

(129th General Assembly)
(Substitute Senate Bill Number 341)

AN ACT

To amend sections 3309.05, 3309.051, 3309.061, 3309.07, 3309.072, 3309.074, 3309.075, 3309.10, 3309.15, 3309.21, 3309.22, 3309.23, 3309.26, 3309.28, 3309.33, 3309.34, 3309.341, 3309.343, 3309.35, 3309.353, 3309.354, 3309.36, 3309.362, 3309.371, 3309.373, 3309.376, 3309.379, 3309.3710, 3309.3711, 3309.39, 3309.401, 3309.41, 3309.44, 3309.45, 3309.46, 3309.47, 3309.50, 3309.51, 3309.69, 3309.81, and 3309.88; to enact new section 3309.571 and sections 3309.392 and 3309.474; and to repeal sections 3309.38 and 3309.571 of the Revised Code to revise the law governing the School Employees Retirement System.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 3309.05, 3309.051, 3309.061, 3309.07, 3309.072, 3309.074, 3309.075, 3309.10, 3309.15, 3309.21, 3309.22, 3309.23, 3309.26, 3309.28, 3309.33, 3309.34, 3309.341, 3309.343, 3309.35, 3309.353, 3309.354, 3309.36, 3309.362, 3309.371, 3309.373, 3309.376, 3309.379, 3309.3710, 3309.3711, 3309.39, 3309.401, 3309.41, 3309.44, 3309.45, 3309.46, 3309.47, 3309.50, 3309.51, 3309.69, 3309.81, and 3309.88 be amended and that new section 3309.571 and sections 3309.392 and 3309.474 be enacted to read as follows:

Sec. 3309.05. (A) The school employees retirement board shall consist of the following members:

~~(A)~~(1) One member, known as the treasurer of state's investment designee, who shall be appointed by the treasurer of state for a term of four years and who shall have the following qualifications:

(a) The member is a resident of this state.

(b) Within the three years immediately preceding the appointment, the member has not been employed by the public employees retirement system, police and fire pension fund, state teachers retirement system, school

employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including the management, analysis, supervision, or investment of assets.

(c) The member has direct experience in the management, analysis, supervision, or investment of assets.

(d) The member is not currently employed by the state or a political subdivision of the state.

~~(B)~~(2) Four members, known as employee members, who shall be members of the school employees retirement system, and who shall be elected by ballot by the members of the system;

~~(C)~~(3) Two members, known as the retirant members, who shall be former members of the retirement system who reside in this state and currently receive an age and service retirement benefit, a disability benefit, or benefits under a plan established under section 3309.81 of the Revised Code. The retirant members shall be elected by ballot by former members of the system who are currently receiving an age and service retirement benefit, a disability benefit, or benefits under a plan established under section 3309.81 of the Revised Code.

~~(D)~~(1)(4) Two members, known as the investment expert members, who shall be appointed to four-year terms. One investment expert member shall be appointed by the governor, and one investment expert member shall be jointly appointed by the speaker of the house of representatives and the president of the senate. Each investment expert member shall have the following qualifications:

(a) The member is a resident of this state;

(b) Within the three years immediately preceding the appointment, the member has not been employed by the public employees state retirement system, police and fire pension fund, state teachers retirement system, school employees retirement system, or state highway patrol retirement system or by any person, partnership, or corporation that has provided to one of those retirement systems services of a financial or investment nature, including the management, analysis, supervision, or investment of assets;

(c) The member has direct experience in the management, analysis, supervision, or investment of assets.

~~(2)~~(B) Any ~~investment expert~~ member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed holds under this section shall hold office until the later of the end of such the term. The for which the member continues in office subsequent to the expiration date of the member's term until is

~~appointed or the date the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first.~~

Sec. 3309.051. Each ~~newly elected~~ member of the school employees retirement board ~~and each individual appointed to fill a vacancy on the board~~ shall, not later than ninety days after commencing service as a board member, complete the orientation program component of the retirement board member education program established under section 171.50 of the Revised Code.

Each member of the board who has served a year or longer as a board member shall, not less than twice each year, attend one or more programs that are part of the continuing education component of the retirement board member education program established under section 171.50 of the Revised Code.

Sec. 3309.061. (A) The office of ~~an employee member or retirant~~ a member of the school employees retirement board who is convicted of or pleads guilty to a felony, a theft offense as defined in section 2913.01 of the Revised Code, or a violation of section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code shall be deemed vacant. A person who has pleaded guilty to or been convicted of an offense of that nature is ineligible for election or appointment to ~~the office of employee or retirant member~~ of the school employees retirement board.

(B) A member of the school employees retirement board who willfully and flagrantly exercises authority or power not authorized by law, refuses or willfully neglects to enforce the law or to perform any official duty imposed by law, or is guilty of gross neglect of duty, gross immorality, drunkenness, misfeasance, malfeasance, or nonfeasance is guilty of misconduct in office. On complaint and hearing in the manner provided for in this section, the board member shall have judgment of forfeiture of the office with all its emoluments entered against the board member, creating in the office a vacancy to be filled as provided by law.

(C) Proceedings for removal of a board member on any of the grounds enumerated in division (B) of this section shall be commenced by filing with the court of common pleas of the county in which the board member resides a written complaint specifically setting forth the charge. The complaint shall be accepted if signed by the governor or signed as follows:

(1) If the complaint is against an employee member of the board, the complaint must be signed by a number of members of the retirement system that equals at least the following and must include signatures of at least twenty employee members residing in at least five different counties: