

I_132_1169

132nd General Assembly
Regular Session
2017-2018

. B. No.

A BILL

To amend sections 5505.01, 5505.16, 5505.162, 1
5505.17, 5505.174, 5505.18, 5505.19, 5505.20, 2
5505.21, and 5505.59 of the Revised Code to 3
revise the law governing the State Highway 4
Patrol Retirement System. 5

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

Section 1. That sections 5505.01, 5505.16, 5505.162, 6
5505.17, 5505.174, 5505.18, 5505.19, 5505.20, 5505.21, and 7
5505.59 of the Revised Code be amended to read as follows: 8

Sec. 5505.01. As used in this chapter: 9

(A) "Employee" means any qualified employee in the uniform 10
division of the state highway patrol, any qualified employee in 11
the radio division hired prior to November 2, 1989, and any 12
state highway patrol cadet attending training school pursuant to 13
section 5503.05 of the Revised Code whose attendance at the 14
school begins on or after June 30, 1991. "Employee" includes the 15
superintendent of the state highway patrol. In all cases of 16
doubt, the state highway patrol retirement board shall determine 17



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whether any person is an employee as defined in this division, 18
and the decision of the board is final. 19

(B) "Prior service" means all service rendered as an 20
employee of the state highway patrol prior to September 5, 1941, 21
to the extent credited by the board, provided that in no case 22
shall prior service include service rendered prior to November 23
15, 1933. 24

(C) "Total service" means all service rendered by an 25
employee to the extent credited by the board. Total service 26
includes all of the following: 27

(1) Contributing service rendered by the employee since 28
last becoming a member of the state highway patrol retirement 29
system; 30

(2) All prior service credit; 31

(3) Restored service credit as provided in this chapter; 32

(4) Military service credit purchased under division (D) 33
of section 5505.16 or section 5505.25 of the Revised Code; 34

(5) Credit granted under division (C) of section 5505.17 35
or section 5505.201, 5505.40, or 5505.402 of the Revised Code; 36

(6) Credit for any period, not to exceed three years, 37
during which the member was out of service and receiving 38
benefits under Chapters 4121. and 4123. of the Revised Code. 39

(D) "Regular interest" means interest compounded at rates 40
designated from time to time by the retirement board. 41

(E) "Plan" means the provisions of this chapter. 42

(F) "Retirement system" or "system" means the state 43
highway patrol retirement system created and established in the 44

plan. 45

(G) "Contributing service" means all service rendered by a 46
member since September 4, 1941, for which deductions were made 47
from the member's salary under the plan. 48

(H) "Retirement board" or "board" means the state highway 49
patrol retirement board provided for in the plan. 50

(I) Except as provided in ~~section~~ sections 5505.16, 51
5505.162, and 5505.18 of the Revised Code, "member" means any 52
employee included in the membership of the retirement system, 53
whether or not rendering contributing service. 54

(J) "Retirant" means any member who has retired under 55
section 5505.16 or 5505.18 of the Revised Code. 56

(K) "Accumulated contributions" means the sum of the 57
following credited to a member's individual account in the 58
employees' savings fund: 59

(1) All amounts deducted from the salary of the member; 60

(2) All amounts paid by the member to purchase state 61
highway patrol retirement system service credit pursuant to this 62
chapter or other state law. 63

(L) (1) Except as provided in division (L) (2) of this 64
section, "final average salary" means the average of the highest 65
salary paid a member during any five consecutive or 66
nonconsecutive years. 67

If a member has less than five years of contributing 68
service, the member's final average salary shall be the average 69
of the annual rates of salary paid to the member during the 70
member's total years of contributing service. 71

(2) If a member is credited with service under division 72
(C) (6) of this section or division (D) of section 5505.16 of the 73
Revised Code, the member's final average salary shall be the 74
average of the highest salary that was paid to the member or 75
would have been paid to the member, had the member been 76
rendering contributing service, during any five consecutive or 77
nonconsecutive years. If that member has less than five years of 78
total service, the member's final average salary shall be the 79
average of the annual rates of salary that were paid to the 80
member or would have been paid to the member during the member's 81
years of total service. 82

(M) "Pension" means an annual amount payable by the 83
retirement system throughout the life of a person or as 84
otherwise provided in the plan. 85

(N) "Pension reserve" means the present value of any 86
pension, or benefit in lieu of any pension, computed upon the 87
basis of mortality and other tables of experience and interest 88
the board shall from time to time adopt. 89

(O) "Deferred pension" means a pension for which an 90
eligible member of the system has made application and which is 91
payable as provided in division (A) or (B) of section 5505.16 of 92
the Revised Code. 93

(P) "Retirement" means retirement as provided in sections 94
5505.16 and 5505.18 of the Revised Code. 95

(Q) "Fiduciary" means any of the following: 96

(1) A person who exercises any discretionary authority or 97
control with respect to the management of the system, or with 98
respect to the management or disposition of its assets; 99

(2) A person who renders investment advice for a fee, 100

direct or indirect, with respect to money or property of the 101
system; 102

(3) A person who has any discretionary authority or 103
responsibility in the administration of the system. 104

(R) (1) Except as otherwise provided in this division, 105
"salary" means all compensation, wages, and other earnings paid 106
to a member by reason of employment but without regard to 107
whether any of the compensation, wages, or other earnings are 108
treated as deferred income for federal income tax purposes. 109
Salary includes all of the following: 110

(a) Payments for shift differential, hazard duty, 111
professional achievement, and longevity; 112

(b) Payments for occupational injury leave, personal 113
leave, sick leave, bereavement leave, administrative leave, and 114
vacation leave used by the member; 115

