

Sec. 145.301. (A) A member may purchase service credit that shall be considered as the equivalent of Ohio service for each year of service incurred by reason of having been on active duty as a member of the armed forces of the United States, as defined in section 145.30 of the Revised Code. The credit may be purchased at any time prior to receipt of a retirement allowance. The number of years purchased shall not exceed five. The member may choose to purchase only part of such credit in any one payment, subject to PUBLIC EMPLOYEES RETIREMENT board rules.

(B) For the purposes of this division, "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the armed forces of the United States who was captured, separated, and incarcerated by an enemy of the United States.

A member may purchase service credit that shall be considered as the equivalent of Ohio service for each year of service such member was a prisoner of war. The number of years purchased under this division shall not exceed five. Service credit may be purchased under this division for the same years of service used to purchase service credit under division (A) of this section. The member may choose to purchase only part of such credit in any one payment, subject to board rules.

(C) The total number of years purchased under this section shall not exceed the member's total accumulated number of years of Ohio service.

(D) For each year of service purchased under division (A) or (B) of this section, the member shall pay to the public employees retirement system for credit to the member's accumulated account an amount determined by the member rate of contribution in effect at the time the military service began, multiplied by the member's salary, earnable salary, or compensation for full-time employment during the first year of service covered by a state retirement system or the Cincinnati retirement system following termination of military service. If, however, a limit on maximum salary or maximum contribution was in effect at the time the military service began, the limit shall be applied to the salary, earnable salary, or compensation received during the first year of service covered by a state retirement system or the Cincinnati retirement system to calculate the amount of payment. To this amount shall be added an amount equal to compound interest at a rate established by the public employees retirement board from the date active military service terminated to date of payment SPECIFIED BY THE RETIREMENT BOARD THAT SHALL BE NOT LESS THAN FIFTY PER CENT OF THE ADDITIONAL LIABILITY RESULTING FROM THE PURCHASE OF THAT YEAR OF SERVICE AS DETERMINED BY AN ACTUARY EMPLOYED BY THE BOARD.

(E) A member is ineligible to purchase service credit under this section for any year of military service that was:

(1) Used in the calculation of any retirement benefit currently being paid to the member or payable in the future under any other retirement program, except social security, or for retired pay for nonregular service under Chapter 1223 of Section 1662 of Title XVI of the "National Defense Authorization Act for Fiscal Year 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739;

(2) Used to obtain service credit pursuant to section 145.30 or 145.302 of the Revised Code.

At the time the credit is purchased, the member shall certify on a form furnished by the retirement board that the member does and will conform to this requirement.

(F) A MEMBER WHO, ON THE EFFECTIVE DATE OF THIS AMENDMENT, IS PURCHASING SERVICE CREDIT UNDER THIS SECTION BY MAKING INSTALLMENT PAYMENTS TO THE SYSTEM OR BY A PAYROLL DEDUCTION PLAN AUTHORIZED UNDER SECTION 145.294 OF THE REVISED CODE MAY ELECT, ON A FORM PROVIDED BY THE BOARD, TO HAVE A PORTION OF THE COST OF THE SERVICE CREDIT RECALCULATED UNDER DIVISION (D) OF THIS SECTION AS AMENDED BY HOUSE BILL 186 OF THE 123rd GENERAL ASSEMBLY. THE RECALCULATION SHALL APPLY ONLY TO THE AMOUNT STILL OWED BY THE MEMBER AS OF THE DATE THE ELECTION IS FILED WITH THE BOARD.

FOR EACH MEMBER WHO MAKES AN ELECTION, THE BOARD SHALL DO ALL OF THE FOLLOWING:

(1) DETERMINE THE AMOUNT OF THE TOTAL COST OF THE SERVICE CREDIT STILL OWED BY THE MEMBER AS OF

THE DATE THE ELECTION IS FILED WITH THE BOARD AND THE NUMBER OF YEARS OR PORTION OF A YEAR OF SERVICE CREDIT ATTRIBUTABLE TO THAT AMOUNT;

(2) RECALCULATE UNDER DIVISION (D) OF THIS SECTION THE COST OF THE SERVICE CREDIT DESCRIBED IN DIVISION (F)(1) OF THIS SECTION;

(3) NOTIFY THE MEMBER OF THE RECALCULATED AMOUNT.

IF THE RECALCULATED AMOUNT IS LESS THAN THE AMOUNT STILL OWED BY THE MEMBER AS OF THE DATE THE ELECTION IS FILED, THE RECALCULATED AMOUNT SHALL BE THE AMOUNT OWED BY THE MEMBER.

(G) Credit purchased under this section may be combined pursuant to section 145.37 with credit for military service purchased under sections 3307.021 and 3309.021, except that not more than an aggregate total of five years of credit purchased under division (A) of this section, division (A) of section 3307.021, and division (A) of section 3309.021, and not more than an aggregate total of five years of credit purchased under division (B) of this section, division (B) of section 3307.021, and division (B) of section 3309.021 shall be used in determining retirement eligibility or calculating benefits under section 145.37 of the Revised Code.