portion of a retirement allowance is made to 1567  
one or more beneficiaries under "option 4" under division (A)(4) 1568  
of section 742.3711 of the Revised Code, each increase under this 1569  
section granted while the plan of payment is in effect shall be 1570  
divided among the designated beneficiaries in accordance with the 1571  
portion each beneficiary has been allocated. 1572

**Sec. 742.38.** (A)(1) The board of trustees of the Ohio police 1573  
and fire pension fund shall adopt rules establishing minimum 1574  
medical testing and diagnostic standards or procedures to be 1575  
incorporated into physical examinations administered by physicians 1576  
to prospective members of the fund. The standards or procedures 1577  
shall include diagnosis and evaluation of the existence of any 1578  
heart disease, cardiovascular disease, or respiratory disease. The 1579  
rules shall specify the form of the physician's report and the 1580  
information to be included in it. 1581

The board shall notify all employers of the establishment of 1582  
the minimum standards or procedures and shall include with the 1583  
notice a copy of the standards or procedures. The board shall 1584  
notify all employers of any changes made to the standards or 1585  
procedures. Once the standards or procedures take effect, 1586  
employers shall cause each prospective member of the fund to 1587  
submit to a physical examination that incorporates the standards 1588

or procedures. 1589

(2) Division (A)(2) of this section applies to an employee 1590  
who becomes a member of the fund on or after the date the minimum 1591  
standards or procedures described in division (A)(1) of this 1592  
section take effect. For each employee described in division 1593  
(A)(2) of this section, the employer shall forward to the board a 1594  
copy of the physician's report of a physical examination that 1595  
incorporates the standards or procedures described in division 1596  
(A)(1) of this section. If an employer fails to forward the report 1597  
in the form required by the board on or before the date that is 1598  
sixty days after the employee becomes a member of the fund, the 1599  
board shall assess against the employer a penalty determined under 1600  
section 742.353 of the Revised Code. 1601

(B) Application for a disability benefit may be made by a 1602  
member of the fund or, if the member is incapacitated as defined 1603  
in rules adopted by the board, by a person acting on the member's 1604  
behalf. Not later than fourteen days after receiving an 1605  
application for a disability benefit from a member or a person 1606  
acting on behalf of a member, the board shall notify the member's 1607  
employer that an application has been filed. The notice shall 1608  
state the member's position or rank. Not later than twenty-eight 1609  
days after receiving the notice or filing an application on behalf 1610  
of a member, the employer shall forward to the board a statement 1611  
certifying the member's job description and any other information 1612  
required by the board to process the application. 1613

If the member applying for a disability benefit becomes a 1614  
member of the fund prior to the date the minimum standards or 1615  
procedures described in division (A)(1) of this section take 1616  
effect, the board may request from the member's employer a copy of 1617  
the physician's report of the member's physical examination taken 1618  
on entry into the police or fire department or, if the employer 1619  
does not have a copy of the report, a written statement certifying 1620

that the employer does not have a copy of the report. If an 1621  
employer fails to forward the report or statement in the form 1622  
required by the board on or before the date that is twenty-eight 1623  
days after the date of the request, the board shall assess against 1624  
the employer a penalty determined under section 742.353 of the 1625  
Revised Code. The board shall maintain the information submitted 1626  
under this division and division (A)(2) of this section in the 1627  
member's file. 1628

(C) For purposes of determining under division (D) of this 1629  
section whether a member of the fund is disabled, the board shall 1630  
adopt rules establishing objective criteria under which the board 1631  
shall make the determination. The rules shall include standards 1632  
that provide for all of the following: 1633

(1) Evaluating a member's illness or injury on which an 1634  
application for disability benefits is based; 1635

(2) Defining the occupational duties of a police officer or 1636  
firefighter; 1637

(3) Providing for the board to assign competent and 1638  
disinterested physicians and vocational evaluators to conduct 1639  
examinations of a member; 1640

(4) Requiring a written report for each disability 1641  
application that includes a summary of findings, medical opinions, 1642  
including an opinion on whether the illness or injury upon which 1643  
the member's application for disability benefits is based was 1644  
caused or induced by the actual performance of the member's 1645  
official duties, and any recommendations or comments based on the 1646  
medical opinions; 1647

(5) Providing for the board to consider the member's 1648  
potential for retraining or reemployment. 1649

(D) This division does not apply to members of the fund who 1650  
have elected to receive benefits and pensions in accordance with 1651

division (A) or (B) of section 742.37 of the Revised Code or from 1652  
a police relief and pension fund or a firemen's relief and pension 1653  
fund in accordance with the rules of that fund in force on April 1654  
1, 1947. 1655

~~(1)~~ As used in this division ~~(D)(1)~~ of this section: 1656

~~(a)~~ "Totally disabled" means a member of the fund is unable 1657  
to perform the duties of any gainful occupation for which the 1658  
member is reasonably fitted by training, experience, and 1659  
accomplishments. Absolute helplessness is not a prerequisite of 1660  
being totally disabled. 1661

~~(b)~~ "Permanently disabled" means a condition of disability 1662  
from which there is no present indication of recovery. 1663

(1) A member of the fund who is permanently and totally 1664  
disabled as the result of the performance of the member's official 1665  
duties as a member of a police or fire department shall be paid 1666  
annual disability benefits in accordance with division (A) of 1667  
section 742.39 of the Revised Code. In determining whether a 1668  
member of the fund is permanently and totally disabled, the board 1669  
shall consider standards adopted under division (C) of this 1670  
section applicable to the determination. 1671

