

district, which pursuant to sections 3709.051 and 3709.07 of the Revised Code includes a combined health district, and whose compensation for attendance at meetings of the board is set forth in division (B) of section 3709.02 or division (B) of section 3709.05 of the Revised Code, as appropriate;

(8) Who participates in an alternative retirement plan established under Chapter 3305. of the Revised Code;

(9) Who is a member of the board of directors of a sanitary district established under Chapter 6115. of the Revised Code;

(10) Who is a member of the unemployment compensation advisory council;

(11) Who is an employee, officer, or governor-appointed member of the board of directors of the nonprofit corporation formed under section 187.01 of the Revised Code;

(12) Who is employed by the nonprofit entity established to provide advocacy services and a client assistance program for people with disabilities under Section 319.20 of Am. Sub. H.B. 153 of the 129th general assembly and whose employment begins on or after October 1, 2012.

(B) No inmate of a correctional institution operated by the department of rehabilitation and correction, no patient in a hospital for the mentally ill or criminally insane operated by the department of ~~mental health~~ mental health and addiction services, no resident in an institution for the mentally retarded operated by the department of developmental disabilities, no resident admitted as a patient of a veterans' home operated under Chapter 5907. of the Revised Code, and no resident of a county home shall be considered as a public employee for the purpose of establishing membership or calculating service credit or benefits under this chapter. Nothing in this division shall be construed to affect any service credit attained by any person who was a public employee before becoming an inmate, patient, or resident at any institution listed in this division, or the payment of any benefit for which such a person or such a person's beneficiaries otherwise would be eligible.

Sec. 145.037. (A) As used in this section and section 145.038 of the Revised Code, "business entity" means an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business.

A contract between a public employer and a business entity shall state that all individuals employed by the business entity who provide personal services to the public employer are not public employees for purposes of this chapter.

(B)(1) Except as provided in division (B)(2) of this section, an individual who provided personal services to a public employer on or before January 7, 2013, but was not classified as a public employee may request from the public employees retirement board a determination of whether the individual should have been classified as a public employee for purposes of this chapter. The request shall be made on a form provided by the board.

(2) Division (B)(1) of this section does not apply to an individual employed by a business entity under contract with a public employer to provide personal services to the employer.

(C)(1) Not later than ~~thirty~~ sixty days after ~~January 7, 2013~~ the effective date of this amendment, the board shall ~~notify each employer~~ have published in at least eight newspapers of general circulation in this state notice of the right of an individual described in division (B)(1) of this section to seek the determination described in that division. The notice also shall be ~~accompanied by copies of the form described in division (B)(1) of this section~~ posted on the web site of the public employees retirement system.

(2) ~~Not later than September 7, 2013, the employer shall send to each individual described in division (B)(1) of this section a copy of the form provided by the retirement system and written notice of the right to seek a determination of whether the individual should have been classified as a public employee. The notice shall be sent to the individual's last known address on record with the employer.~~

(3) ~~On~~ Except as provided in division (D) of this section, on receipt of a request for a determination on a properly completed form, the board shall determine whether the individual should have been classified as a public employee. If the board determines that the individual is not a public employee with regard to the services in question, for the purposes of this chapter, the individual shall not be considered an independent contractor a public employee with regard to the services in question. The board's determination is final.

(4)(3) The board shall notify the individual and the public employer of its determination. The determination shall apply to services performed before, on, or after January 7, 2013, for the same employer in the same capacity.

(D)(1) Regardless of whether an individual actually receives notice under this section, the request for a determination must be made not later than August 7, 2014, unless the individual can demonstrate to the board's satisfaction through medical records that on that date the individual was physically or mentally incapacitated and unable to request a determination.

(2) The board shall deny a request received after the effective date of this amendment if the board determines that the individual has had ten or more years of contributing service since the individual last performed the services that are the subject of the request.

Sec. 145.038. (A) A public employer who on or after ~~the effective date of this section~~ January 7, 2013, begins to receive personal services from an individual it classifies as an independent contractor or another classification other than public employee shall inform the individual of the classification and that no contributions will be made to the public employees retirement system for the services. Not later than thirty days after the services begin, the employer to whom the personal services will be rendered shall require the individual to acknowledge, in writing on a form provided by the system, that the individual has been informed that the employer does not consider the individual a public employee and no contributions will be made to the public employees retirement system for the services. The employer shall retain the acknowledgement for a period of five years after the date the services begin and immediately transmit a copy of it to the ~~system~~ public entity responsible for submitting to the system the reports required by section 145.47 of the Revised Code. The public entity shall transmit a copy of the acknowledgement to the system.

(B)(1) Regardless of whether the individual has made an acknowledgement under division (A) of this section and, except as provided in division (B)(2) of this section, an individual may request that the public employees retirement board determine whether the individual is a public employee for purposes of this chapter.

(2) Division (B)(1) of this section does not apply to an individual employed by a business entity under contract with a public employer to provide personal services to the employer.

(C) A request for a determination must be made not later than five years after the individual begins to provide personal services to the public employer, unless ~~one of the following is the case~~:

~~(1) The~~ the individual demonstrates to the board's satisfaction through medical records that at the time the five-year period ended the individual was physically or mentally incapacitated and unable to request a determination.

~~(2) The employer has not obtained or has failed to retain the acknowledgement required by division (A) of this section.~~

(D) On receipt of a request under division (B)(1) of this section, the board shall determine whether the individual is a public employee for the purposes of this chapter. If the board determines that the individual is not a

public employee for the services, for the purposes of this chapter, the individual shall not be considered ~~an independent contractor~~ a public employee with regard to the services in question. The board's determination is final.

The board shall notify the individual and the public employer of its determination. The determination shall apply to services performed before, on, or after ~~the effective date of this section~~ January 7, 2013, for the same employer in the same capacity.

(E) The board may adopt rules under section 145.09 of the Revised Code to implement this section and sections 145.036 and 145.037 of the Revised Code.

Sec. 145.22. (A) The public employees retirement board shall have prepared annually by or under the supervision of an actuary an actuarial valuation of the pension assets, liabilities, and funding requirements of the public employees retirement system as established pursuant to this chapter. The actuary shall complete the valuation in accordance with actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries and prepare a report of the valuation. The report shall include all of the following:

- (1) A summary of the benefit provisions evaluated;
- (2) A summary of the census data and financial information used in the valuation;
- (3) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation, including a statement of the assumed rate of payroll growth and assumed rate of growth or decline in the number of members contributing to the retirement system;
- (4) A summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities;
- (5) A schedule showing the effect of any changes in the benefit provisions, actuarial assumptions, or cost methods since the last annual actuarial valuation;
- (6) A statement of whether contributions to the retirement system are expected to be sufficient to satisfy the funding objectives established by the board.

The board shall submit the report to the Ohio retirement study council, the director of budget and management, and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation immediately upon its availability and not later than the first day of September following the year for which the valuation was made.