(c) Payments made under a disability leave program 116
sponsored by the state for which the state is required by 117
section 5505.151 of the Revised Code to make periodic employer 118
and employee contributions to the retirement system. 119

(2) "Salary" does not include any of the following: 120

(a) Payments resulting from the conversion of accrued but 121
unused sick leave, personal leave, compensatory time, and 122
vacation leave; 123

(b) Payments made by the state to provide life insurance, 124
sickness, accident, endowment, health, medical, hospital, 125
dental, or surgical coverage, or other insurance for the member 126
or the member's family, or amounts paid by the state to the 127
member in lieu of providing that insurance; 128

(c) Payments for overtime work;	129
(d) Incidental benefits, including lodging, food, laundry, parking, or services furnished by the state, use of property or equipment of the state, and reimbursement for job-related expenses authorized by the state including moving and travel expenses and expenses related to professional development;	130 131 132 133 134
(e) Payments made to or on behalf of a member that are in excess of the annual compensation that may be taken into account by the retirement system under division (a) (17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401 (a) (17), as amended;	135 136 137 138 139
(f) Payments made under division (B), (C), or (E) of section 5923.05 of the Revised Code, Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly, Section 3 of Amended Substitute Senate Bill No. 164 of the 124th general assembly, or Amended Substitute House Bill No. 405 of the 124th general assembly.	140 141 142 143 144 145
(3) The retirement board shall determine by rule whether any compensation, wages, or earnings not enumerated in this division are salary, and its decision shall be final.	146 147 148
(S) "Actuary" means an individual who satisfies all of the following requirements:	149 150
(1) Is a member of the American academy of actuaries;	151
(2) Is an associate or fellow of the society of actuaries;	152
(3) Has a minimum of five years' experience in providing actuarial services to public retirement plans.	153 154
Sec. 5505.16. <u>As used in this section, "member" has the same meaning as in section 5505.01 of the Revised Code, except</u>	155 156

that it also includes a former member who has earned service 157
credit and has not received a refund of accumulated 158
contributions under section 5505.19 of the Revised Code. 159

(A) A member who became a member of the state highway 160
patrol retirement system who has before January 1, 2020, may be 161
granted retirement under this division if the member has twenty- 162
five years of service credit according to the rules adopted by 163
the state highway patrol retirement board ~~may make application~~ 164
~~for retirement which, if and has attained age forty-eight. If~~ 165
the member is under age forty-eight, retirement under this 166
division shall be deferred until age forty-eight. 167

(B) A member who has twenty years of service credit 168
according to the rules adopted by the retirement board, ~~may make~~ 169
~~application for be granted retirement that, under this division~~ 170
if the member has attained age fifty-two. If the member is under 171
age fifty-two, retirement under this division shall be deferred 172
until age fifty-two, except that any such member who has 173
~~attained~~ twenty years of service credit may, on or after 174
attaining age forty-eight but before attaining age fifty-two, 175
elect to retire and receive a reduced pension under this 176
division of the greater of nine hundred dollars or an amount 177
computed as follows: 178

Attained Age	Reduced Pension	179
48	75% of normal service pension	180
49	80% of normal service pension	181
50	86% of normal service pension	182
51	93% of normal service pension	183

~~In the case of a member who elects to receive a reduced~~ 184
~~pension after attaining age forty-eight, the~~ The reduced pension 185

is payable from the later of the date of the member's most 186
recent birthday or the date the member becomes eligible to 187
receive the reduced pension. 188

A member who has elected to receive a reduced pension in 189
accordance with the schedule provided in this division and has 190
received a payment in connection therewith may not change the 191
election. 192

(C) Any member who attains the age of sixty years and has 193
twenty years of service credit according to the rules adopted by 194
the board, shall file application for retirement with the board, 195
and if the member refuses or neglects to do so, the board may 196
deem the member's application to have been filed on the member's 197
sixtieth birthday. The member may, upon written application 198
approved by the superintendent of the state highway patrol, be 199
continued in service after attaining the age of sixty years, but 200
only until the member has accumulated twenty years of service 201
credit in accordance with rules adopted by the board. 202

(D) (1) As used in this division: 203

(a) "Service in the uniformed services" means the 204
performance of duty on a voluntary or involuntary basis in a 205
uniformed service under competent authority and includes active 206
duty, active duty for training, initial active duty for 207
training, inactive duty training, full-time national guard duty, 208
and a period for which a person is absent from a position of 209
employment for the purpose of an examination to determine the 210
fitness of the person to perform any such duty. 211

(b) "Uniformed services" of the United States includes 212
both: 213

(i) Army, navy, air force, marine corps, coast guard, or 214

any reserve components of these services; auxiliary corps as 215
established by congress; army nurse corps; navy nurse corps; 216
service as red cross nurse with the army, navy, air force, or 217
hospital service of the United States, or serving full-time with 218
the American red cross in a combat zone; and such other service 219
as is designated by congress as included therein; 220

(ii) Personnel of the Ohio national guard, the Ohio 221
military reserve, the Ohio naval militia, and the reserve 222
components of the armed forces enumerated in division (D) (1) of 223
this section who are called to active duty pursuant to an 224
executive order issued by the president of the United States or 225
an act of congress. 226

(2) A member's total service credit may include periods 227
not to exceed a total of seven years, while the member's 228
employment with the state highway patrol is or was interrupted 229
due to service in the uniformed services of the United States. 230
Such military service shall be credited to the member towards 231
total service as provided by this chapter and to the extent 232
approved by the board, provided that: 233

(a) The member is or was honorably discharged from service 234
in the uniformed services; 235

(b) The member is or was re-employed by the state highway 236
patrol within ninety days immediately following termination of 237
service in the uniformed services; 238

