

3305.05 or 3305.051 of the Revised Code, "earnable salary" as defined in division (R) of section 145.01 of the Revised Code;

(2) If the electing employee would be subject to Chapter 3307. of the Revised Code had the employee not made an election pursuant to section 3305.05 or 3305.051 of the Revised Code, "compensation" as defined in division (L) of section 3307.01 of the Revised Code;

(3) If the electing employee would be subject to Chapter 3309. of the Revised Code had the employee not made an election pursuant to section 3305.05 or 3305.051 of the Revised Code, "compensation" as defined in division (V) of section 3309.01 of the Revised Code.

(F) "~~Provider~~ Vendor" means an entity designated under section 3305.03 of the Revised Code as eligible to be a provider of investment options for an alternative retirement plan.

(G) "Provider" means, with respect to each public institution of higher education, a vendor that has entered into an agreement with that public institution of higher education in accordance with section 3305.04 of the Revised Code.

Sec. 3305.02. An alternative retirement program is hereby established in accordance with this chapter for the purpose of providing to eligible employees the opportunity of participating in an alternative retirement plan as an alternative to participating in a state retirement system. The employer is the sponsor of each alternative retirement plan offered under this chapter.

Each alternative retirement plan offered under this program shall be a defined contribution plan qualified under section 401 (a) of the Internal Revenue Code that provides retirement and, to the extent applicable, death benefits through investment options. The options shall be offered to electing employees pursuant to trust or custodial accounts or pursuant to group or individual annuity contracts; and certificates issued under group contracts; ~~and~~. The options may include life insurance, annuities, variable annuities, regulated investment trusts, pooled investment funds, or other forms of investment, at the option of each electing employee.

Notwithstanding this chapter, any retirement plan established by a public institution of higher education prior to March 31, 1997, as an alternative to participating in any state retirement system may continue in effect and be modified without regard to this chapter for all employees at the public institution eligible to participate in the plan.

Sec. 3305.03. (A) ~~The department of insurance~~ Ohio board of regents shall designate ~~three or more~~ the entities that are eligible to provide investment options under alternative retirement plans ~~established~~ maintained by public institutions of higher education ~~in accordance with this chapter~~.

~~An entity shall be designated a provider under this section if the entity meets. The board shall accept and review applications from entities seeking designation as a vendor. The board shall not designate an entity as a vendor unless the entity meets the requirements described in division (B) of this section.~~

~~(B) To be eligible for designation as a vendor, an entity must meet both of the following requirements:~~

~~(1) It is The entity must be authorized to conduct business in this state with regard to the investment options to be offered under an alternative retirement plan; maintained by a public institution of higher education.~~

~~(2) It provides The entity must offer the same or similar investment options ~~to be offered~~ under alternative retirement plans, ~~as group or individual contracts, or a combination thereof,~~ optional retirement plans, or similar types of plans with respect to which all of the following apply:~~

~~(a) The plans are defined contribution plans that are qualified plans under Internal Revenue Code 401(a) or 403(b).~~

~~(b) The plans are maintained by institutions of higher education in at least ten other states.~~

~~(B)(c) The plans are established as primary retirement plans that are alternatives to or a component of the applicable state retirement system.~~

~~(C) In ~~designating a provider under this section~~ determining whether to designate an entity as a vendor, the department of insurance board of regents shall identify, consider, and evaluate all of the following:~~

~~(1) The experience of the ~~provider~~ entity in providing in other states investment options under alternative retirement programs in other states plans, optional retirement plans, or similar types of plans that meet the requirements of division (B)(2) of this section;~~

~~(2) The potential effectiveness of the ~~provider~~ entity in recruiting eligible employees to enter into contracts select that entity for purposes of participating in an alternative retirement plan and in retaining those contracts employees' accounts;~~

~~(3) Whether the entity intends to offer a broad range of investment options to the electing employees;~~

~~(4) The suitability of the investment options to the needs and interests of the electing employees and their beneficiaries;~~

~~(5) The capability of the entity to offer sufficient information to the electing employees and their beneficiaries to make informed decisions with regard to investment options offered by the entity;~~

~~(6) The capability of the entity to perform in a manner that is in the best interests of the electing employees and their beneficiaries;~~

(7) The fees and expenses associated with the entity's investment options and the manner in which the entity intends to disclose those fees and expenses;

~~(8) The nature and extent of the rights and benefits to be provided under the investment options;~~

~~(4) The relationship between the rights and benefits under the investment options and the amount of the contributions made under those options;~~

~~(5) The suitability of the rights and benefits under the investment options to the needs and interests of eligible employees;~~

~~(6)(9) The capability of the provider entity to provide the rights and benefits under the investment options;~~

~~(7)(10) Comments submitted by a public institution of higher education under section 3305.031 of the Revised Code;~~

~~(11) Any other matters ~~it~~ the board of regents considers relevant.~~

~~(C)(D) The department of insurance board of regents shall periodically review~~ conduct periodic reviews of each provider entity designated under division (A) of this section as a vendor and the investment options being offered to ensure that the requirements and purposes of this chapter are being met. If the department The reviews of a vendor shall occur not less frequently than once every three years.

If it finds that the provider vendor is not in compliance with any requirement the requirements of this chapter or the provider vendor is not satisfactorily meeting the purposes of this chapter, the department may board shall rescind the provider's vendor's designation.

~~(D)(E) Notwithstanding sections 125.01 to 125.11 of the Revised Code, designation of a provider vendor or the execution of any contract agreement under this chapter is not subject to competitive bidding under those sections.~~

Sec. 3305.031. (A) As part of the process established under section 3305.03 of the Revised Code for designating an entity as a vendor and conducting periodic reviews of a vendor, the Ohio board of regents shall do all of the following:

(1) Provide written notice to each public institution of higher education that an entity has applied to be designated as a vendor under section 3305.03 of the Revised Code;

(2) Provide written notice to each public institution of higher education that a vendor is scheduled for a review;

(3) Establish a comment period of not less than thirty days during which a public institution of higher education is authorized to comment about an entity's application for designation or a vendor's review and to request a