(2) A member of the fund who is permanently and partially 1672  
disabled as the result of the performance of the member's official 1673  
duties as a member of a police or fire department shall, if the 1674  
disability prevents the member from performing those duties and 1675  
impairs the member's earning capacity, receive annual disability 1676  
benefits in accordance with division (B) of section 742.39 of the 1677  
Revised Code. In determining whether a member of the fund is 1678  
permanently and partially disabled, the board shall consider 1679  
standards adopted under division (C) of this section applicable to 1680  
the determination. 1681

(3) A member of the fund who is permanently disabled as a 1682

result of heart disease or any cardiovascular or respiratory 1683  
disease of a chronic nature, which disease or any evidence of 1684  
which disease was not revealed by the physical examination passed 1685  
by the member on entry into the department or another examination 1686  
specified in rules the board adopts under section 742.10 of the 1687  
Revised Code, is presumed to have incurred the disease while 1688  
performing the member's official duties, unless the contrary is 1689  
shown by competent evidence. The board may waive the requirement 1690  
that the absence of disease be evidenced by a physical examination 1691  
if competent medical evidence of a type specified in rules adopted 1692  
under section 742.10 of the Revised Code is submitted documenting 1693  
that the disease was not evident prior to or at the time of entry 1694  
into the department. 1695

(4) A member of the fund who has ~~completed~~ five or more years 1696  
of ~~active service in a police or fire department~~ credit and has 1697  
incurred a permanent disability not caused or induced by the 1698  
actual performance of the member's official duties as a member of 1699  
the department, or by the member's own negligence, shall if the 1700  
disability prevents the member from performing those duties and 1701  
impairs the member's earning capacity, receive annual disability 1702  
benefits in accordance with division (C) of section 742.39 of the 1703  
Revised Code. In determining whether a member of the fund is 1704  
permanently disabled, the board shall consider standards adopted 1705  
under division (C) of this section applicable to the 1706  
determination. 1707

(5) The board shall notify a member of its final action 1708  
awarding a disability benefit to the member within thirty days of 1709  
the final action. The notice shall be sent by certified mail, 1710  
return receipt requested. Not later than ninety days after receipt 1711  
of notice from the board, the member shall elect, on a form 1712  
provided by the board, either to accept or waive the disability 1713  
benefit award. If the member elects to waive the disability 1714

benefit award or fails to make an election within the time period, 1715  
the award is rescinded. A member who later seeks a disability 1716  
benefit award shall be required to make a new application, which 1717  
shall be dealt with in accordance with the procedures used for 1718  
original disability benefit applications. 1719

A person is not eligible to apply for or receive disability 1720  
benefits under this division, section 742.39 of the Revised Code, 1721  
or division (C)(2), (3), (4), or (5) of former section 742.37 of 1722  
the Revised Code unless the person is a member of the fund on the 1723  
date on which the application for disability benefits is submitted 1724  
to the fund. 1725

With the exception of persons who may make application for 1726  
increased benefits as provided in division (D)(2) or (4) of this 1727  
section or division (C)(3) or (5) of former section 742.37 of the 1728  
Revised Code on or after July 24, 1986, or persons who may make 1729  
application for benefits as provided in section 742.26 of the 1730  
Revised Code, no person receiving a pension or benefit under this 1731  
section or division (C) of former section 742.37 of the Revised 1732  
Code may apply for any new, changed, or different benefit. 1733

**Sec. 742.39.** (A) A member of the Ohio police and fire pension 1734  
fund determined to be eligible for a disability benefit under 1735  
division (D)(1) of section 742.38 of the Revised Code shall be 1736  
paid annual disability benefits, payable in twelve monthly 1737  
installments, in an amount equal to seventy-two per cent of the 1738  
member's average annual salary. If, as of July 2, 2013, the member 1739  
had fifteen or more years of service credit, the average annual 1740  
salary shall be determined using three years of contributions. If, 1741  
as of that date, the member had less than fifteen years of service 1742  
credit, the average annual salary shall be determined using five 1743  
years of contributions. 1744

(B) A member of the fund determined to be eligible for a 1745

disability benefit under division (D)(2) of section 742.38 of the Revised Code shall be paid annual disability benefits, payable in twelve monthly installments. If the member has fewer than twenty-five years of ~~active service in a police or fire department credit~~, the benefit shall be in an amount fixed by the board of trustees of the Ohio police and fire pension fund. The board may increase or decrease the benefit whenever the board determines that the impairment of the member's earning capacity warrants an increase or decrease based on the standards adopted under division (C) of section 742.38 of the Revised Code applicable to the determination, but in no event shall the benefit exceed sixty per cent of the member's average annual salary.

A member who has ~~completed~~ twenty-five or more years of ~~active service in the department credit~~ shall receive annual disability benefits, payable in twelve monthly installments, in an amount equal to a percentage of the member's average annual salary. The percentage shall be the sum of two and one-half per cent for each of the first twenty years ~~the member was in the active of service of the department credit~~, plus two per cent for each of the twenty-first to twenty-fifth years ~~the member was in the active of service of the department credit~~, plus one and one-half per cent for each year in excess of twenty-five years ~~the member was in the active of service of the department credit~~. The annual disability benefit shall not exceed seventy-two per cent of the member's average annual salary.