(c) The member, subject to board rules, pays into the 239
retirement system to the member's credit in the employees' 240
savings fund an amount equal to the total contributions the 241
member would have paid had state highway patrol employment not 242
been so interrupted. Such payment may be made at any time prior 243

to receipt of a pension.	244
(3) If the member meets the requirements of division (D)	245
(2) of this section, on receipt of contributions from the	246
member, the state highway patrol shall be billed for the	247
employer contribution that would have been paid pursuant to	248
section 5505.15 of the Revised Code if the member had not	249
rendered service in the uniformed services, subject to board	250
rules.	251
(4) If under division (D) (2) (c) of this section a member	252
pays all or any portion of the contributions later than the	253
lesser of five years or a period that is three times the	254
member's period of service in the uniformed services beginning	255
from the member's date of re-employment, an amount equal to	256
compound interest at a rate established by the board from the	257
member's date of re-employment to the date of payment shall be	258
added to the remaining amount to be paid by the member to	259
purchase service credit under this section.	260
(5) Credit purchased by a member under division (D) (2) of	261
this section shall be used to determine the member's eligibility	262
for retirement under this section and section 5505.17 of the	263
Revised Code.	264
Sec. 5505.162. (A) <u>As used in this division, "member" has</u>	265
<u>the same meaning as in section 5505.01 of the Revised Code,</u>	266
<u>except that it also includes a former member who has earned</u>	267
<u>service credit and has not received a refund of accumulated</u>	268
<u>contributions under section 5505.19 of the Revised Code.</u>	269
On application for retirement as provided in section	270
5505.16 of the Revised Code, a member of the state highway	271
patrol retirement system may elect, on a form provided by the	272

state highway patrol retirement board, to receive the pension 273
that the member is eligible to receive on retirement under that 274
section in one of the following forms: 275

(1) A single lifetime pension; 276

(2) The actuarial equivalent of the single lifetime 277
pension that the member may elect under division (A)(1) of this 278
section in a lesser annual amount payable for the member's life 279
and continuing after the member's death to a surviving 280
designated beneficiary under one of the following optional 281
plans, provided the annual amount payable to the designated 282
beneficiary shall not exceed the annual amount payable to such 283
retiring member, the amount is certified by the actuary employed 284
by the system to be the actuarial equivalent of the member's 285
pension, and the amount is approved by the board: 286

(a) Option 1. The member's lesser pension shall be paid 287
for life to the member's sole beneficiary designated at the time 288
of retirement. 289

(b) Option 2. One-half or some other portion of the 290
member's lesser pension shall be paid for life to the member's 291
sole beneficiary designated at the time of retirement. 292

(c) Option 3. Upon death before the expiration of a 293
certain period from the member's retirement date as elected by 294
the member and approved by the board, the member's lesser 295
pension shall be continued for the remainder of such period to 296
the beneficiaries, and in such order, as designated by the 297
member in writing and filed with the board. No monthly payments 298
shall be paid to joint beneficiaries, but they may jointly 299
receive the present value of any remaining payments in a lump 300
sum settlement. If all designated beneficiaries die before the 301

expiration of such period, the present value of all the payments 302
yet remaining in the period shall be paid to the estate of the 303
beneficiary last receiving such payments. 304

(d) Option 4. The member's lesser pension or portion of 305
the lesser pension shall be paid for life to two, three, or four 306
surviving beneficiaries designated at the time of the member's 307
retirement, in such portions as specified at retirement. If the 308
member elects this plan as required by a court order issued 309
under section 3105.171 or 3105.65 of the Revised Code or the 310
laws of another state regarding the division of marital property 311
and compliance with the court order requires the allocation of a 312
portion less than ten per cent to any person, the member shall 313
allocate a portion less than ten per cent to that person in 314
accordance with that order. In all other circumstances, no 315
portion allocated under this plan of payment shall be less than 316
ten per cent. The total of the portions allocated shall not 317
exceed one hundred per cent of the member's lesser pension. 318

(3) If the member has attained age ~~fifty-one with at least~~ 319
~~twenty-five years' total service or fifty-two~~ with at least 320
twenty years' total service, a pension consisting of both a 321
partial benefit lump sum in an amount the member designates that 322
constitutes a portion of the single lifetime pension the member 323
may elect under division (A) (1) of this section and the 324
actuarial equivalent of the remainder of the single lifetime 325
pension payable for the member's life, provided an actuary 326
employed by the system certifies the actuarial equivalent and 327
the board approves the partial benefit lump sum payment and the 328
amount to be paid as the actuarial equivalent. 329

The amount designated by a member shall be not less than 330
six times the monthly amount that would be payable to the member 331

as a single lifetime pension under division (A) (1) of this 332
section and not more than sixty times that amount. 333

~~A member who has attained the age of fifty one with 334
twenty five years of service who elects a partial benefit lump 335
sum may designate an amount that does not exceed an amount equal 336
to one month's pension for each month of service beyond twenty 337
five years.~~ A member who has attained the age of fifty-two with 338
twenty years of service who elects a partial benefit lump sum 339
may designate an amount that does not exceed an amount equal to 340
one month's pension for each month of service beyond twenty 341
years. 342

(4) If a plan of payment providing for payment in a 343
specified portion of the pension continuing after the member's 344
death to a former spouse is required by a court order issued 345
under section 3105.171 or 3105.65 of the Revised Code or the 346
laws of another state regarding division of marital property 347
prior to the effective date of the member's retirement and the 348
board has received a copy of the order, the board shall accept 349
the member's election of a plan of payment under this section 350
only if the member elects a plan of payment that is in 351
accordance with the order. 352

