Sub. S. B. No. 341

129th G.A.

pension, or benefit, pursuant to division (B) of section 3309.45 of the Revised Code, that was effective on and after June 14, 1951, through August 26, 1970, shall receive an increase in such allowance, pension, or benefit in the amount of twenty per cent.

Sec. 3309.3710. (A) Effective July 1, 1981, each person eligible to receive an allowance, pension, or benefit pursuant to sections 3309.35, 3309.36, 3309.38, 3309.40, division (A) of section 3309.45, and section 3309.46 <u>and former section 3309.38</u> of the Revised Code that was based upon an award made effective before July 1, 1974, shall have the person's monthly allowance, pension, or benefit increased by five per cent, except that the twelve-month sum of such increases shall not exceed five per cent of the first five thousand dollars of the annual allowance, pension, or benefit.

(B) Effective July 1, 1981, each person receiving or qualified to receive a benefit, pursuant to division (B) of section 3309.45 of the Revised Code, that was effective on and after June 14, 1951, through August 26, 1970, shall receive an increase in such benefit of five per cent.

(C) The increases provided in divisions (A) and (B) of this section shall be applied to the benefit payable on and after July 1, 1981.

(D) The increase in the monthly allowance, pension, or benefit provided in divisions (A) and (B) of this section shall be included in the calculation of additional benefits to recipients under section 3309.374 of the Revised Code.

(E) The benefits provided in divisions (A) and (B) of this section are a continuation of those first provided in Am. Sub. H.B. 204 as passed by the 113th general assembly.

Sec. 3309.3711. Whenever the limits established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended, are raised, the school employees retirement board shall increase the amount of the pension, benefit, or allowance of any person whose pension, benefit, or allowance payable under section 3309.36, 3309.374, 3309.38, 3309.381, 3309.40, or 3309.401 <u>or former section 3309.38</u> of the Revised Code was limited by the application of section 415. The amount of the increased pension, benefit, or allowance shall not exceed the lesser of the amount the person would have received if the limits established by section 415 had not been applied or the amount the person is eligible to receive subject to the new limits established by section 415.

Sec. 3309.39. (A) The school employees retirement system shall provide disability coverage to each member who has at least five years of total service credit.

Sub. S. B. No. 341

Not later than October 16, 1992, the school employees retirement board shall give each person who is a member on July 29, 1992, the opportunity to elect disability coverage either under section 3309.40 of the Revised Code or under section 3309.401 of the Revised Code. The board shall mail notice of the election, accompanied by an explanation of the coverage under each of the Revised Code sections and a form on which the election is to be made, to each member at the member's last known address. The board shall also provide the explanation and form to any member at the member's request.

Regardless of whether the member actually receives notice of the right to make an election, a member who fails to file a valid election under this section shall be considered to have elected disability coverage under section 3309.40 of the Revised Code. To be valid, an election must be made on the form provided by the retirement board, signed by the member, and filed with the board not later than one hundred eighty days after the date the notice was mailed, or, in the case of a form provided at the request of a member, a date specified by rule of the retirement board. Once made, an election is irrevocable, but if the member ceases to be a member of the retirement system, the election is void. If a person who makes an election under this section also makes an election under section 145.35 or 3307.62 of the Revised Code, the election made for the system that pays a disability benefit to that person shall govern the benefit.

Disability coverage shall be provided under section 3309.401 of the Revised Code for persons who become members after July 29, 1992, and for members who elect under this division to be covered under section 3309.401 of the Revised Code.

The retirement board may adopt rules governing elections made under this division.

(B)(1) Application for a disability benefit may be made by a member, by a person acting in the member's behalf, or by the member's employer, provided if the member has meets all of the following conditions:

(a) Has at least five years of total service credit and has;

(b) Has disability coverage under section 3309.40 or 3309.401 of the Revised Code. The;

(c) Is not receiving a disability benefit under this chapter or Chapter 145., 742., 3305., 3307., or 5505. of the Revised Code, or the Cincinnati retirement system;

(d) Is not applying for the disability benefit based on a disabling condition that the system determines was caused by commission of either of the following:

(i) A felony the member was convicted of, pled guilty to, or was found not guilty of by reason of insanity;

(ii) An act for which the member was adjudicated a delinquent child, that if committed by an adult, would be a felony.

