

Sub. S. B. No. 343

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63

~~(C)(1)(b)~~ If the person has received a refund of accumulated contributions to the public employees retirement system, the public employees retirement system ~~shall~~, for each year of service credit, ~~transfer~~ transfers to the Cincinnati retirement system the sum of the following:

~~(a)(i)~~ Interest on the amount refunded to the former member that is attributable to the year of service from the last day of the year for which the service credit was earned or in which payment was made for military service credit to the date the refund was made;

~~(b)(ii)~~ An amount equal to the lesser of the employer's contributions to the public employees retirement system or the amount that would have been contributed by the employer for the service had the person been a member of the Cincinnati retirement system at the time the credit was earned, with interest on that amount from the last day of the year for which the service credit was earned to the date of the transfer.

~~(2)(B)~~ The amount transferred under division ~~(C)(1)(A)(3)(b)~~ of this section shall not include any amount of the employer's contributions or interest on employee contributions the person received under section 145.40 of the Revised Code.

~~(3)(C)~~ On receipt of notice from the Cincinnati retirement system that the Cincinnati retirement system has received payment from a person described in division ~~(C)(1)(A)(3)(b)~~ of this section, the public employees retirement system shall transfer the amount described in that division.

(D) Interest charged under this section shall be calculated separately for each year of service credit. Unless otherwise specified in this section, it shall be calculated at the lesser of the actuarial assumption rate for that year of the public employees retirement system or the Cincinnati retirement system. The interest shall be compounded annually.

(E) The transfer of any amount under this section cancels an equivalent amount of service credit.

(F) At the request of the Cincinnati retirement system, the public employees retirement system shall certify to the Cincinnati retirement system a copy of the records of the service and contributions of a member or former member of the public employees retirement system who elects to receive service credit under the Cincinnati retirement system.

Sec. 145.2913. (A) As used in this section, "transferred service credit" means service credit purchased or obtained under section 742.21, 742.214, 742.375, 5505.201, 5505.40, or 5505.41 of the Revised Code prior to the date a member commenced the employment covered by the public employees retirement system for which the member is currently contributing to the system.

(B) A member of the public employees retirement system who has contributions on deposit with, but is no longer contributing to, a uniform retirement system shall, in computing years of service, be given full credit for transferred service credit if a transfer to the public employees retirement system is made under this ~~section~~ division. At the request of a member a transfer shall be made if all of the following conditions are met:

(1) The member is eligible, or with the credit will be eligible, for a retirement or disability benefit.

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

(3) For each year of service, the uniform system ~~shall transfer~~ transfers to the public employees retirement system the sum of the following:

~~(1)(a)~~ (a) An amount equal to the amounts transferred to the uniform system under section 742.21, 742.214, 742.375, 5505.201, 5505.40, or 5505.41 of the Revised Code;

~~(2)(b)~~ (b) Interest, determined as provided in division (E) of this section, on the amount specified in division (B)~~(1)~~(3)(a) of this section for the period from the last day of the year in which the transfer under section 742.21, 742.214, 742.375, 5505.201, 5505.40, or 5505.41 of the Revised Code was made to the date a transfer is made under this section.

(C) A member of the public employees retirement system with at least eighteen months of contributing service credit with the public employees retirement system who has received a refund of contributions to a uniform retirement system shall, in computing years of service, be given full credit for transferred service credit if, ~~for~~ all of the following conditions are met:

(1) The member is eligible, or with the credit will be eligible, for a retirement or disability benefit.

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

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

~~(1)(a)~~ (a) An amount, which shall be paid by the member, equal to the amount refunded by the uniform system to the member for that year for transferred service credit, with interest on that amount from the date of the refund to the date a payment is made under this section;

~~(2)(b)~~ (b) Interest, which shall be transferred by the uniform system, on the amount refunded to the member for the period from the last day of the year in which the transfer under section 742.21, 742.214, 742.375, 5505.201,

5505.40, or 5505.41 of the Revised Code was made to the date the refund was made;

~~(3)~~(c) If the uniform system retained any portion of the amount transferred under section 742.21, 742.214, 742.375, 5505.201, 5505.40, or 5505.41 of the Revised Code, an amount, which shall be transferred by the uniform system, equal to the amount retained, with interest on that amount for the period from the last day of the year in which the transfer under section 742.21, 742.214, 742.375, 5505.201, 5505.40, or 5505.41 of the Revised Code was made to the date a transfer is made under this section.