In calculating a benefit under this division, a member's average annual salary shall be determined using three years of contributions if, as of July 2, 2013, the member had fifteen or more years of service credit. If, as of that date, the member had less than fifteen years of service credit, the average annual salary shall be determined using five years of contributions.

(C) A member of the fund determined to be eligible for a

disability benefit under division (D)(4) of section 742.38 of the Revised Code shall be paid annual disability benefits, payable in twelve monthly installments, in an amount to be fixed by the board. The board may increase or decrease the benefits whenever the board determines that the impairment of the member's earning capacity warrants an increase or decrease based on the standards adopted under division (C) of section 742.38 of the Revised Code applicable to the determination, but in no event shall a benefit paid to the member exceed sixty per cent of the member's average annual salary.

(D) Each of the following persons who on July 1, 1999, is receiving annual benefits of less than six thousand six hundred dollars shall have the benefits increased to that amount effective July 1, 1999:

(1) A person receiving annual benefits described in division (A) of this section;

(2) A person receiving annual benefits described in division (C) of this section based on an award made prior to September 16, 1998.

(E) Benefits payable under this section continue until death unless adjusted under division (D)(5) of section 742.38 of the Revised Code or adjusted or terminated under division (C)(3) of section 742.40 of the Revised Code.

**Sec. 742.44.** Except as provided in section 742.14 of the Revised Code, at any time prior to filing an application for retirement under division (C)(1) of section 742.37 of the Revised Code, a member who has attained the requisite age and is eligible to retire under that division may elect to participate in the deferred retirement option plan established under section 742.43 of the Revised Code.

To make an election, an eligible member shall complete and submit to the Ohio police and fire pension fund a form prescribed by the fund. At this time the member may, but is not required to, elect under section 742.3711 of the Revised Code to have the member's monthly pension calculated as a retirement allowance payable throughout the member's life or a retirement allowance under option 2 in division (A) of section 742.3711 of the Revised Code. Unless rescinded during a period specified in rules adopted under section 742.43 of the Revised Code, the election is irrevocable from the date it is received by the fund until the employee ceases to participate in the plan as provided in section 742.444 of the Revised Code.

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

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

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

to participate in the plan. The pension amount shall be calculated 1839  
as a retirement allowance payable for the member's life, except 1840  
that, if at the time of electing to participate in the plan the 1841  
member selected the plan of payment in option 2 of division (A) of 1842  
section 742.3711 of the Revised Code, the pension shall be 1843  
calculated using that plan of payment. 1844

A member who participates in the plan is not eligible to make 1845  
an election under division ~~(B)~~(D) of section 742.3716 of the 1846  
Revised Code. 1847

**Sec. 742.443.** (A) During the period beginning on the 1848  
effective date of an election to participate in the deferred 1849  
retirement option plan and ending on the date participation 1850  
ceases, a member's monthly pension amount determined under section 1851  
742.442 of the Revised Code shall accrue to the member's benefit. 1852  
~~To~~ If the member is eligible for increases under section 742.3716 1853  
of the Revised Code, to this amount shall be added any benefit 1854  
increases the member would be eligible for under ~~division (C) of~~ 1855  
that section 742.3716 ~~of the Revised Code~~ had the member, on the 1856  
effective date of the member's election, retired under division 1857  
(C)(1) of section 742.37 of the Revised Code. 1858

(B)(1) The amounts contributed under section 742.31 of the 1859  
Revised Code by a member ~~participating~~ who, before July 2, 2013, 1860  
elects to participate in the deferred retirement option plan shall 1861  
accrue to the member's benefit as follows: 1862

(a) During the period beginning on the first day of the first 1863  
payroll period after the election's effective date and ending on 1864  
the earlier of the date that is two years thereafter or the date 1865  
the member ceases participation in the plan, fifty per cent of the 1866  
member's contributions for that period; 1867

(b) During the period beginning on the date that is two years 1868

and one day after accruals begin under this division and ending on 1869  
the earlier of the date that is three years thereafter or the date 1870  
the member ceases participation in the plan, seventy-five per cent 1871  
of the member's contributions for that period; 1872

(c) During the period beginning on the date that is three 1873  
years and one day after accruals begin under this section and 1874  
ending on the date the member ceases participation in the plan, 1875  
one hundred per cent of the member's contributions for that 1876  
period. 1877

(2) The amounts contributed under section 742.31 of the 1878  
Revised Code by a member who, on or after July 2, 2013, elects to 1879  
participate in the deferred retirement option plan shall accrue to 1880  
the member's benefit as follows: 1881

(a) During the period beginning on the first day of the first 1882  
payroll period after the election's effective date and ending on 1883  
the earlier of the date that is three years thereafter or the date 1884  
the member ceases participation in the plan, fifty per cent of the 1885  
member's contributions for that period; 1886

(b) During the period beginning on the date that is three 1887  
years and one day after accruals begin under this division and 1888  
ending on the earlier of the date that is five years thereafter or 1889  
the date the member ceases participation in the plan, seventy-five 1890  
per cent of the member's contributions for that period; 1891

(c) During the period beginning on the date that is five 1892  
years and one day after accruals begin under this section and 1893  
ending on the date the member ceases participation in the plan, 1894  
one hundred per cent of the member's contributions for that 1895  
period. 1896

(3) The Ohio police and fire pension fund shall credit the 1897  
portion of a member's contributions that are not accrued to the 1898  
member's benefit under division (B)(1) or (2) of this section to 1899

the police officers' contribution fund or firefighters' contribution fund, as appropriate. 1900  
1901