(2) The application for a disability benefit shall be made on a form provided by the retirement board. The benefit payable to any member who is approved for a disability benefit shall become effective on the first day of the month next following the later of the following:

(1)(a) The last day for which compensation was paid;

(2)(b) The date on which the member member's most recent application for a disability benefit was first incapacitated by the disabling condition filed.

(C) Medical examination of a member who has applied for a disability benefit shall be conducted by a competent disinterested physician or physicians selected by the retirement board to determine whether the member is mentally or physically incapacitated for the performance of the member's last assigned primary duty as an employee by a disabling condition either permanent or presumed to be permanent for twelve continuous months following the filing of an application. Such disability must have occurred <u>before termination of the member's contributing service</u> and since last becoming a member or have increased since last becoming a member to such extent as to make the disability permanent or presumed to be permanent for twelve continuous months following the filing of an application.

(D) Application for a disability benefit must be made within two years from the date the member's contributing service terminated, unless the retirement board determines that the member's medical records demonstrate conclusively that at the time the two-year period expired, the member was physically or mentally incapacitated for duty as an employee and unable to make application. Application may not be made by any person receiving a service retirement allowance or commuted service retirement allowance under section 3309.36, 3309.38, or 3309.381 or former section 3309.38 of the Revised Code or any person who, pursuant to section 3309.42 of the Revised Code, has been paid the accumulated contributions standing to the credit of the person's individual account in the employees' savings fund.

(E) If the physician or physicians determine that the member qualifies for a disability benefit, the retirement board concurs with the determination, and the member agrees to <u>any recommended</u> medical treatment <u>and</u> <u>vocational rehabilitation</u> as specified in division <u>divisions</u> (F) <u>and (G)</u> of this section, the member shall receive a disability benefit under section 3309.40 or 3309.401 of the Revised Code. The action of the board shall be final. At the time the board decides it concurs with the determination of the physician or physicians, the board shall determine the date on which the member was first incapacitated by the disabling condition.

(F) The school employees retirement board shall adopt rules requiring a disability benefit recipient, as a condition of continuing to receive a disability benefit, to agree in writing to obtain any medical treatment recommended by the board's physician and submit medical reports regarding the treatment. If the board determines that a disability benefit recipient is not obtaining the medical treatment or the board does not receive a required medical report, the disability benefit shall be suspended until the treatment is obtained, the report is received by the board, or the board's physician certifies that the treatment is no longer helpful or advisable. Should the recipient's failure to obtain treatment or submit a medical report continue for one year, the recipient's right to the disability benefit shall be terminated as of the effective date of the original suspension.

(G)(1) A disability benefit recipient shall obtain any vocational rehabilitation recommended by the board's physician or other consultant and submit reports regarding the rehabilitation. If the board determines that a recipient is not obtaining the rehabilitation or the board does not receive a required report, the disability benefit shall be suspended until the rehabilitation is obtained, the report is received by the board, or the board's physician or consultant certifies that rehabilitation is no longer helpful or advisable. If the recipient's failure to obtain rehabilitation or submit a required report continues for one year, the recipient's right to the disability benefit shall be terminated as of the effective date of the original suspension.

(2) The board shall adopt rules to implement this division.

(<u>H</u>) In the event an employer files an application for a disability benefit as a result of a member having been separated from service because the member is considered to be mentally or physically incapacitated for the performance of the member's last assigned primary duty as an employee, and the physician or physicians selected by the board report to the board that the member is physically and mentally capable of performing service similar to that from which the member was separated, and the board concurs in such report, then the board shall so certify to the employer and the employer shall restore the member to the member's previous position and salary or to a similar position and salary.

Sec. 3309.392. A recipient of a disability benefit granted under this chapter on or after the effective date of this section shall apply for social security disability insurance benefit payments under 42 U.S.C. 423 if the