

Sub. S. B. No. 247

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enefits under the plan commence, benefits shall be paid in accordance with division (A)(2) of this section, unless the spouse has consented under division (C) of this section to a different form of payment.

(2) The benefits described in division (A)(1) of this section shall be paid in the form of an annuity, which shall consist of the actuarial equivalent of the member's benefits, in an amount that is payable for the life of the member and one-half of the amount continuing after the member's death to the spouse for the life of the spouse.

(B) If a member participating in a plan established under section 3307.81 of the Revised Code is married at the time of the member's death, any benefits that are payable to the member shall be paid to the member's spouse, unless the spouse has consented under division (C) of this section to the designation of a different beneficiary.

~~(C) A plan established under section 3307.81 of the Revised Code shall include requirements for consent under this section that are the same as the requirements specified in division (a)(2) of section 417 of the Internal Revenue Code, 26 U.S.C.A. 417(a)(2), as amended. Consent is valid only if it is evidenced by a signed statement that is witnessed by a notary public. Each plan may waive the requirement of consent if the spouse is incapacitated or cannot be located or for any other reason specified by the plan or in the regulations adopted under that section rules adopted by the state teachers retirement board.~~

Consent or waiver is effective only with regard to the spouse who is the subject of the consent or waiver.

Sec. 3309.21. (A) The school 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 school 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 ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of May following the year for which the valuation was made.

(B) At such times as the school employees retirement board determines, and at least once in each quinquennial period, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the mortality, service, and other experience of the members, retirants, and beneficiaries of the retirement system, and SERS retirants and other system retirants as defined in section 3309.341 of the Revised Code to update the actuarial assumptions used in the actuarial valuation required by division (A) of this section. The actuary shall prepare a report of the actuarial investigation. The report shall be prepared and any recommended changes in actuarial assumptions shall be made in accordance with the actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries. The report shall include all of the following:

(1) A summary of relevant decrement and economic assumption experience observed over the period of the investigation;

(2) Recommended changes in actuarial assumptions to be used in subsequent actuarial valuations required by division (A) of this section;

(3) A measurement of the financial effect of the recommended changes in actuarial assumptions.

The board shall submit the report to the Ohio retirement study ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of May following the last fiscal year of the period the report covers.

(C) The board may at any time request the actuary to make any studies or actuarial valuations to determine the adequacy of the rates of contribution as provided by section 3309.49 of the Revised Code, and those rates may be

adjusted by the board, as recommended by the actuary, effective as of the first of any year thereafter.

(D) The board shall have prepared by or under the supervision of an actuary an actuarial analysis of any introduced legislation expected to have a measurable financial impact on the retirement system. The actuarial analysis shall be completed in accordance with the actuarial standards of practice promulgated by the actuarial standards board of the American academy of actuaries. The actuary shall prepare a report of the actuarial analysis, which shall include all of the following:

- (1) A summary of the statutory changes that are being evaluated;
- (2) A description of or reference to the actuarial assumptions and actuarial cost method used in the report;
- (3) A description of the participant group or groups included in the report;
- (4) A statement of the financial impact of the legislation, including the resulting increase, if any, in the employer normal cost percentage; the increase, if any, in actuarial accrued liabilities; and the per cent of payroll that would be required to amortize the increase in actuarial accrued liabilities as a level per cent of covered payroll for all active members over a period not to exceed thirty years;
- (5) A statement of whether the scheduled contributions to the system after the proposed change is enacted are expected to be sufficient to satisfy the funding objectives established by the board.

Not later than sixty days from the date of introduction of the legislation, the board shall submit a copy of the actuarial analysis to ~~the legislative budget office of~~ the legislative service commission, the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation, and the Ohio retirement study ~~commission~~ council.

(E) The board shall have prepared annually a report giving a full accounting of the revenues and costs relating to the provision of benefits under sections 3309.375 and 3309.69 of the Revised Code. The report shall be made as of June 30, 1997, and the thirtieth day of June of each year thereafter. The report shall include the following:

- (1) A description of the statutory authority for the benefits provided;
- (2) A summary of the benefits;
- (3) A summary of the eligibility requirements for the benefits;
- (4) A statement of the number of participants eligible for the benefits;
- (5) A description of the accounting, asset valuation, and funding method used to provide the benefits;
- (6) A statement of the net assets available for the provision of the

benefits as of the last day of the fiscal year;

(7) A statement of any changes in the net assets available for the provision of benefits, including participant and employer contributions, net investment income, administrative expenses, and benefits provided to participants, as of the last day of the fiscal year;

(8) For the last six consecutive fiscal years, a schedule of the net assets available for the benefits, the annual cost of benefits, administrative expenses incurred, and annual employer contributions allocated for the provision of benefits;

(9) A description of any significant changes that affect the comparability of the report required under this division;

(10) A statement of the amount paid under division ~~(D)~~(C) of section 3309.69 of the Revised Code.

The board shall submit the report to the Ohio retirement study ~~commission~~ council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the thirty-first day of December following the year for which the report was made.

Sec. 3309.43. ~~A~~ (A) Except as provided in division (B) of this section, a member of the school employees retirement system who has ceased to be an employee, and who is also a member of either the public employees retirement system or the state teachers retirement system, or both, may not withdraw his the member's accumulated contributions, unless he.

(B) On application, the school employees retirement board shall pay a member described in division (A) of this section the member's accumulated contributions if either of the following applies:

(1) The member also withdraws his the member's contributions from such other systems. The

(2) The member is a participant in a plan established under section 145.81 or 3307.81 of the Revised Code and has withdrawn the member's contributions under plans described in sections 145.201 to 145.79 and 3307.50 to 3307.79 of the Revised Code.

The school employees retirement board may waive the annual expense fee where a member is contributing to another state retirement system provided such member is not at the same time contributing to the school employees retirement system.

Sec. 3309.45. Except as provided in division (C)(1) of this section, in lieu of accepting the payment of the accumulated account of a member who dies before service retirement, the beneficiary, as determined in section 3309.44 of the Revised Code, may elect to forfeit the accumulated account