(C) During the period beginning on the election's effective date and ending on the day before the date distributions under division (B)(3) of section 742.444 of the Revised Code are completed, the amounts described in divisions (A) and (B)(1) of this section shall earn interest at an annual rate established by the board of trustees of the fund and compounded annually using a method established by rule adopted under section 742.43 of the Revised Code. 1902  
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1909

**Sec. 742.444.** (A) A member's participation in the deferred retirement option plan ceases on the occurrence of the earliest of the following: 1910  
1911  
1912

(1) Termination of the member's active service in a police or fire department; 1913  
1914

(2) The last day of the eight-year period that begins on the effective date of the member's election to participate in the plan; 1915  
1916  
1917

(3) Acceptance by the member of a disability benefit awarded by the board of trustees of the Ohio police and fire pension fund, unless the acceptance is revoked by the member in accordance with rules adopted by the board; 1918  
1919  
1920  
1921

(4) The member's death. 1922

(B) If a member terminates active service in a police or fire department not later than eight years after the effective date of the member's election to participate in the plan, all of the following apply: 1923  
1924  
1925  
1926

(1) The member shall notify the Ohio police and fire pension fund of the date of termination on a form prescribed by the fund. The member is not eligible to make another election under section 1927  
1928  
1929

742.44 of the Revised Code. 1930

(2) If (a) For a member whose election to participate in the plan is effective before July 2, 2013, the member's termination of active service occurs on or after the date that is the first day of the fourth year after the effective date of the election to participate in the plan, the entire amount that has accrued to the member's benefit under the deferred retirement option plan shall be distributed to the member pursuant to the member's selection under division (B)(3) of this section. If the member's termination of active service occurs before the date that is four years after the effective date of the election to participate, the member shall forfeit the total amount of the interest credited under division (C) of section 742.443 of the Revised Code. 1931  
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(b) For a member whose election to participate in the plan is effective on or after July 2, 2013, if the member's termination of active service occurs on or after the date that is the sixth year after the effective date of the election to participate in the plan, the entire amount that has accrued to the member's benefit under the deferred retirement option plan shall be distributed to the member pursuant to the member's selection under division (B)(3) of this section. If the member's termination of active service occurs before the date that is six years after the effective date of the election to participate, the member shall forfeit the total amount of the interest credited under division (C) of section 742.443 of the Revised Code. 1943  
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(3) The member shall select one of the following as the method of distribution of the amount to be distributed to the member: 1955  
1956  
1957

(a) A single payment; 1958

(b) Periodic payments as determined by the board. 1959

The fund shall retain amounts accrued to the benefit of a 1960

member under the plan until a form specifying the method of 1961  
distribution selected is filed with the fund by the member or an 1962  
authorized representative of the member. 1963

The board shall afford a member who selects periodic payments 1964  
the opportunity at least once during each calendar year to change 1965  
the member's selection. 1966

(4) Distribution of the amount accrued to a member's benefit 1967  
under the deferred retirement option plan shall not commence until 1968  
the following: 1969

(a) For members whose election to participate in the plan is 1970  
effective before July 2, 2013, the date that is the first day of 1971  
the fourth year after the effective date of the election; 1972

(b) For members whose election to participate in the plan is 1973  
effective on or after July 2, 2013, the date that is the first day 1974  
of the sixth year after the effective date of the election. 1975

(5) The member shall select a plan of payment under section 1976  
742.3711 of the Revised Code for the pension payable to the member 1977  
under division (C) of section 742.37 of the Revised Code, unless 1978  
the member selected a plan of payment at the time of electing to 1979  
participate in the plan. The pension shall commence not later than 1980  
the first day of the second month following the date the employee 1981  
ceases to participate in the plan. 1982

(C) If, at the end of the eight-year period that begins on 1983  
the effective date of a member's election to participate in the 1984  
plan, the member has failed to terminate active service in a 1985  
police or fire department, all of the following apply: 1986

(1) No further amounts shall accrue to the member's benefit, 1987  
and the member shall forfeit all amounts that have accrued to the 1988  
member's benefit under section 742.443 of the Revised Code. The 1989  
amounts forfeited shall be treated as if the member had continued 1990  
in the active service of a police or fire department and not 1991

elected to participate in the plan. 1992

(2) The member shall be granted service credit for the period 1993  
the member was participating in the plan, and when the member's 1994  
pension is calculated under section 742.37 of the Revised Code, 1995  
the calculation shall be made as though the member had never 1996  
participated in the plan. 1997

(3) Further contributions, and service credit for those 1998  
contributions, shall be credited as provided in sections 742.31 1999  
through 742.34 of the Revised Code. 2000

**Sec. 742.45.** (A) The board of trustees of the Ohio police and 2001  
fire pension fund may enter into an agreement with insurance 2002  
companies, health insuring corporations, or government agencies 2003  
authorized to do business in the state for issuance of a policy or 2004  
contract of health, medical, hospital, or surgical benefits, or 2005  
any combination thereof, for those individuals receiving service 2006  
or disability pensions or survivor benefits subscribing to the 2007  
plan. Notwithstanding any other provision of this chapter, the 2008  
policy or contract may also include coverage for any eligible 2009  
individual's spouse and dependent children and for any of the 2010  
eligible individual's sponsored dependents as the board considers 2011  
appropriate. 2012