(B) (1) The death of a spouse designated as beneficiary or 353
the death of any other designated beneficiary following 354
retirement shall cancel the portion of the optional plan of 355
payment selected under division (A) (2) of this section providing 356
continuing lifetime benefits to the deceased designated 357
beneficiary. The ~~member-retirant~~ shall receive the actuarial 358
equivalent of the ~~member's-retirant's~~ single lifetime pension, 359
as determined by the board based on the number of remaining 360
beneficiaries, with no change in the amount payable to any 361

remaining beneficiary. The change shall be effective the month 362
following receipt by the board of notice of the death. 363

(2) On divorce, annulment, or marriage dissolution, a 364
~~member-retirant~~ receiving a pension under a plan that provides 365
for continuation of all or part of the pension after death for 366
the lifetime of the ~~member's-retirant's~~ surviving spouse may, 367
with the written consent of the spouse or pursuant to an order 368
of the court with jurisdiction over the termination of the 369
marriage, elect to cancel the portion of the plan providing 370
continuing lifetime benefits to that spouse. The ~~member-retirant~~ 371
shall receive the actuarial equivalent of the ~~member's-~~ 372
~~retirant's~~ single lifetime pension as determined by the board 373
based on the number of remaining beneficiaries, with no change 374
in amount payable to any remaining beneficiary. The election 375
shall be made on a form provided by the board and shall be 376
effective the month following its receipt by the board. 377

(C) (1) Following marriage or remarriage of a retirant, 378
both of the following apply: 379

(a) A ~~member-retirant~~ may elect a new optional plan of 380
payment under division (A) (2) of this section based on the 381
actuarial equivalent of the ~~member's-retirant's~~ single lifetime 382
pension as determined by the board. 383

(b) A ~~member-retirant~~ who is receiving a pension pursuant 384
to a plan of payment providing for payment to a former spouse 385
pursuant to a court order described in division (A) (4) of this 386
section may elect a new plan of payment under "option 4" based 387
on the actuarial equivalent of the retirant's single lifetime 388
pension as determined by the board if the new plan of payment 389
elected does not reduce the payment to the former spouse. 390

(2) If the marriage or remarriage occurs on or after ~~the~~ 391
~~effective date of this amendment~~ June 6, 2005, the election must 392
be made not later than one year after the date of the marriage 393
or remarriage. 394

The plan elected under this section shall become effective 395
on the date of receipt by the board of an application on a form 396
approved by the board, but any change in the amount of the 397
pension shall commence on the first day of the month following 398
the effective date of the plan. 399

(D) A ~~member-retirant~~ who has elected an optional plan 400
under division (A) (2) of this section may, with the written 401
consent of the designated beneficiary, cancel the optional plan 402
and receive the single lifetime pension that the ~~member-retirant~~ 403
would have received had the ~~member-retirant~~ elected the single 404
lifetime pension under division (A) (1) of this section, if the 405
~~member-retirant~~ makes a request to cancel the optional plan not 406
later than one year after the date on which the ~~member-retirant~~ 407
first receives a payment under the plan. Cancellation of the 408
optional plan shall be effective the month after acceptance of 409
the request by the board. No payment or adjustment shall be made 410
in the single lifetime pension to compensate for the lesser 411
pension the ~~member-retirant~~ received under the optional plan. 412

The request to cancel the optional plan shall be made on a 413
form provided by the board and shall be valid only if the 414
completed form includes a signed statement of the designated 415
beneficiary's understanding of and consent to the cancellation. 416
The designated beneficiary's signature shall be verified by the 417
board prior to its acceptance of the cancellation. 418

(E) Any option elected and payments made under division 419
(A) (2) of this section shall be in addition to any pension 420

payable to the ~~member's-retirant's~~ surviving spouse, children, 421
or parents under section 5505.17 of the Revised Code. 422

Sec. 5505.17. (A) (1) Upon retirement as provided in 423
section 5505.16 of the Revised Code, a ~~member of the state~~ 424
highway patrol retirement system retirant shall receive a life 425
pension, without guaranty or refund, equal to the greater of one 426
thousand fifty dollars or the sum of two and one-half per cent 427
of the ~~member's-retirant's~~ final average salary multiplied by 428
the first twenty years of total service credit, plus two and 429
one-quarter per cent of the ~~member's-retirant's~~ final average 430
salary multiplied by the number of years, and fraction of a 431
year, of total service credit in excess of twenty years but not 432
in excess of twenty-five years, plus two per cent of the 433
~~member's-retirant's~~ final average salary multiplied by the 434
number of years, and fraction of a year, in excess of twenty- 435
five years; provided that in no case shall the pension exceed 436
the lesser of seventy-nine and one-quarter per cent of the 437
~~member's-retirant's~~ final average salary or the limit 438
established by section 415 of the "Internal Revenue Code of 439
1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. 440

(2) A member with fifteen or more years of total service 441
credit, who voluntarily resigns or who is discharged from the 442
state highway patrol for any reason except retirement under this 443
chapter, death, dishonesty, cowardice, intemperate habits, or 444
conviction of a felony, shall receive a pension equal to one and 445
one-half per cent of the member's final average salary 446
multiplied by the number of years, and fraction of a year, of 447
total service credit, except that the pension shall not exceed 448
the limit established by section 415 of the "Internal Revenue 449
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. The 450
pension shall commence at the end of the calendar month in which 451

the application is filed with the retirement board on or after 452
the attainment of age fifty-five years by the applicant. A 453
member or former member who withdraws any part or all of the 454
accumulated contributions from the employees' savings fund shall 455
thereupon forfeit all rights to a pension provided for in this 456
division. 457

(3) (a) A surviving spouse of a ~~deceased member~~ who died 458
before the effective date of this amendment shall receive a 459
monthly pension, determined as follows, during the spouse's 460
life: 461

