

Rules – Part 1

October 10, 2024

OPERS

145-1-26	Definition of earnable salary
145-1-31	Payment for periods of noncontributing service
145-1-35	Service purchase
145-1-37	Eligible rollover distributions
145-1-38	Purchase of service credit by payroll deduction
145-1-63	Guardianship and power of attorney
145-1-64	Death of designated beneficiary
145-1-65	Interim benefit payment
145-1-70	Waiver of spousal consent
145-1-73	Withdrawal of application for refund or money purchase or additional annuity lump sum payments
145-1-74	Re-employment restrictions applicable to a member
145-1-75	Re-employment of a retiree
145-1-77	Re-employment of a member-directed or combined plan participant
145-1-80	Effect of applicant's death on payment plan
145-1-81	Retirement plans
145-1-88	Changes to election to participate
145-1-89	Transfer of contributions under rule 145-1-88 of the Administrative Code
145-1-90	Consolidation of the combined plan into the traditional pension plan
145-2-05	Free credit for military service
145-2-06	Purchase of military service credit
145-2-07	Additional service credit under section 145.201 of the Revised Code
145-2-09	Purchase of exempted service credit
145-2-11	Police and fire or highway patrol service
145-2-15	Cincinnati retirement system
145-2-40	Benefits payable under section 145.333 of the Revised Code
145-2-43	Additional annuity accounts
145-2-44	Selection of payment plan-spousal consent
145-2-46	Beneficiary's percentage under joint-life and multiple-life plans
145-2-47	Beneficiary and payment plan changes after retirement
145-2-50	Actuarial reduction factors

145-2-51 Effective date of benefits

145-3-01 Plan Documents (No change)

145-3-02 Combined and member-directed plan provisions

145-3-04 Impact of weekend or holiday on initial plan selection (No change)

145-3-06 Procedure for additional deposits (No change)

145-3-08 Active/inactive administrative fee (No change)

145-3-10 Application by participant for refund of contributions

145-3-11 Waiver of spousal consent (Rescind)

145-3-13 Beneficiary and payment plan changes after retirement

145-3-14 Designation of beneficiaries under the multiple-life plan

145-3-15 Calculation of amount due retirant with multiple beneficiaries under the multiple-life plan

145-3-16 Priority of multiple court orders under the multiple-life plan

145-3-21 Purchase of service credit by combined plan members

145-3-22 Restored service (No change)

145-3-23 Additional liability for service purchases in the combined plan

145-3-24 Purchase of workers' compensation service (Rescind)

145-3-27 Purchase of service credit pursuant to section 145.293 of the Revised Code (Rescind)

145-3-28 Free military service credit (Rescind)

145-3-29 Purchase of military service credit (Rescind)

145-3-31 Additional service credit under section 145.201 of the Revised Code (Rescind)

145-3-32 Purchase of school board member service (Rescind)

145-3-34 Purchase of exempted service credit (Rescind)

145-3-35 Police and fire or highway patrol service (Rescind)

145-3-36 Purchase of optional service (Rescind)

145-3-37 Purchase of leave of absence (Rescind)

145-3-38 Cincinnati retirement system (Rescind)

145-3-39 Purchase of firefighter service (Rescind)

143-3-40 Service credit in the combined plan for participation in member-directed plan (No change)

145-3-41 Application for a disability benefit (Rescind)

145-3-43 Disability appeals (Rescind)

145-3-50 Designation of beneficiary prior to retirement (No change)

145-3-51 Survivor benefits (Rescind)

145-3-52 Proof of dependency (Rescind)

145-3-53 Validity of marriage (No change)

145-3-71 Actuarial reduction factors (Rescind)

145-3-73	Cost of living adjustment (Rescind)
145-3-75	Death benefit payment (Rescind)
145-3-77	Annual interest credited to contributor accounts in the employee savings fund (Rescind)
145-3-81	Military service (No change)
145-3-82	Purchase of service credit by member-directed plan members (No change)
145-4-25	Dental and vision coverage



OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
277 EAST TOWN STREET, COLUMBUS, OH 43215-4642
1-800-222-PERS (7377)
www.opers.org

MEMORANDUM

DATE: September 5, 2024

TO: OPERS Retirement Board Members

FROM: Eric Harrell, General Counsel
Deborah McCarthy, Government Relations Officer/Legal Counsel
Dennis Smith, Associate Counsel