If all or any portion of the policy or contract premium is to 2013  
be paid by any individual receiving a service, disability, or 2014  
survivor pension or benefit, the individual shall, by written 2015  
authorization, instruct the board to deduct from the individual's 2016  
benefit the premium agreed to be paid by the individual to the 2017  
company, corporation, or agency. 2018

The board may contract for coverage on the basis of part or 2019  
all of the cost of the coverage to be paid from appropriate funds 2020  
of the Ohio police and fire pension fund. The cost paid from the 2021  
funds of the Ohio police and fire pension fund shall be included 2022

in the employer's contribution rates provided by sections 742.33 2023  
and 742.34 of the Revised Code. 2024

The board may provide for self-insurance of risk or level of 2025  
risk as set forth in the contract with the companies, 2026  
corporations, or agencies, and may provide through the 2027  
self-insurance method specific benefits as authorized by the rules 2028  
of the board. 2029

(B) Except as otherwise provided in this division, the board 2030  
shall, beginning the month following receipt of satisfactory 2031  
evidence of the payment for coverage, pay monthly to each 2032  
recipient of service, disability, or survivor benefits under the 2033  
Ohio police and fire pension fund who is eligible for ~~medical~~ 2034  
~~insurance~~ coverage under part B of the medicare program 2035  
established under Title XVIII of "The Social Security Amendments 2036  
of 1965," 79 Stat. 301 (1965), 42 U.S.C.A. 1395j, as amended, an 2037  
amount specified by the board or determined pursuant to a formula 2038  
established by the board that is not less than ninety-six dollars 2039  
and forty cents, for such coverage, except that the board shall 2040  
not pay an amount that exceeds the amount paid by the recipient 2041  
for the coverage. 2042

The board shall pay not more than one monthly premium under 2043  
this division to an eligible benefit recipient even if the 2044  
recipient is receiving more than one monthly benefit from the 2045  
fund. The board shall not pay a monthly premium under this 2046  
division to an eligible benefit recipient who is receiving 2047  
reimbursement for the premium from any other source. 2048

(C) The board shall establish by rule requirements for the 2049  
coordination of any coverage, payment, or benefit provided under 2050  
this section with any similar coverage, payment, or benefit made 2051  
available to the same individual by the public employees 2052  
retirement system, state teachers retirement system, school 2053  
employees retirement system, or state highway patrol retirement 2054

system. 2055

(D) The board shall make all other necessary rules pursuant 2056  
to the purpose and intent of this section. 2057

**Sec. 742.63.** The board of trustees of the Ohio police and 2058  
fire pension fund shall adopt rules for the management of the Ohio 2059  
public safety officers death benefit fund and for disbursements of 2060  
benefits as set forth in this section. 2061

(A) As used in this section: 2062

(1) "Member" means all of the following: 2063

(a) A member of the Ohio police and fire pension fund, 2064  
including a member of the fund who has elected to participate in 2065  
the deferred retirement option plan established under section 2066  
742.43 of the Revised Code or a member of or contributor to a 2067  
police or firemen's relief and pension fund established under 2068  
former Chapter 521. or 741. of the Revised Code; 2069

(b) A member of the state highway patrol retirement system, 2070  
including a member who is participating in the deferred retirement 2071  
option plan established under section 5505.50 of the Revised Code; 2072

(c) A member of the public employees retirement system who at 2073  
the time of the member's death was one of the following: 2074

(i) A county sheriff or deputy sheriff; 2075

(ii) A full-time regular police officer in a municipal 2076  
corporation or township; 2077

(iii) A full-time regular firefighter employed by the state, 2078  
an instrumentality of the state, a municipal corporation, a 2079  
township, a joint fire district, or another political subdivision; 2080

(iv) A full-time park district ranger or patrol trooper; 2081

(v) A full-time law enforcement officer of the department of 2082  
natural resources; 2083

(vi) A full-time department of public safety enforcement agent;	2084 2085
(vii) A full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of a municipal corporation;	2086 2087 2088
(viii) A full-time law enforcement officer of a conservancy district;	2089 2090
(ix) A correction officer at an institution under the control of a county, a group of counties, a municipal corporation, or the department of rehabilitation and correction;	2091 2092 2093
(x) A state university law enforcement officer;	2094
(xi) An investigator, as defined in section 109.541 of the Revised Code, or an investigator commissioned as a special agent of the bureau of criminal identification and investigation.	2095 2096 2097
(xii) A drug agent, as defined in section 145.01 of the Revised Code.	2098 2099
(d) A member of a retirement system operated by a municipal corporation who at the time of death was a full-time law enforcement officer of parks, waterway lands, or reservoir lands under the control of the municipal corporation.	2100 2101 2102 2103
(2) Notwithstanding section 742.01 of the Revised Code, "fire or police department" includes a fire department of the state or an instrumentality of the state or of a municipal corporation, township, joint fire district, or other political subdivision, the state highway patrol, a county sheriff's office, the security force of an institution under the control of the department of rehabilitation and correction, the security force of a jail or workhouse under the control of a county, group of counties, or municipal corporation, the security force of a metropolitan, county, or township park district, the security force of lands	2104 2105 2106 2107 2108 2109 2110 2111 2112 2113

under the control of the department of natural resources, 2114  
department of public safety enforcement agents, the security force 2115  
of parks, waterway lands, or reservoir lands under the control of 2116  
a municipal corporation, the security force of a conservancy 2117  
district, the police department of a township or municipal 2118  
corporation, and the police force of a state university. 2119

