

(B) Regardless of whether the recipient's disability is ongoing, a recipient of a disability benefit under this chapter who also receives social security disability insurance benefit payments shall file an annual statement of earnings under section 145.362 of the Revised Code and include a copy of the social security disability insurance benefit annual reward letter that specifies the amount of the social security disability insurance program benefit.

(C) Except as provided in division (D) of this section, if any year the total of a disability benefit recipient's benefit under this chapter and social security disability insurance benefit payments exceeds the recipient's adjusted final average salary, the annual benefit under this chapter shall be reduced so that the annual total equals the recipient's adjusted final average salary.

The recipient's adjusted final average salary shall be determined by annually increasing the recipient's final average salary by the percentage increase in the consumer price index, not exceeding three per cent, as determined by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "all items 1982-84=100") for the twelve-month period ending on the thirtieth day of June of the immediately preceding calendar year. If the consumer price index for that period did not increase, no increase shall be made to the recipient's adjusted final average salary for that period. No adjustment to a benefit shall exceed the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 415, as amended.

If a disability benefit recipient receives retroactive payments of social security disability insurance benefits, the system may reduce future disability benefit payments under this chapter to recoup any overpayments.

(D) The reductions required by division (C) of this section do not apply to a recipient of a disability benefit under this chapter who has not less than five years of service credit for periods during which the recipient had earnings from other employment that was subject to the tax imposed by the "Federal Insurance Contributions Act," 26 U.S.C. 3101.

Sec. 145.37. (A) As used in this section:

(1) "State retirement system" means the public employees retirement system, school employees retirement system, or state teachers retirement system.

(2) "Total service credit" means all service credit earned in the state retirement systems, except credit for service subject to section 145.38 of the Revised Code. Total service credit shall not exceed one year of credit for any twelve-month period.

(3) In addition to the meaning given in division (N) of section 145.01 of the Revised Code, "disability benefit" means "disability benefit" as defined in sections 3307.01 and 3309.01 of the Revised Code.

(B) To coordinate and integrate membership in the state retirement systems, the following provisions apply:

(1) ~~At Subject to division (B)(2) of this section, at the option election of~~ a member, total contributions and service credit in all state retirement systems, including amounts paid to restore service credit under sections 145.311, 3307.711, and 3309.261 of the Revised Code, shall be used in determining the eligibility and total retirement or disability benefit payable. When total contributions and service credit are so combined, the following provisions apply:

(a) Age and service retirement ~~or disability benefits are~~ shall be effective on the first day of the month immediately following the later of:

(i) The last day for which compensation was paid;

(ii) The attainment of minimum age or service credit eligibility for benefits provided under this section;

(iii) Ninety days prior to receipt by the board of the member's completed application for retirement.

(b) ~~In determining eligibility~~ Disability benefits shall be effective on the first day of the month immediately following the later of the following:

(i) The last day for which compensation was paid;

(ii) The attainment of eligibility for a disability benefit.

(c) Eligibility for a disability benefit, the medical examiner's report to shall be determined by the retirement board of any the state retirement system, showing that will calculate and pay the member's disability incapacitates the member for the performance of duty, may benefit, as provided in division (B)(1)(d) of this section. The state retirement system calculating and paying the disability benefit shall certify the determination to the board of each other state retirement system in which the member has service credit and shall be accepted by the state retirement boards that board as sufficient for granting a disability benefit.

~~(e)~~(d) The board of the state retirement system in which the member had the greatest service credit, without adjustment, shall ~~determine~~ calculate and pay the total retirement or disability benefit. Where the member's credit is equal in two or more state retirement systems, the system having the largest total contributions of the member shall ~~determine~~ calculate and pay the total benefit.

~~(d)~~(e) In determining the total credit to be used in calculating a retirement or disability benefit, ~~credit shall not be reduced below that~~

~~certified by the system or systems transferring credit, except that such~~ total combined service credit shall not exceed one year of credit for any one "year" as defined in the law of the system making the calculation.

