



OHIO LEGISLATIVE SERVICE COMMISSION

Synopsis of Senate Committee Amendments*

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Sub. H.B. 572

132nd General Assembly
(S. Insurance and Financial Institutions)

Adds all of the following provisions to the House-passed version of the bill:

Public Employees Retirement System

- Changes the minimum service a Public Employees Retirement System (PERS) member needs to qualify for a retirement allowance or disability benefit from 60 or more calendar months of contributing service to five years of contributing service and ties the requirement to the existing law under which service credit is determined.
- Specifies that the minimum service requirement described above does not apply to a member who, on the bill's effective date, has at least 60 months of contributing service and (1) is age 60 years or older or (2) is receiving disability benefits and later applies for a retirement allowance.
- Requires PERS to make a single payment of a retirement allowance, survivor benefit, or annuity if the monthly payment would be less than \$50.
- Permits the PERS Board to waive the requirement that a disability benefit recipient file required information with the Board for any reason specified in rules adopted by the Board.

Ohio Police and Fire Pension Fund

- Provides that an appointed member of the Ohio Police and Fire Pension Fund (OP&F) Board of Trustees, including a member appointed to fill a vacancy, continues in office after the member's term expires until the member's successor takes office.
- Removes two outdated provisions related to a member of the OP&F Board who is a municipal fiscal officer.

* This synopsis does not address amendments that may have been adopted on the Senate Floor.

State Teachers Retirement System

- Permits, rather than requires, the State Teachers Retirement System (STRS) Board to require a disability benefit recipient to submit to an annual medical examination.
- Requires the Board to appoint a medical review board if a recipient is determined to be no longer incapable of returning to work following an examination.
- Requires a recipient's disability benefit to be terminated when the recipient is no longer incapable of resuming service, rather than when the recipient is no longer "physically or mentally" incapable of resuming service.
- Specifies that a service retirement benefit beginning after a disability benefit terminates is effective the first day of the next month following the termination of the disability benefit and the individual attaining eligibility for service retirement, rather than after the termination if the recipient has five years of service credit as under current law.
- Uses a three-year final average salary, rather than a five-year final average salary, to calculate a service retirement benefit effective on or after August 1, 2015, that is preceded by a disability benefit effective before that date and with no break in benefits.
- Authorizes the STRS Board to release personal history records containing confidential information on the request of specified outside entities.
- Permits a person who holds both an STRS position and a higher paid PERS or School Employees Retirement System (SERS) position to retire from the PERS or SERS position under coordination of benefits provisions or a defined contribution plan and continue in the STRS position.
- Removes the five-year limit on the amount of prior STRS defined contribution plan service credit that a member can purchase in the defined benefit plan.
- Specifies that a retirant may not elect a joint and survivor benefit that would result in a monthly payment of \$100 or less to a beneficiary after the retirant's death unless the retirant is required to select that benefit under continuing law.
- Requires all employee and employer contributions to be remitted at intervals required by STRS, rather than annually for employer contributions and annually by June 30 for teacher contributions.

- Removes the current law requirement that the amount of the employer contribution be certified by the Secretary of the STRS Board.
- Removes a retirant's or disability benefit recipient's sponsored dependents from being eligible for health care coverage under a STRS policy or contract.

School Employees Retirement System

- Provides that teachers and faculty members at community (charter) schools and science, technology, engineering, and mathematics (STEM) schools are not members of SERS.
- Permits SERS to provide information about a member, former member, contributor, former contributor, retirant, or beneficiary to specified outside entities.

Technical, conforming, and other changes

- Replaces "filing" information with the STRS Board with "submitting" information to the Board throughout the law governing STRS (the bill maintains current law requiring information to be filed with other entities, such as the Secretary of State).
- Clarifies that the interest an individual pays to STRS to restore withdrawn service credit is proportionally divided between the member's account and the Employer's Trust Fund based on the amount to restore the credit representing the employee's contributions and that of the employer's contributions.
- Revises the definition of "retirant" to reflect current terminology used by SERS.
- Removes obsolete provisions in the law governing STRS.
- Makes other conforming and technical changes to the laws governing PERS, STRS, and SERS.