(3) "Firefighter or police officer" includes a state highway 2120  
patrol trooper, a county sheriff or deputy sheriff, a correction 2121  
officer at an institution under the control of a county, a group 2122  
of counties, a municipal corporation, or the department of 2123  
rehabilitation and correction, a police officer employed by a 2124  
township or municipal corporation, a firefighter employed by the 2125  
state, an instrumentality of the state, a municipal corporation, a 2126  
township, a joint fire district, or another political subdivision, 2127  
a full-time park district ranger or patrol trooper, a full-time 2128  
law enforcement officer of the department of natural resources, a 2129  
full-time department of public safety enforcement agent, a 2130  
full-time law enforcement officer of parks, waterway lands, or 2131  
reservoir lands under the control of a municipal corporation, a 2132  
full-time law enforcement officer of a conservancy district, and a 2133  
state university law enforcement officer. 2134

(4) "Correction officer" includes, in addition to any 2135  
correction officer, any correction corporal, sergeant, lieutenant, 2136  
or captain, and the equivalents of all such persons. 2137

(5) "A park district ranger or patrol trooper" means a peace 2138  
officer commissioned to make arrests, execute warrants, and 2139  
preserve the peace upon lands under the control of a board of park 2140  
commissioners of a metropolitan, county, or township park 2141  
district. 2142

(6) "Metropolitan, county, or township park district" means a 2143  
park district created under the authority of Chapter 511. or 1545. 2144  
of the Revised Code. 2145

- (7) "Conservancy district" means a conservancy district created under the authority of Chapter 6101. of the Revised Code. 2146  
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- (8) "Law enforcement officer" means an officer commissioned to make arrests, execute warrants, and preserve the peace upon lands under the control of the governmental entity granting the commission. 2148  
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- (9) "Department of natural resources law enforcement officer" includes a forest officer designated pursuant to section 1503.29 of the Revised Code, a preserve officer designated pursuant to section 1517.10 of the Revised Code, a wildlife officer designated pursuant to section 1531.13 of the Revised Code, a park officer designated pursuant to section 1541.10 of the Revised Code, and a state watercraft officer designated pursuant to section 1547.521 of the Revised Code. 2152  
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- (10) "Retirement eligibility date" means the last day of the month in which a deceased member would have first become eligible, had the member lived, for the retirement pension provided under ~~section 145.337~~, Chapter ~~145.~~ 521. or 741., division (C)(1) of section 742.37, or division (A)(1) of section 5505.17 of the Revised Code or provided by a retirement system operated by a municipal corporation. 2160  
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- (11) "Death benefit amount" means an amount equal to the full monthly salary received by a deceased member prior to death, minus an amount equal to the benefit received under section 145.45, 742.37, 742.3714, or 5505.17 of the Revised Code or the benefit received from a retirement system operated by a municipal corporation, plus any increases in salary that would have been granted the deceased member. 2167  
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- (12) "Killed in the line of duty" means either of the following: 2174  
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- (a) Death in the line of duty; 2176

(b) Death from injury sustained in the line of duty, 2177  
including heart attack or other fatal injury or illness caused 2178  
while in the line of duty. 2179

(B) A spouse of a deceased member shall receive a death 2180  
benefit each month equal to the full death benefit amount, 2181  
provided that the deceased member was a firefighter or police 2182  
officer killed in the line of duty and there are no surviving 2183  
children eligible for a benefit under this section. The spouse 2184  
shall receive this benefit during the spouse's natural life until 2185  
the deceased member's retirement eligibility date, on which date 2186  
the benefit provided under this division shall terminate. 2187

(C)(1) If a member killed in the line of duty as a 2188  
firefighter or police officer is survived only by a child or 2189  
children, the child or children shall receive a benefit each month 2190  
equal to the full death benefit amount. If there is more than one 2191  
surviving child, the benefit shall be divided equally among these 2192  
children. 2193

(2) If the death benefit paid under this division is divided 2194  
among two or more surviving children and any of the children 2195  
become ineligible to continue receiving a portion of the benefit 2196  
as provided in division (H) of this section, the full death 2197  
benefit amount shall be paid to the remaining eligible child or 2198  
divided among the eligible children so that the benefit paid to 2199  
the remaining eligible child or children equals the full death 2200  
benefit amount. 2201

(3) Notwithstanding divisions (C)(1) and (2) of this section, 2202  
all death benefits paid under this division shall terminate on the 2203  
deceased member's retirement eligibility date. 2204

(D) If a member killed in the line of duty as a firefighter 2205  
or police officer is survived by both a spouse and a child or 2206  
children, the monthly benefit provided shall be as follows: 2207

(1)(a) If there is a surviving spouse and one surviving child, the spouse shall receive an amount each month equal to one-half of the full death benefit amount and the child shall receive an amount equal to one-half of the full death benefit amount.

(b) If the surviving spouse dies or the child becomes ineligible as provided in division (H) of this section, the surviving spouse or child remaining eligible shall receive the full death benefit amount.