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

(D) Service credit purchased or obtained under this section shall be considered the equivalent of Ohio service credit. A member may choose to purchase only part of the credit the member is eligible to purchase under division (C) of this section ~~in any one payment~~, subject to rules adopted by the public employees retirement board. A member is ineligible to purchase or obtain service credit under this section for service to be used in the calculation of any retirement benefit currently being paid or payable to the member in the future under any other retirement program or for service credit that may be purchased or obtained under section 145.295 of the Revised Code.

(E) Interest charged under this section shall be calculated separately for each year of service credit at the lesser of the actuarial assumption rate for that year of the public employees retirement system or of the uniform retirement system to which the credit was transferred under section 742.21, 742.214, 742.375, 5505.201, 5505.40, or 5505.41 of the Revised Code. The interest shall be compounded annually.

(F) Any amounts transferred or paid under divisions (B) and (C) of this section that are attributable to contributions made by the member or to amounts paid to purchase service credit shall be credited to the employees' savings fund created under section 145.23 of the Revised Code. Any remaining amounts shall be credited to one or more of the funds created under that section as determined by the board.

(G) At the request of the public employees retirement system, the uniform retirement system shall certify to the public employees retirement system a copy of the records of the service and contributions of a public employees retirement system member who seeks service credit under this section. The uniform retirement system shall specify the portions of the

amounts transferred that are attributable to employee contributions, employer contributions, and interest.

(H) If a member of the public employees retirement system who is not a current contributor elects to receive service credit under section 742.214 or 5505.41 of the Revised Code for transferred service credit, as defined in those sections, the system shall transfer to the uniform retirement system, as applicable, the amount specified in division (B) or (C) of section 742.214 or division (B) or (C) of section 5505.41 of the Revised Code.

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

(1) The member fails to retire or accept a disability benefit not later than ninety days after receiving notice from the public employees retirement system that credit has been obtained under this section.

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

(J) The board may adopt rules to implement this section.

Sec. 145.2914. (A) The public employees retirement board may adopt rules in accordance with section 145.09 of the Revised Code to establish a program under which service credit earned under ~~division (A) or (B)(2)(b) of section 145.33 of the Revised Code~~ or division (A)(2), (B)(2), or (C)(2) of section 145.332 of the Revised Code is treated as service credit earned under division ~~(B)(2)(a)(A)(1), (B)(1), or (C)(1) of that section~~ 145.332 of the Revised Code if the member ~~makes~~ elects to do one of the following:

(1) Have the amount of service credit earned under section 145.33 of the Revised Code or division (A)(2), (B)(2), or (C)(2) of section 145.332 of the Revised Code reduced so there is no additional liability to the public employees retirement system;

(2) Make payment to the public employees retirement system in accordance with the rules. The number of years of service credit earned under section 145.33 of the Revised Code or division (A)(2), (B)(2), or (C)(2) of section 145.332 of the Revised Code that may be treated as service credit earned under division (A)(1), (B)(1), or (C)(1) of section 145.332 of the Revised Code shall not exceed five.

(B) If the board adopts rules under division (A) of this section, all of the following apply to payments made under division (A)(2) of this section:

(1) For each year or portion of a year of service credit earned under ~~division (A) or (B)(2)(b) of section 145.33 of the Revised Code~~ or division (A)(2), (B)(2), or (C)(2) of section 145.332 of the Revised Code that is to be treated as service credit earned under division ~~(B)(2)(a)(A)(1), (B)(1), or (C)(1) of that section~~ 145.332 of the Revised Code, the member shall pay to