~~(e)(f)~~ The state retirement system ~~determining~~ calculating and paying a retirement or disability benefit shall receive from the other system or systems ~~the member's refundable account at retirement or the effective date of a disability benefit plus an amount from the employers' accumulation fund equal to the member's refundable account less interest credited under section 145.471, 145.472, or 3307.563 of the Revised Code~~ all of the following for each year of service:

(i) The amount contributed by the member, or, in the case of service credit purchased by the member, paid by the member, that is attributable to the year of service;

(ii) An amount equal to the lesser of the employer's contributions made on behalf of the member to the retirement system for that year of service or the amount that would have been contributed by the employer for the service had the member been a member of the public employees retirement system at the time the credit was earned;

(iii) Interest compounded annually on the amounts specified in divisions (B)(1)(f)(i) and (ii) of this section at the lesser of the actuarial assumption rate for that year of the retirement system ~~determining~~ and paying the benefit or the other retirement system or systems transferring amounts under this section. If

If applicable, the public employees retirement system shall pay to the retirement system ~~determining~~ calculating and paying the benefit a portion of the amount paid on behalf of the member by an employer under section 145.483 of the Revised Code. The portion shall be paid from the employers' accumulation fund and shall equal the product obtained by multiplying by two the amount the member would have contributed during the period the employer failed to deduct contributions, as described in section 145.483 of the Revised Code.

~~(i)(g)~~ The annuity rates and mortality tables of the state retirement system making the calculation and paying the benefit shall be exclusively applicable.

~~(i)(h)~~ Deposits made for the purpose of an additional annuity, ~~and including guaranteed interest~~ together with earnings as provided in section 145.62 of the Revised Code, upon the request of the member, shall be transferred to the state retirement system paying the benefit. The return upon such deposits shall be that offered by the state retirement system making the calculation and paying the benefit.

(2) A former member receiving a retirement or disability benefit under this section, who accepts employment amenable to coverage in any state retirement system that participated in the former member's combined benefit, shall be subject to the applicable provisions of law governing such re-employment. If a former member should be paid any amount in a retirement benefit, to which the former member is not entitled under the applicable provisions of law governing such re-employment, such amount shall be recovered by the state retirement system paying such benefit by utilizing any recovery procedure available under the code provisions of the state retirement system covering such re-employment.

(C) A PERS retirant or other system retirant, as defined in section 145.38 of the Revised Code, is not eligible to receive any benefit under this section for service subject to section 145.38 of the Revised Code.

Sec. 145.38. (A) As used in this section and sections 145.381 and 145.384 of the Revised Code:

(1) "PERS retirant" means a former member of the public employees retirement system who is receiving one of the following:

(a) Age and service retirement benefits under section 145.32, 145.33, 145.331, ~~145.34~~, 145.332, or 145.46 or former section 145.34 of the Revised Code;

(b) Age and service retirement benefits paid by the public employees retirement system under section 145.37 of the Revised Code;

(c) Any benefit paid under a PERS defined contribution plan.

(2) "Other system retirant" means both of the following:

(a) A member or former member of the Ohio police and fire pension fund, state teachers retirement system, school employees retirement system, state highway patrol retirement system, or Cincinnati retirement system who is receiving age and service or commuted age and service retirement benefits or a disability benefit from a system of which the person is a member or former member;

(b) A member or former member of the public employees retirement system who is receiving age and service retirement benefits or a disability benefit under section 145.37 of the Revised Code paid by the school employees retirement system or the state teachers retirement system.

(B)(1) Subject to this section and section 145.381 of the Revised Code, a PERS retirant or other system retirant may be employed by a public employer. If so employed, the PERS retirant or other system retirant shall contribute to the public employees retirement system in accordance with section 145.47 of the Revised Code, and the employer shall make contributions in accordance with section 145.48 of the Revised Code.