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

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

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

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

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

death benefit amount, and the child shall receive an amount each 2239  
month equal to one-half of the full death benefit amount. 2240

(d) If a spouse and more than one child each are receiving a 2241  
benefit under division (D)(2)(a) of this section and all of the 2242  
children become ineligible to receive a benefit as provided in 2243  
division (H) of this section, the spouse shall receive the full 2244  
death benefit amount. 2245

(3) Notwithstanding divisions (D)(1) and (2) of this section, 2246  
death benefits paid under this division to a surviving spouse 2247  
shall terminate on the member's retirement eligibility date. Death 2248  
benefits paid to a surviving child or children shall terminate on 2249  
the deceased member's retirement eligibility date unless earlier 2250  
terminated pursuant to division (H) of this section. 2251

(E) If a member, on or after January 1, 1980, is killed in 2252  
the line of duty as a firefighter or police officer and is 2253  
survived by only a parent or parents dependent upon the member for 2254  
support, the parent or parents shall receive an amount each month 2255  
equal to the full death benefit amount. If there is more than one 2256  
surviving parent dependent upon the deceased member for support, 2257  
the death benefit amount shall be divided equally among the 2258  
surviving parents. On the death of one of the surviving parents, 2259  
the full death benefit amount shall be paid to the other parent. 2260

(F)(1) The following shall receive a monthly death benefit 2261  
under this division: 2262

(a) A surviving spouse whose benefits are terminated in 2263  
accordance with division (B) or (D)(3) of this section on the 2264  
deceased member's retirement eligibility date, or who would 2265  
qualify for a benefit under division (B) or (D) of this section 2266  
except that the deceased member reached the member's retirement 2267  
eligibility date prior to the member's death; 2268

(b) A qualified surviving spouse of a deceased member of or 2269

contributor to a police or firemen's relief and pension fund 2270  
established under former Chapter 521. or 741. of the Revised Code 2271  
who was a firefighter or police officer killed in the line of 2272  
duty. 2273

(2) The monthly death benefit shall be one-half of an amount 2274  
equal to the monthly salary received by the deceased member prior 2275  
to the member's death, plus any salary increases the deceased 2276  
member would have received prior to the member's retirement 2277  
eligibility date. The benefit shall terminate on the surviving 2278  
spouse's death. A death benefit payable under this division shall 2279  
be reduced by an amount equal to any allowance or benefit payable 2280  
to the surviving spouse under section 742.3714 of the Revised 2281  
Code. 2282

(3) A benefit granted to a surviving spouse under division 2283  
(F)(1)(b) of this section shall commence on the first day of the 2284  
month immediately following receipt by the board of a completed 2285  
application on a form provided by the board and any evidence the 2286  
board may require to establish that the deceased spouse was killed 2287  
in the line of duty. 2288

(G)(1) If there is not a surviving spouse eligible to receive 2289  
a death benefit under division (F) of this section or the 2290  
surviving spouse receiving a death benefit under that division 2291  
dies, a surviving child or children whose benefits under division 2292  
(C) or (D) of this section are or have been terminated pursuant to 2293  
division (C)(3) or (D)(3) of this section or who would qualify for 2294  
a benefit under division (C) or (D) of this section except that 2295  
the deceased member reached the member's retirement eligibility 2296  
date prior to the member's death shall receive a monthly death 2297  
benefit under this division. The monthly death benefit shall be 2298  
one-half of an amount equal to the monthly salary received by the 2299  
deceased member prior to the member's death, plus any salary 2300  
increases the member would have received prior to the member's 2301

retirement eligibility date. If there is more than one surviving 2302  
child, the benefit shall be divided equally among the surviving 2303  
children. 2304

(2) If two or more surviving children each are receiving a 2305  
benefit under this division and any of those children becomes 2306  
ineligible to continue receiving a benefit as provided in division 2307  
(H) of this section, the remaining eligible child or children 2308  
shall receive an amount equal to one-half of the monthly salary 2309  
received by the deceased member prior to death, plus any salary 2310  
increases the deceased member would have received prior to the 2311  
retirement eligibility date. If there is more than one remaining 2312  
eligible child, the benefit shall be divided equally among the 2313  
eligible children. 2314

(3) A death benefit, or portion of a death benefit, payable 2315  
to a surviving child under this division shall be reduced by an 2316  
amount equal to any allowance or benefit payable to that child 2317  
under section 742.3714 of the Revised Code, but the reduction in 2318  
that child's benefit shall not affect the amount payable to any 2319  
other surviving child entitled to a portion of the death benefit. 2320

(H) A death benefit paid to a surviving child under division 2321  
(C), (D), or (G) of this section shall terminate on the death of 2322  
the child or, unless one of the following is the case, when the 2323  
child reaches age eighteen: 2324

(1) The child, because of physical or mental disability, is 2325  
unable to provide the child's own support, in which case the death 2326  
benefit shall terminate when the disability is removed; 2327

(2) The child is unmarried, under age twenty-two, and a 2328  
student in and attending an institution of learning or training 2329  
pursuant to a program designed to complete in each school year the 2330  
equivalent of at least two-thirds of the full-time curriculum 2331  
requirements of the institution, as determined by the trustees of 2332

the fund. 2333

(I) Acceptance of any death benefit under this section does 2334  
not prohibit a spouse or child from receiving other benefits 2335  
provided under the Ohio police and fire pension fund, the state 2336  
highway patrol retirement system, the public employees retirement 2337  
system, or a retirement system operated by a municipal 2338  
corporation. 2339

(J) No person shall receive a benefit under this section if 2340  
any of the following occur: 2341