(i) If at the time of death the member was not eligible to 462
be granted a pension payable under division (A) (1) of this 463
section or to elect to receive a reduced pension payable under 464
section 5505.16 of the Revised Code, nine hundred dollars; 465

(ii) If at the time of death the member was eligible to be 466
granted a pension payable under division (A) (1) of this section 467
or to elect to receive a reduced pension payable under section 468
5505.16 of the Revised Code, the greater of nine hundred dollars 469
or fifty per cent of the computed monthly pension the member 470
would have received had the member been granted a pension under 471
division (A) (1) of this section or elected to receive a reduced 472
pension under section 5505.16 of the Revised Code. 473

(b) The surviving spouse of a retirant who retired before 474
the effective date of this amendment shall receive a monthly 475
pension, determined as follows, during the spouse's life: 476

(i) If the retirant had ~~applied for a pension payable~~ been 477
granted retirement under section 5505.16 of the Revised Code, 478
but at the time of death had not attained the age of eligibility 479
for ~~the~~ a pension, nine hundred dollars; 480

(ii) If the retirant had ~~applied for a pension payable~~ 481
been granted retirement under section 5505.16 of the Revised 482
Code and had attained the age of eligibility for ~~the a~~ pension, 483
but at the time of death had not elected to begin receiving the 484
pension, the greater of nine hundred dollars or fifty per cent 485
of the computed monthly pension the retirant was eligible to 486
receive under section 5505.16 of the Revised Code; 487

(iii) If the retirant had been granted retirement and was 488
receiving a pension under division (A) (1) of this section or 489
section 5505.16 or 5505.18 of the Revised Code, or, regardless 490
of whether or not the retirant had actually received any 491
payment, ~~if the retirant~~ was eligible to receive a pension under 492
division (A) (1) of this section or section 5505.16 or 5505.18 of 493
the Revised Code and had elected to begin receiving it, the 494
greater of nine hundred dollars or fifty per cent of the 495
computed monthly pension awarded the retirant. 496

(c) The surviving spouse of a deceased member or retirant 497
who dies on or after the effective date of this amendment shall 498
receive a monthly pension determined as follows during the 499
spouse's life if the spouse was married to the member or 500
retirant while the member or retirant was in the active service 501
of the state highway patrol: 502

(i) During the period beginning on the effective date of 503
this amendment and ending December 31, 2017, nine hundred 504
dollars; 505

(ii) During the period beginning January 1, 2018, and 506
continuing the following twelve months, and the period beginning 507
the first day of January of each year thereafter and continuing 508
the following twelve months, an amount equal to the monthly 509
amount payable during the prior twelve-month period plus an 510

amount determined by multiplying nine hundred dollars by the 511
amount the board determines annually under division (B) (1) (b) of 512
section 5505.174 of the Revised Code. 513

(d) If a monthly pension to a surviving spouse was 514
terminated due to a remarriage, the surviving spouse is eligible 515
to receive a monthly pension under division (A) (3) of this 516
section effective the first day of the first month following 517
June 5, 1996. The pension shall be computed under division (A) 518
(3) of this section as of June 5, 1996. The pension payable to a 519
person who is the surviving spouse of more than one state 520
highway patrol retirement system member or retirant shall be 521
computed on the basis of the service of the member or retirant 522
to whom the surviving spouse was most recently married. 523

(4) A pension of one hundred fifty dollars per month shall 524
be paid by the system to or for the benefit of each child of a 525
deceased member or retirant until the child attains the age of 526
eighteen years or marries, whichever event occurs first, or 527
until the child attains twenty-three years of age if the child 528
is a student in and attending an institution of learning or 529
training pursuant to a program designed to complete in each 530
school year the equivalent of at least two-thirds of the full- 531
time curriculum requirements of the institution, as determined 532
by the retirement board. If any surviving child, regardless of 533
age at the time of the member's or retirant's death, because of 534
physical or mental disability, was totally dependent upon the 535
deceased member or retirant for support at the time of death, a 536
pension of one hundred fifty dollars per month shall be paid by 537
the system to or for the benefit of the child during the child's 538
natural life or until the child recovers from the disability. 539

(5) (a) If a retirant died prior to June 6, 1988, and the 540

surviving spouse was not married to the retirant while the 541
retirant was in the active service of the patrol, the surviving 542
spouse shall receive a pension of the greater of four hundred 543
twenty-five dollars per month or fifty per cent of the computed 544
monthly pension the retirant was receiving. 545

(b) If the pension payable to a person receiving a pension 546
under division (A) (5) (a) of this section on June 30, 2000, is 547
less than nine hundred dollars per month, the pension shall be 548
increased to nine hundred dollars per month. 549

(6) If a deceased member or retirant leaves no spouse or 550
surviving children, but leaves two parents depending solely upon 551
the deceased member or retirant for support, each parent shall 552
be paid a monthly pension of one hundred fifty-four dollars. If 553
in such case there is only one parent dependent solely upon the 554
deceased member or retirant for support, such parent shall be 555
paid a monthly pension of one hundred fifty-four dollars. Such 556
pension shall be paid during the life of the surviving parents, 557
or until dependency ceases, or until remarriage, whichever event 558
occurs first. 559

(7) Any amount remaining as accumulated contributions at 560
the time of death of a retirant who leaves no surviving spouse 561
or dependent children or parents shall be paid to the 562
beneficiary or beneficiaries the retirant has nominated by 563
written designation duly executed and filed with the board. A 564
retirant may designate an individual or a trust as a 565
beneficiary. If there is no designated beneficiary surviving the 566
retirant, the retirant's accumulated contributions shall be paid 567
according to the state law of descent and distribution; provided 568
that, if the retirant's accumulated contributions are not 569
claimed by an eligible person or by the estate of the retirant 570

within seven years, they shall be transferred to the income fund 571
of the system and after that shall be paid from that fund to 572
such person or estate upon application to the board. 573