RE: **(MARSHA WILL PUT ITEM ACTION NUMBER)**
2024 Five Year Rule Review

Action requested: _____ moved, _____ seconded, to adopt the following resolution:

- (1) Approve for submission to the Joint Committee on Agency Rule Review (JCARR) and the Legislative Service Commission (LSC), the rules set forth in this memorandum.
- (2) Authorize the Executive Director to execute the amended and restated plan document for the Combined Plan, as set forth in this memorandum.
- (3) Authorize the Executive Director to execute the following plan document amendments, as set forth in this memorandum:
 - (a) Amendment Two to the Pre-Medicare Health Reimbursement Arrangement Plan;
 - (b) Amendment Two to the Medicare Health Reimbursement Arrangement Plan.

Executive summary – Section 106.03 of the Ohio Revised Code requires OPERS to review each of our administrative rules every five years and determine whether they require amendment, rescission, or to continue without change. This year's quinquennial review involves the rules in Chapter 145-3 of the Ohio Administrative Code regarding the Combined and Member-Directed Plans. These rules have been reviewed to confirm that they encompass the appropriate purpose, scope, and intent of the governing statutes.

This year's five-year rule review also includes the plan document and rule amendments necessary to give effect to the consolidation of the Combined (CO) Plan into the Traditional Pension (TP) Plan, effective January 1, 2024. The Board approved the CO Plan closure to new members and subsequent consolidation into the TP Plan in September 2019. The CO Plan was closed to new plan selections on January 1, 2022. In July 2023, the 135th Ohio

General Assembly approved Amended Sub. H.B. 33, which authorized the consolidation. As stated in prior Board discussions, the closure to new members and the consolidation do not alter any plan design provisions of the CO Plan so there are no substantive impacts on CO Plan members.

I. Five Year Review Rules – No Changes

1. **Rule 145-3-01 – Plan documents**
2. **Rule 145-3-04 – Impact of weekend or holiday on initial plan selection**
3. **Rule 145-3-06 – Procedure for additional deposits**
4. **Rule 145-3-08 – Active/inactive administrative fee**
5. **Rule 145-3-22 – Restored service**
6. **Rule 145-3-40 – Service credit in the combined plan for participation in the member-directed plan**
7. **Rule 145-3-50 – Designation of beneficiary prior to retirement**
8. **Rule 145-3-53 – Validity of marriage**
9. **Rule 145-3-81 – Military service**
10. **Rule 145-3-82 – Purchase of service credit by member-directed plan members**

II. Five Year Review Rules – Amendments for consolidation

1. **Rule 145-1-90 – Consolidation of the combined plan into the traditional pension plan**
2. **Rule 145-3-02 – Combined and member-directed plan provisions**
3. **Rule 145-3-10 – Application by a participant for refund of contributions**
4. **Rule 145-3-13 – Beneficiary and payment plan changes after retirement**
5. **Rule 145-3-14 – Designation of beneficiaries under the multiple-life plan**
6. **Rule 145-3-15 – Calculation of amount due retirant with multiple beneficiaries under the multiple-life plan**
7. **Rule 145-3-16 – Priority of multiple court orders under the multiple-life plan**
8. **Rule 145-3-21 – Purchase of service credit by combined plan members**
9. **Rule 145-3-23 – Additional liability for service purchases in the combined plan member-directed plan**

The rules listed above have been enacted (new **145-1-90**) and amended to give effect to the CO Plan consolidation into the TP Plan.

III. Five Year Review Rules – Recissions for consolidation

1. **Rule 145-3-11 – Waiver of spousal consent**
2. **Rule 145-3-24 – Purchase of workers' compensation service**
3. **Rule 145-3-27 – Purchase of service credit pursuant to section 145.293 of the Revised Code**
4. **Rule 145-3-28 – Free military service credit**
5. **Rule 145-3-29 – Purchase of military service credit**
6. **Rule 145-3-31 – Purchase of additional service credit under section 145.201 of the Revised Code**
7. **Rule 145-3-32 – Purchase of school board member service**