(1) The person fails to exercise the right to a monthly 2342  
survivor benefit under division (A) or (B) of section 145.45, 2343  
division (D), (E), or (F) of section 742.37, or division (A)(3), 2344  
(4), or (7) of section 5505.17 of the Revised Code; to a monthly 2345  
survivor benefit from a retirement system operated by a municipal 2346  
corporation; or to a retirement allowance under section 742.3714 2347  
of the Revised Code. 2348

(2) The member's accumulated contributions under this chapter 2349  
or Chapter 145. or 5505. of the Revised Code are refunded unless 2350  
the member had been a member of the public employees retirement 2351  
system and had fewer than eighteen months of total service credit 2352  
at the time of death. 2353

(3) In the case of a full-time park district ranger or patrol 2354  
trooper, a full-time law enforcement officer of the department of 2355  
natural resources, a full-time law enforcement officer of parks, 2356  
waterway lands, or reservoir lands under the control of a 2357  
municipal corporation, a full-time law enforcement officer of a 2358  
conservancy district, a correction officer at an institution under 2359  
the control of a county, group of counties, or municipal 2360  
corporation, or a member of a retirement system operated by a 2361  
municipal corporation who at the time of the member's death was a 2362  
full-time law enforcement officer of parks, waterway lands, or 2363

reservoir lands under the control of the municipal corporation, 2364  
the member died prior to April 9, 1981, in the case of a benefit 2365  
under division (B), (C), or (D) of this section, or prior to 2366  
January 1, 1980, in the case of a benefit under division (E) of 2367  
this section. 2368

(4) In the case of a full-time department of public safety 2369  
enforcement agent who prior to June 30, 1999, was a liquor control 2370  
investigator of the department of public safety, the member died 2371  
prior to December 23, 1986; 2372

(5) In the case of a full-time department of public safety 2373  
enforcement agent other than an enforcement agent who, prior to 2374  
June 30, 1999, was a liquor control investigator, the member died 2375  
prior to June 30, 1999. 2376

(K) A surviving spouse whose benefit was terminated prior to 2377  
June 30, 1999, due to remarriage shall receive a benefit under 2378  
division (B), (D), or (F) of this section beginning on the first 2379  
day of the month following receipt by the board of an application 2380  
on a form provided by the board. The benefit amount shall be 2381  
determined as of that date. 2382

(1) If the benefit will begin prior to the deceased member's 2383  
retirement eligibility date, it shall be paid under division (B) 2384  
or (D) of this section and shall terminate as provided in those 2385  
divisions. A benefit paid to a surviving spouse under division (D) 2386  
of this section shall be determined in accordance with that 2387  
division, even if benefits paid to surviving children are reduced 2388  
as a result. 2389

(2) If the benefit will begin on or after the deceased 2390  
member's retirement eligibility date, it shall be paid under 2391  
division (F) of this section and shall terminate as provided in 2392  
that division. A benefit paid to a surviving spouse under division 2393  
(F) of this section shall be determined in accordance with that 2394

division, even if benefits paid to surviving children are 2395  
terminated as a result. 2396

**Sec. 742.64.** If a any person ~~who is a disability benefit~~ 2397  
~~recipient or an alternate payee, as defined in section 3105.80 of~~ 2398  
~~the Revised Code,~~ is paid any benefit or payment by the Ohio 2399  
police and fire pension fund to which the person is not entitled, 2400  
the person shall repay the fund. If the person fails to repay, the 2401  
fund shall withhold the amount due from any benefit or payment due 2402  
the person or the person's beneficiary under this chapter or may 2403  
collect the amount in any other manner provided by law. 2404

**Section 2.** That existing sections 171.04, 742.01, 742.04, 2405  
742.10, 742.14, 742.16, 742.30, 742.301, 742.31, 742.32, 742.33, 2406  
742.34, 742.35, 742.37, 742.3711, 742.3716, 742.38, 742.39, 2407  
742.44, 742.442, 742.443, 742.444, 742.45, 742.63, and 742.64 and 2408  
section 742.011 of the Revised Code are hereby repealed. 2409

**Section 3.** (A) The amendments by this act of sections 742.33, 2410  
742.34, and 742.35 of the Revised Code regarding the frequency of 2411  
employer payments to the Ohio Police and Fire Pension Fund apply 2412  
to police officer employers' contributions and firefighter 2413  
employers' contributions due the Fund for employee payrolls paid 2414  
on or after the ninety-first day after the effective date of this 2415  
section. 2416

(B) Police officer employers' contributions and firefighter 2417  
employers' contributions to the Ohio Police and Fire Pension Fund 2418  
for employee payrolls paid during the period beginning on the 2419  
effective date of this section and ending on the ninety-first day 2420  
thereafter are due as follows: 2421

(1) One third of the contributions for that period are due 2422  
not later than December 31, 2013. 2423

(2) One third of the contributions for that period are due 2424  
not later than December 31, 2014. 2425

(3) One third of the contributions for that period are due 2426  
not later than December 31, 2015. 2427

(C) Any applicable penalty determined under section 742.352 2428  
of the Revised Code shall be assessed against an employer if the 2429  
employer fails to make a payment on or before the date the payment 2430  
is due. 2431

**Section 4.** Sections 1, 2, and 3 of this act take effect 2432  
January 7, 2013, except that section 742.161, as enacted by this 2433  
act, and division (B) of section 742.31 of the Revised Code, as 2434  
amended by this act, take effect one hundred eighty days after the 2435  
effective date of this section. 2436