(8) The increase provided for by division (A) (5) of this 574
section shall be included in the calculation of the additional 575
benefit paid under section 5505.174 of the Revised Code. 576

(B) The board shall adopt, and may amend or rescind, the 577
necessary rules for the administration of this section and all 578
decisions of the board shall be final. Any payment of a pension 579
or benefit under this section is subject to the provisions of 580
section 5505.26 of the Revised Code. 581

(C) A member's total service credit may include periods 582
during which the member's employment with the state highway 583
patrol is interrupted by a leave of absence, when requested by 584
the governor, to accept employment with another agency of the 585
state, provided that: 586

(1) The member is reemployed by the state highway patrol 587
within thirty days following termination of such other 588
employment; 589

(2) The member pays into the retirement system, to the 590
credit of the employees' savings fund, an amount equal to the 591
total contributions the member would have paid had the state 592
highway patrol employment not been so interrupted. Such 593
repayment shall begin within ninety days after the member's 594
return to duty with the state highway patrol and be completed 595
within a period equal to that of the leave of absence. 596

(D) Service credits granted under division (C) of this 597
section shall not include any duplications of credits for which 598
a pension is payable by the public employees retirement system. 599

Sec. 5505.174. (A) Eligibility for an increase under this section shall be determined as follows:

(1) For a person whose pension effective date is prior to January 7, 2013, an "eligible person" is one of the following:

(a) A person fifty-three years old or older who has been receiving a pension pursuant to division (B) of section 5505.16, division (A) (1) of section 5505.17, or division (B) of section 5505.18 of the Revised Code for not less than twelve months;

(b) A person who has been receiving a pension pursuant to division (B) of section 5505.18 of the Revised Code for not less than sixty months regardless of age;

(c) A person who has been receiving a pension pursuant to section 5505.162 or division (A) (3), (4), (5), or (6) of section 5505.17 of the Revised Code for not less than twelve months regardless of age.

(2) For a person whose pension effective date is on or after January 7, 2013, but before the effective date of this amendment, an "eligible person" is a person who is sixty years old or older who has been receiving a pension pursuant to division (B) of section 5505.16, section 5505.162, division (A) (1), (3), (4), (5), or (6) of section 5505.17, or division (B) of section 5505.18 of the Revised Code for not less than twelve months.

(3) For a person whose pension effective date is on or after the effective date of this amendment, an "eligible person" is a person who is sixty years old or older who has been receiving a pension pursuant to division (B) of section 5505.16, section 5505.162, division (A) (1), (3) (a) or (b), (4), (5), or (6) of section 5505.17, or division (B) of section 5505.18 of

the Revised Code for not less than twelve months. 629

(B) (1) Except as otherwise provided in this section, the 630
state highway patrol retirement board shall annually increase 631
pensions payable to eligible persons under this chapter in 632
accordance with the following: 633

(a) For each person sixty-five years of age or older who 634
is receiving a pension not greater than one hundred eighty-five 635
per cent of the federal poverty level for a family of two 636
persons, as revised annually by the United States department of 637
health and human services in accordance with section 673(2) of 638
the "Omnibus Reconciliation Act of 1981," 95 Stat. 511, 42 639
U.S.C. 9902, as amended, the board shall increase the pension by 640
three per cent. 641

(b) For persons other than those described in division (B) 642
(1)(a) of this section, the board may increase the pension. Any 643
increase shall be determined by the board based on compliance 644
with the amortization period requirement of section 5505.121 of 645
the Revised Code. The board's determination shall be based on 646
the annual actuarial valuation required by section 5505.12 of 647
the Revised Code. If the board determines that an increase may 648
be made, the increase shall not exceed three per cent of the 649
eligible person's pension. 650

(2) No increase under this section shall exceed the limit 651
established by section 415 of the "Internal Revenue Code of 652
1986," 100 Stat. 2085, 26 U.S.C. 415, as amended. 653

(3) The date of the first increase paid under this section 654
shall be the anniversary date for future increases. The pension 655
used in the first calculation of an increase under this section 656
shall remain as the base for all future increases paid under 657

this section, unless a new base is established. 658

(C) If payment of a portion of a benefit is made to an 659
alternate payee under section 5505.261 of the Revised Code, 660
increases under this section granted while the order is in 661
effect shall be apportioned between the alternate payee and the 662
eligible person in the same proportion that the amount being 663
paid to the alternate payee bears to the amount paid to the 664
eligible person. 665

If payment of a portion of a benefit is made to one or 666
more beneficiaries under "option 4" under division (A)(4) of 667
section 5505.162 of the Revised Code, each increase under this 668
section granted while the plan of payment is in effect shall be 669
divided among the designated beneficiaries in accordance with 670
the portion each beneficiary has been allocated. 671

(D) The board shall adopt, and may amend or rescind, any 672
rule necessary to carry out this section. 673

Sec. 5505.18. As used in this section, "member" does not 674
include state highway patrol cadets attending training schools 675
pursuant to section 5503.05 of the Revised Code. 676

(A) Upon the application of a member of the state highway 677
patrol retirement system, a person acting on behalf of a member, 678
or the superintendent of the state highway patrol on behalf of a 679
member, a member who becomes totally and permanently 680
incapacitated for duty in the employ of the state highway patrol 681
may be retired on disability by the board. To be eligible for 682
retirement on account of disability incurred not in the line of 683
duty, a member must have five or more years of service credit 684
according to rules adopted by the board. 685

The medical or psychological examination of a member who 686

has applied for disability retirement shall be conducted by a 687
competent health-care professional or professionals appointed by 688
the board. The health-care professional or professionals shall 689
file a written report with the board containing the following 690
information: 691

(1) Whether the member is totally incapacitated for duty 692
in the employ of the patrol; 693

(2) Whether the incapacity is expected to be permanent; 694

(3) The cause of the member's incapacity. 695

The board shall determine whether the member qualifies for 696
disability retirement and its decision shall be final. The board 697
shall consider the written medical or psychological report, 698
opinions, statements, and other competent evidence in making its 699
determination. If the incapacity is a result of heart disease or 700
any cardiovascular disease of a chronic nature, which disease or 701
any evidence of which was not revealed by the physical 702
examination passed by the member on entry into the patrol, the 703
member is presumed to have incurred the disease in the line of 704
duty as a member of the patrol, unless the contrary is shown by 705
competent evidence. 706

(B) (1) Except as provided under division (A) of section 707
5505.58 of the Revised Code, a member whose retirement on 708
account of disability incurred in the line of duty shall receive 709
the applicable pension provided for in section 5505.17 of the 710
Revised Code, except that if the member has less than twenty- 711
five years of contributing service, the member's service credit 712
shall be deemed to be twenty-five years for the purpose of this 713
provision. In no case shall the member's disability pension be 714
less than sixty-one and one-quarter per cent or exceed the 715

lesser of seventy-nine and one-quarter per cent of the member's 716
final average salary or the limit established by section 415 of 717
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 718
415, as amended. 719

(2) Except as provided under division (B) of section 720
5505.58 of the Revised Code, a member whose retirement on 721
account of disability incurred not in the line of duty shall 722
receive the applicable pension provided for in section 5505.17 723
of the Revised Code, ~~except that if~~. If the board's 724
determination that the member qualifies for disability 725
retirement was made before the effective date of this amendment 726
and the member has less than twenty years of contributing 727
service, the member's service credit shall be deemed to be 728
twenty years for the purpose of this provision. In no case shall 729
the member's disability pension under this division exceed the 730
lesser of seventy-nine and one-quarter per cent of the member's 731
final average salary or the limit established by section 415 of 732
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 733
415, as amended. 734

(C) The state highway patrol retirement board shall adopt 735
rules requiring a disability retirant, as a condition of 736
continuing to receive a disability pension, to agree in writing 737
to obtain any medical or psychological treatment recommended by 738
the board's health-care professional and submit medical or 739
psychological reports regarding the treatment. If the board 740
determines that a disability retirant is not obtaining the 741
medical or psychological treatment or the board does not receive 742
a required medical or psychological report, the disability 743
pension shall be suspended until the treatment is obtained, the 744
report is received by the board, or the board's health-care 745
professional certifies that the treatment is no longer helpful 746

or advisable. Should the retirant's failure to obtain treatment 747
or submit a medical or psychological report continue for one 748
year, the recipient's right to the disability pension shall be 749
terminated as of the effective date of the original suspension. 750

(D) A disability retirant who has not attained the age of 751
sixty years shall be subject to an annual medical or 752
psychological re-examination by health-care professionals 753
appointed by the board, except that the board may waive the re- 754
examination if the board's health-care professionals certify 755
that the retirant's disability is ongoing. If any retirant 756
refuses to submit to a medical or psychological re-examination, 757
the retirant's disability pension shall be suspended until the 758
retirant withdraws the refusal. If the refusal continues for one 759
year, all the retirant's rights under and to the disability 760
pension shall be terminated as of the effective date of the 761
original suspension. 762

(E) Each disability retirant who has not attained the age 763
of sixty years shall file with the board an annual statement of 764
earnings, current medical or psychological information on the 765
recipient's condition, and any other information required in 766
rules adopted by the board. The board may waive the requirement 767
that a disability retirant file an annual statement of earnings 768
or current medical or psychological information if the board's 769
health-care professional certifies that the retirant's 770
disability is ongoing. 771

The board shall annually examine the information submitted 772
by the retirant. If a retirant refuses to file the statement or 773
information, the disability pension shall be suspended until the 774
statement and information are filed. If the refusal continues 775
for one year, the right to the pension shall be terminated as of 776

the effective date of the original suspension. 777

(F) (1) Except as provided in division (F) (2) of this 778
section, a disability retirant who has been physically or 779
psychologically examined and found no longer incapable of 780
performing the retirant's duties, or who becomes employed as a 781
law enforcement officer, shall have the right to be restored to 782
the rank the retirant held at the time the retirant was 783
pensioned and the right to have all previous rights restored, 784
including the retirant's civil service status, and the 785
disability pension shall terminate. Upon return to employment in 786
the patrol, the retirant shall again become a contributing 787
member of the retirement system, the total service at the time 788
of the retirant's retirement shall be restored to the retirant's 789
credit, and the retirant shall be given service credit for the 790
period the retirant was in receipt of a disability pension. 791

(2) The state highway patrol is not required to take 792
action under division (F) (1) of this section if the retirant was 793
dismissed or resigned in lieu of dismissal for dishonesty, 794
misfeasance, malfeasance, or conviction of a felony. 795

(G) The board shall adopt a rule to define "law 796
enforcement officer" for purposes of division (F) (1) of this 797
section, and may adopt other rules to carry out this section, 798
including rules that specify the types of health-care 799
professionals the board may appoint for the purpose of this 800
section. 801

Sec. 5505.19. Subject to section 5505.26 of the Revised 802
Code, a member of the state highway patrol retirement system who 803
ceases to be an employee of the state highway patrol for any 804
cause except death, disability, or retirement, upon application 805
filed in writing with the state highway patrol retirement board, 806

shall be paid the accumulated contributions, less interest, 807
standing to the credit of the member's individual account in the 808
employees' savings fund. ~~Except as otherwise provided in this~~ 809
~~chapter, five years after a member ceases to be an employee of~~ 810
~~the patrol any balance of accumulated contributions standing to~~ 811
~~the member's credit in the employees' savings fund shall be~~ 812
~~transferred to the income fund and after that shall be paid from~~ 813
~~that fund to the member upon application to the board.~~ 814