8. **Rule 145-3-34 – Purchase of exempted service credit**
9. **Rule 145-3-35 – Police and fire or highway patrol service**
10. **Rule 145-3-36 – Purchase of optional service**
11. **Rule 145-3-37 – Purchase of leave of absence**
12. **Rule 145-3-38 – Cincinnati retirement system**
13. **Rule 145-3-39 – Purchase of firefighter service**
14. **Rule 145-3-41 – Application for a disability benefit**
15. **Rule 145-3-43 – Disability appeals**
16. **Rule 145-3-51 – Survivor benefits**
17. **Rule 145-3-52 – Proof of dependency**
18. **Rule 145-3-71 – Actuarial reduction factors**
19. **Rule 145-3-73 – Cost of living adjustment**
20. **Rule 145-3-75 – Death benefit payment**
21. **Rule 145-3-77 – Annual interest credited to contributor accounts in the employee savings fund**

The rules listed above have been rescinded to give effect to the CO Plan consolidation into the TP Plan. In accordance with the amendments in H.B. 33, the defined benefit portion of the CO Plan will be administered under certain provisions of the Ohio Revised Code (similar to the TP Plan) and the defined contribution portion of the Plan will be governed by the CO Plan document (see **Section VI.** below).

IV. Technical Amendments for consolidation

1. **Rule 145-1-26 – Definition of earnable salary**
2. **Rule 145-1-31 – Payment for period of non-contributing service**
3. **Rule 145-1-35 – Service purchase**
4. **Rule 145-1-37 – Eligible rollover distributions**
5. **Rule 145-1-38 – Purchase of service credit by payroll deduction**
6. **Rule 145-1-64 – Death of designated beneficiary**
7. **Rule 145-1-65 – Interim benefit payment**
8. **Rule 145-1-70 – Waiver of spousal consent**
9. **Rule 145-1-73 – Withdrawal of application for refund or money purchase or additional annuity lump sum payments**
10. **Rule 145-1-74 – Re-employment restrictions applicable to a member**
11. **Rule 145-1-75 – Re-employment of a retirant**
12. **Rule 145-1-77 – Re-employment of a member-directed or combined plan participant**
13. **Rule 145-1-80 – Effect of an applicant's death on payment plan**
14. **Rule 145-1-81 – Retirement plans**
15. **Rule 145-1-88 – Changes to election to participate**
16. **Rule 145-1-89 – Transfer of contributions under rule 145-1-88 of the Administrative Code**
17. **Rule 145-2-05 – Free credit for military service**
18. **Rule 145-2-06 – Purchase of military service credit**
19. **Rule 145-2-07 – Additional service credit under section 145.201 of the Revised Code**

20. **Rule 145-2-09 – Purchase of exempted service credit**
21. **Rule 145-2-11 – Police and fire or highway patrol service**
22. **Rule 145-2-15 – Cincinnati retirement system**
23. **Rule 145-2-40 – Benefits payable under section 145.333 of the Revised Code**
24. **Rule 145-2-44 – Selection of payment plan – spousal consent**
25. **Rule 145-2-46 – Beneficiary’s percentage under joint-life and multiple-life plans**
26. **Rule 145-2-47 – Beneficiary and payment plan changes after retirement**
27. **Rule 145-2-50 – Actuarial reduction factors**
28. **Rule 145-2-51 – Effective date of benefits**

29. **Rule 145-4-25 – Dental and vision coverage**

The rules listed above include technical amendments to give effect to the CO Plan consolidation into the TP Plan. Again, no substantive changes are included.

V. Other Amendments

1. **Rule 145-1-63 – Guardianship and power of attorney.** The amendment removes the requirement that a limited court order, issued in lieu of a guardianship, contain direct deposit routing and account numbers.

2. **Rule 145-2-43 – Additional annuity accounts.** This amendment removes the Roth IRA as a permissible “rollover in” to the OPERS additional annuity. This change is non-substantive due to current federal law.

VI. Amendment/restatement of the Combined plan document

To accommodate the consolidation, the plan document for the CO Plan has been amended (and restated) to acknowledge that the defined benefit portion of the CO Plan is now governed by statute. Sections of the plan document that were amended (or rescinded) include provisions regarding age and service retirement, disability, survivor, and death benefits and service credit purchases under the CO Plan. The provisions of the plan document that remain apply to the defined contribution portion of the CO Plan.