A member described in this section who is married at the 815
time of application for payment and would be eligible for a 816
pension payable under division (A) (1) or (2) of section 5505.17 817
of the Revised Code but for a forfeiture ordered under division 818
(A) or (B) of section 2929.192 of the Revised Code shall submit 819
with the application a written statement by the member's spouse 820
attesting that the spouse consents to the payment of the 821
member's accumulated contributions. Consent shall be valid only 822
if it is signed and witnessed by a notary public. The board may 823
waive the requirement of consent if the spouse is incapacitated 824
or cannot be located, or for any other reason specified by the 825
board. Consent or waiver is effective only with regard to the 826
spouse who is the subject of the consent or waiver. 827

Sec. 5505.20. Should a member of the state highway patrol 828
retirement system cease to be an employee of the state highway 829
patrol, for any reason, except ~~his~~ retirement or death, ~~he~~ the 830
member shall thereupon cease to be a member of the retirement 831
system ~~and he~~. A member who is paid the member's accumulated 832
contributions under section 5505.19 of the Revised Code shall 833
forfeit his the member's total service credit at that time. 834
Should ~~he~~ the former member return to the employ of the state 835
highway patrol, ~~he~~ the former member shall again become a 836
member. When said re-employment occurs the total service credit 837

last forfeited by ~~him~~ the member shall be restored to ~~his~~ the 838
member's credit, provided ~~he~~ the member pays into the employees' 839
savings fund the amount, if any, ~~he~~ the member withdrew 840
therefrom, together with such compound interest as the board may 841
require from the date of withdrawal to the date of repayment. 842
The member may choose to purchase only part of such credit in 843
any one payment, subject to board rules. The return of 844
accumulated contributions shall be made according to such rules 845
as the board shall from time to time adopt. 846

Sec. 5505.21. Should a member or former member of the 847
state highway patrol retirement system die and no pension 848
becomes payable from funds of the system on account of the 849
member's or former member's employment with the patrol, the 850
member's or former member's accumulated contributions, less 851
interest, standing to the member's or former member's credit in 852
the employees' savings fund at the time of death shall be paid 853
to the beneficiary or beneficiaries the member or former member 854
has nominated by written designation duly executed and filed 855
with the state highway patrol retirement board. A member or 856
former member may designate an individual or a trust as a 857
beneficiary. If there is no designated beneficiary surviving the 858
member or former member, the member's or former member's 859
accumulated contributions shall be paid according to the state 860
law of descent and distribution; provided that, if the member's 861
or former member's accumulated contributions are not claimed by 862
an eligible person or by the estate of the deceased member or 863
former member within seven years, they shall be transferred to 864
the income fund of the system and after that shall be paid from 865
that fund to such person or estate upon application to the 866
board. 867

Sec. 5505.59. If a member dies while participating in the 868

deferred retirement option plan, all of the following apply: 869

(A) The amounts accrued to the member's benefit shall be 870
paid to the member's surviving spouse or, if there is no 871
surviving spouse, the beneficiary designated by the member on a 872
form provided by the state highway patrol retirement system. A 873
member may designate an individual or a trust as a beneficiary. 874
If there is no surviving spouse or designated beneficiary, the 875
amounts accrued to the member's benefit shall be paid to the 876
member's estate. 877

Any payment made under this division to a member's estate 878
shall be made in the form of a single lump sum payment. A 879
surviving spouse or designated beneficiary may select as the 880
method of distribution of the amount accrued to the member under 881
the plan one of the distribution options provided under section 882
401(a) of the "Internal Revenue Code of 1986," 26 U.S.C. 401(a), 883
as amended, applicable to governmental plans. 884

(B) ~~The member's surviving spouse and, if eligible, each~~ 885
~~surviving child,~~ shall receive a pension as follows: 886

(1) For the surviving spouse of a member who made an 887
election under section 5505.51 of the Revised Code before the 888
effective date of this amendment, a pension as described in 889
division (A) (3) (b) (iii) ~~or (4)~~ of section 5505.17 of the Revised 890
Code, utilizing the pension amount calculated under section 891
5505.53 of the Revised Code; 892

(2) For the surviving spouse of a member that made an 893
election under section 5505.51 of the Revised Code on or after 894
the effective date of this amendment, a pension as described in 895
division (A) (3) (c) of section 5505.17 of the Revised Code. 896

(C) If eligible, each surviving child of a member shall 897

receive a pension as described in division (A) (4) of section 898
5505.17 of the Revised Code. 899

(D) If the member has no surviving spouse or surviving 900
children, but has a parent or parents dependent on the member 901
for support, the parent or parents shall receive a pension 902
determined under division (A) (6) of section 5505.17 of the 903
Revised Code. 904

~~(D)~~(E) The lump sum payment described in section 5505.30 905
of the Revised Code shall be paid to the member's surviving 906
spouse or, if there is no surviving spouse, the beneficiary 907
designated by the member on a form provided by the state highway 908
patrol retirement system. A member may designate an individual 909
or a trust as a beneficiary. If there is no surviving spouse or 910
designated beneficiary, the payment shall be made to the 911
member's estate. 912

Section 2. That existing sections 5505.01, 5505.16, 913
5505.162, 5505.17, 5505.174, 5505.18, 5505.19, 5505.20, 5505.21, 914
and 5505.59 of the Revised Code are hereby repealed. 915