VII. Amendments to the Health Reimbursement Arrangement (HRA) plans

1. **Amendment Two to the OPERS Pre-Medicare HRA Plan**
2. **Amendment Two to the OPERS Medicare HRA Plan**

Certain technical amendments were made to the plan documents for the Medicare HRA and Pre-Medicare HRA to acknowledge the consolidation of the CO Plan into the TP Plan.

145-1-26

Definition of earnable salary.

(A) This rule amplifies and is in addition to the provisions of division (R) of section 145.01 of the Revised Code.

(B) As used in division (R)(1) of section 145.01 of the Revised Code and this rule:

(1) "During the year" means the calendar year or not later than one month following the calendar year in which a payment is made;

(2) "Sponsored by the employer" means the employer funded a program in whole or in part.

(C) For purposes of section 145.016 of the Revised Code, the earnable salary for each month upon which a member's service credit is allowed shall be the salary reported by the employer for all pay period end dates in each calendar month or more frequent interval.

(D) Provided the amount is not otherwise excluded from earnable salary under section 145.01 of the Revised Code or this rule, for the purposes of the calculations required pursuant to sections 145.47, 145.48, and 145.49 of the Revised Code, a public employee's salary, wages, or earnings shall include amounts:

(1) Treated as deferred income for federal income taxation under Internal Revenue Code section 401(k), 403(b) or 457;

(2) Designated by the employer as picked-up contributions under Internal Revenue Code section 414(h)(2) by either a salary reduction method or the gross salary under a fringe benefit method; or

(3) Not treated as income for federal income taxation under Internal Revenue Code section 125 except as provided in paragraph (F)(5) of this rule.

(E) For purposes of section 145.01 of the Revised Code and this rule:

(1) "Conversion program" means the employer's annual program for conversion of sick leave, personal leave, and vacation leave, as described in division (R)(1) (b) of section 145.01 of the Revised Code, and that meets all of the following:

(a) The retirement system has received a copy of the employer's resolution, meeting minutes, or other formal documentation detailing the terms and adoption of the conversion program;

(b) The documentation described in paragraph (E)(1)(a) of this rule is submitted annually to the public employees retirement system not later than

December thirty-first of the year for which the program applies to determine compliance with section 145.01 of the Revised Code and this rule;

(c) Payments under the conversion program are not issued before the retirement system reviews and approves the program;

(d) Participation in the program is not based on the member's service credit in the retirement system or an agreement to retire.

(2) Earnable salary shall be reported on a report of retirement contributions for the year in which such payment was accrued.

(3) "Leave accrued, but not used" means any leave accrued during the calendar year, less any leave used in the calendar year.

(F) The following payments made by the public employer are "earnable salary":

(1) Payments for overtime worked and payments for accrued but unused compensatory time for overtime worked if such payments are made during the year in which the compensatory time is accrued.

(2) Payments made annually or more frequently as a supplement for longevity of service.

(3) Stipends paid to a student that are subject to federal income taxation.

(4) Payments made for assuming call or stand-by responsibility.

(5) Payments made in lieu of salary, wages, or other earnings for sick leave used under a donated sick leave program.

(6) Any other payment subject to a determination under rule 145-1-09 of the Administrative Code.

(G) The following payments made by the public employer are not "earnable salary":

(1) Payments made by the employer for accrued overtime worked or for compensatory time for overtime worked that are made at any time other than in the year in which the overtime or compensatory time is accrued.

(2) Payments made by the employer as a residency bonus to employees.

- (3) Payments made pursuant to an agreement and representing either one-time lump-sum payments or bonus payments made periodically but not related to or not made upon the basis of the individual employee's basic rate of pay.
 - (4) Retroactive payments made by the employer within thirty-six or sixty months of the employee's effective date of retirement, as determined by the number of years used in the calculation of the employee's final average salary under section 145.017 of the Revised Code, and with an understanding that the employee would retire.
 - (5) Monetary amounts that are in excess of the employee's gross salary paid in lieu of a fringe benefit or a cash value placed on that fringe benefit.
 - (6) The amount in excess of gross salary paid under a fringe benefit method as picked-up contributions under Internal Revenue Code section 414(h)(2).
 - (7) Stipends paid to a student that are not subject to federal income taxation.
 - (8) Payments made as honoraria that means a nominal payment made for services for which there is no binding legal obligation to pay.
 - (9) Payments made as fees or commissions that are fixed charges or calculated as a percentage of an amount, including but not limited to, percentages of sales, tips, amounts paid to individuals who serve on a fee basis or compensation on a per page, per meeting, per inspection, or per emergency response event.
 - (10) Payments paid by the employer to an individual who is not a public employee.
 - (11) Payments for accrued, but unused sick leave, personal leave, or vacation leave that are made at the time of termination of employment.
 - (12) Reimbursement for expenses.
 - (13) Any other payment subject to a determination under rule 145-1-09 of the Administrative Code.
- (H)
- (1) If a member or retirant is reinstated without interruption or loss of time to the member or retirant's former or comparable position of employment and awarded back wages pursuant to a final court order, arbitration or personnel board of review order, grievance award, or other settlement or order, the earnable salary upon which employee and employer contributions are due is the earnable salary that would have been due the employee for the entire period

of reinstatement. "Comparable position" includes positions with similar titles, grades, classifications, occupational categories or salaries.

- (a) Employee and employer contributions shall be reported and paid in the same amount as would have been contributed if the member or retirant had been reported to the retirement system during the period of reinstatement. If the member or retirant is reinstated to a comparable position, contributions for the period of reinstatement are based on the salary of the comparable position. If the amount of earnable salary cannot be reasonably determined, then the amount shall be the average earnable salary during the twelve-month period immediately preceding the date of termination.
 - (b) If a member had previously taken a refund of the member's accumulated contributions pursuant to section 145.40 of the Revised Code or article VIII of the combined plan document at the time of termination, the member may purchase the refunded service pursuant to section 145.31 of the Revised Code or rule 145-3-22 of the Administrative Code.
 - (c) If a member on or after the date of termination, applied for and received a benefit pursuant to section 145.32, 145.33, 145.332, ~~145.335~~, 145.35, 145.36, 145.361, 145.37, or 145.46 of the Revised Code, ~~article IX or X of the combined plan document~~, or article IX of the member-directed plan document, and any period of reinstatement is concurrent with a period for which the member received a benefit, section 145.362, 145.38, 145.382, or 145.383 of the Revised Code, whichever is applicable, shall apply.
- (2) If a member or retirant is awarded additional earnable salary pursuant to a final court order, arbitration or personnel board of review order, grievance award, or other settlement or order for any period of employment for which contributions were made, the earnable salary upon which employee and employer contributions are due is the additional earnable salary that would have been due for the period of the award. Employee and employer contributions shall be reported and paid in the same amount as would have been contributed if the member or retirant had been reported to the retirement system during the period of employment.
- (I)
- (1) Prior to remitting deductions on compensation on which there is a question of whether such compensation is earnable salary, the employer shall request a determination by the retirement board.

- (2) If the employer fails to request a prior determination and the board determines the salary, wage or earning to be earnable salary, then the employer shall be liable for employee and employer contributions pursuant to section 145.483 of the Revised Code if no deductions have been remitted.
- (3) If the employer fails to request a prior determination and the board determines the salary, wage or earning is not earnable salary, then the retirement system may do either of the following:
 - (a) Except as provided in paragraph (I)(3)(b) of this rule, refund up to a maximum of the current year plus three full calendar years of contributions prior to the current year;
 - (b) For a member who is within one year of attaining age and service retirement eligibility, refund not more than twelve months of contributions.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.01, 145.09
Rule Amplifies: 145.01, 145.016, 145.47, 145.48, 145.49
Prior Effective Dates: 06/18/1986 (Emer.), 08/28/1986, 05/27/1988,
10/31/1988, 03/17/1989, 08/31/1991, 08/31/1992,
06/01/1996, 09/27/1997, 11/02/2000, 01/01/2003,
01/01/2006, 01/01/2007, 01/01/2012, 01/07/2013
(Emer.), 03/24/2013, 01/01/2014, 07/01/2014,
01/01/2016, 01/01/2021

145-1-31

Payment for periods of noncontributing service.

(A) This rule amplifies section 145.483 of the Revised Code.

(B) For purposes of this rule:

- (1) "Exempt" means exempt from membership in the public employees retirement system pursuant to Chapter 145. of the Revised Code as effective during the period of noncontributing service and for which there is a properly executed written exemption.
- (2) "Excluded" means excluded from membership in the retirement system because Chapter 145. of the Revised Code specifically excludes a person, or the person is not a public employee.
- (3) "Noncontributing service" means a period of employment or service for which employee contributions pursuant to section 145.47 of the Revised Code were due, but not deducted by an employer, because the service was neither exempt nor excluded.
- (4) "Properly executed written exemption" means an exemption form provided by the retirement system, that was signed by both the employee and employer, received by the retirement system within one month from the date employment began, and approved by the retirement system.

(C) An employer that failed to deduct employee contributions from a public employee during a period of employment, after January 1, 1935, for state employees or after July 1, 1938, for all other employees, for which employee contributions were required shall certify the earnable salary for such noncontributing service period on a form provided by the retirement system. This certification must be based on records available to the employer.

(D)

- (1) After receipt of the employer's certification, the retirement system shall prepare an employer billing statement for employee and employer contributions and interest for the period of noncontributing service.
- (2) Interest shall be calculated through the end of the year preceding the date of the employer billing statement.
- (3) The amount of employee contributions shall be calculated using the employee contribution rate, earnable salary and maximum contribution limits in effect during the period of noncontributing service.

- (4) The amount of employer contributions shall be calculated using the employer contribution rate in effect during the period of noncontributing service.
 - (5) The employer is liable for the total amount due in the employer billing statement.
 - (6) If the amount contained in the employer billing statement is not paid, it shall be added to the employer's monthly billing summary.
 - (7) Service credit for the period of non-contributing service shall be granted to the member on the earlier of the date the system receives payment in full from the employer or the due date of the employer billing statement described in paragraph (D) (5) of this rule.
- (E)
- (1) An employer shall not be billed for a period of noncontributing service which occurred before a period of contributing service for which a member received a refund of the member's accumulated contributions, pursuant to section 145.40 of the Revised Code or Article VIII of the combined plan document, until the member has made a redeposit of the refund, pursuant to section 145.31 of the Revised Code or rule 145-3-22 of the Administrative Code.
 - (2) The following applies when an employee who is or was exempt from membership pursuant to section 145.03 of the Revised Code with a public employer also has noncontributing service and is an employee with the same public employer.
 - (a) Absent a written exemption, the period of noncontributing service shall be billed to the employer pursuant to section 145.483 of the Revised Code and this rule.
 - (b) An employer shall not be billed for periods of exempt service that are subsequent to a period of noncontributing service unless the subsequent period of exempt service begins within three months from the last date of compensation for the noncontributing service.
 - (c) Once the service credit is granted to the member as described in paragraph (D)(7) of this rule, a properly executed written exemption will no longer be accepted by the retirement system.
 - (3) A member who has service that was exempt and not billed to an employer may purchase such exempt service pursuant to section 145.28 of the Revised Code and PERS rules.
- (F) Except as provided in paragraph (F)(4) of this rule:

- (1) Employee contributions paid by the employer pursuant to section 145.483 of the Revised Code and this rule shall be held in the employers' accumulation fund as defined in division (B) of section 145.23 of the Revised Code.
- (2) Employee contributions paid by the employer, pursuant to section 145.483 of the Revised Code and this rule, shall be refunded to such employer in the event the member receives a refund of the member's accumulated contributions pursuant to section 145.40 of the Revised Code, a distribution under article VIII of the combined plan document, or a payment under division (H) of section 145.384 of the Revised Code. Amounts paid for employer contributions, interest or other fees, pursuant to section 145.483 of the Revised Code, shall remain with the retirement system.
- (3) The employer that received employee contributions, pursuant to paragraph (F)(2) of this rule, shall be liable for a return of such employee contributions if the employee again becomes a member of the retirement system and either makes a redeposit pursuant to section 145.31 of the Revised Code or rule 145-3-22 of the Administrative Code. The retirement system shall bill the employer for the employee contributions plus interest calculated from the date of the refund through the end of the year preceding the date of the statement.
- (4)
 - (a) For members participating in the member-directed plan, employee contributions and interest paid by the employer pursuant to section 145.483 and this rule shall be held in the member's employer contribution account, as defined in section 1.19 of the member-directed plan document. The amount credited to the member's employer contribution account pursuant to section 145.483 of the Revised Code shall vest in accordance with section 7.02 of the member-directed plan document. If the member receives a distribution under article ~~VII~~ VIII of the member-directed plan document, the non-vested portion of the employee contributions shall be refunded to the employer.
 - (b) For members participating in the member-directed plan, employer contributions and interest paid by the employer pursuant to section 145.483 of the Revised Code and this rule shall be credited to the member's employer contribution account, as defined in section 1.19 of the member-directed plan document, and the retiree medical account, as defined in rule 145-4-01 of the Administrative Code, in the percentages determined by the OPERS board. The amount credited shall vest in accordance with the relevant provisions of the member-directed and retiree medical account plan documents. If the member receives a

distribution under article VIII of the member-directed plan document, the non-vested portion of the amounts paid for employer contributions, corresponding interest or other fees pursuant to section 145.483 of the Revised Code shall be transferred as described in section 7.04 of the member-directed plan document or section 4.02 of the retiree medical account plan document, as applicable.

- (G) If a member has contributions in more than one retirement plan, the contributions paid by the employer pursuant to section 145.483 of the Revised Code shall be credited to the plan in which the noncontributing service would have been earned, if it were remitted at the time the service occurred. If the member no longer has contributions in the retirement plan in which the noncontributing service would have been earned, the contributions paid by the employer pursuant to section 145.483 of the Revised Code shall be credited to the plan in which the member is now contributing.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.47, 145.48, 145.483, 145.49
Prior Effective Dates: 12/20/1972, 11/02/1991, 10/04/1993, 05/03/1997,
11/02/2000, 01/01/2003, 01/01/2006, 01/01/2009,
07/11/2009, 01/01/2016, 07/01/2016 (Emer.),
09/01/2016, 01/01/2019, 01/01/2020

145-1-35

Service purchase.

(A) For purposes of Chapter 145. of the Revised Code and Chapters 145-1 to 145-4 of the Administrative Code:

(1) "Service purchase" means both of the following:

(a) For members participating in the traditional pension plan, payment for the purchase of service credit pursuant to section 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.299, 145.2915, 145.301, 145.302, 145.31, or 145.47 of the Revised Code, former section 145.295, 145.2911, or 145.2913 of the Revised Code as they existed prior to January 7, 2013, or rule 145-2-18 of the Administrative Code.

(b) For members participating in the combined plan, payment for the purchase of service credit pursuant to section 145.20, 145.201, ~~145.28~~, 145.291, 145.292, 145.293, 145.299, 145.2915, ~~145.301~~, 145.302, or 145.47 of the Revised Code, former section 145.295, 145.2911, or 145.2913 of the Revised Code as they existed prior to January 7, 2013, or rule 145-3-21, 145-3-22, or 145-3-40 of the Administrative Code, ~~or section 3.11 or 3.12 of the combined plan document.~~

(2) "One-time or lump-sum payment" means a service purchase that is the full cost of the service credit a member elects to purchase and is paid directly to the public employees retirement system.

(3) "Partial payment" means a service purchase that is less than the full cost of the service credit a member elects to purchase and is paid directly to the retirement system.

(4) "Payroll deduction" means a service purchase made pursuant to section 145.294 of the Revised Code and rule 145-1-38 of the Administrative Code.

(5) A "statement of cost" means a bill prepared by the retirement system stating the cost of the service credit to be purchased. If a statement of cost described in this paragraph is not paid in full prior to its expiration, the member may complete the purchase of the remaining service credit by a lump sum or one-time partial payment of the cost, as recalculated by the system at the time of the final payment.

(6) "Sixty-month amortization amount" means the monthly dollar amount necessary to complete a service purchase prior to the expiration of a statement of cost.

(B) A member participating in the traditional pension plan or combined plan may make a service purchase, pursuant to Chapter 145. of the Revised Code and Chapters 145-1 to 145-4 of the Administrative Code and federal Internal Revenue Code section 415, either directly to the retirement system or by payroll deduction. A statement of cost issued on or after July 7, 2013, shall expire not later than five years after the date of the first payment or first deduction.

(C)

(1) Except as otherwise provided in Chapter 145. of the Revised Code, the interest rate to be used in calculating the cost of a service purchase shall be six per cent compounded annually. Beginning on January 1, 2014, the interest rate shall be a per cent equal to the assumed actuarial rate of interest compounded annually. Interest shall be calculated under the applicable Revised Code section from the first date through the end of the month of payment.

(2) Interest shall be applied to unpaid balances of service purchases by partial payment or payroll deduction at a rate equal to the assumed actuarial rate of interest compounded annually after the first payment or deduction. Interest shall be calculated from the date of the first payment through the last day of the month in which the cost statement expires.

(3) The public employees retirement board may adjust the interest rates in paragraphs (C)(1) and (C)(2) of this rule. If adjusted, the new interest rate shall apply to any statement of cost issued or initial payroll deduction begun after the adjustment.

(D) If the retirement system is required to apply the member's contribution rate at the time the service occurred against the member's earnable salary in calculating the cost of a service purchase, such rate shall not exceed the maximum employee contribution limits that were applicable at the time the service occurred.

(E)

(1) Service credit shall be granted following receipt of all lump-sum payments, partial payments, or payroll deductions received in a month.

(2) Except as otherwise provided in Chapter 145. of the Revised Code, when a member makes a service purchase by partial payment or by payroll deduction, interest at a per cent equal to the assumed actuarial rate of interest compounded annually shall be applied to the unpaid balance. The minimum payment accepted by the system shall be the greater of one hundred dollars or the sixty-month amortization amount. The system may recalculate the sixty-month amortization amount when the member's payment or payments cause a material

increase or reduction in the sixty-month amortization amount, as determined by the system. Service credit shall be granted by multiplying the service credit not yet purchased by a fraction having as the numerator the payment amount less current interest paid and as the denominator the unpaid balance on which the current interest was calculated.

(F)

In addition to the requirements specified in paragraph (B) of this rule, all service purchases shall be completed prior to issuance of the initial benefit payment. Subject to the requirements specified in paragraph (B) of this rule, a disability benefit recipient may purchase service credit after the issuance of the initial benefit payment while on a leave of absence described in section 145.362 of the Revised Code. Any service purchased by a disability benefit recipient during the leave of absence described in this paragraph shall take effect on the first day of the month following the date of purchase.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.294, 145.80, 145.82
Rule Amplifies: 145.01, 145.20, 145.201, 145.28, 145.29, 145.291, 145.292, 145.293, 145.294, 145.299, 145.301, 145.302, 145.31, 145.47, 145.81
Prior Effective Dates: 08/20/1976, 01/01/1978, 12/14/1989, 05/29/1995, 11/02/1996, 09/27/1997, 09/27/1998, 03/27/1999, 02/03/2000, 03/22/2002, 01/01/2003, 12/24/2004, 01/01/2006, 07/01/2007 (Emer.), 08/09/2007, 01/12/2008, 04/01/2008 (Emer.), 06/23/2008, 01/01/2012, 01/07/2013 (Emer.), 03/24/2013, 07/07/2013 (Emer.), 09/16/2013, 05/08/2014, 01/01/2015, 03/23/2015 (Emer.), 06/06/2015

145-1-37

Eligible rollover distributions.

(A) For purposes of this chapter, "eligible rollover distribution" or "rollover distribution" means any amount that qualifies as an eligible rollover distribution under section 402(c)(4) of the Internal Revenue Code of 1986, 26 U.S.C.A. 415, and paid to a member or the surviving spouse of the member from:

- (1) Another employer plan qualified under section 401(a) of the Internal Revenue Code;
- (2) An individual retirement account, or annuity other than an endowment contract, under section 408 of the Internal Revenue Code;
- (3) A governmental deferred compensation plan under section 457 of the Internal Revenue Code;
- (4) An annuity plan under section 403(a) of the Internal Revenue Code; or
- (5) A tax-sheltered annuity qualified under section 403(b) of the Internal Revenue Code.
- (6) A governmental plan under section 414(d) of the Internal Revenue Code.
- (7) A keogh plan under section 410 of the Internal Revenue Code of 1986, 26 U.S.C.A. 410.

(B)

(1) The public employees retirement system may accept eligible rollover distributions for the purchase of service credit pursuant to section 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.295, 145.299, 145.2911, 145.2913, 145.301, 145.302, 145.31, or 145.47 of the Revised Code, ~~section 3.11 or 3.12 of the combined plan document,~~ or the deposit to an additional annuity account pursuant to section 145.62 of the Revised Code.

(2)

- (a) A member or surviving spouse must be otherwise eligible to purchase the service credit or deposit to an additional annuity account pursuant to Chapter 145. of the Revised Code and Chapters 145-1 to 145-4 of the Administrative Code.
- (b) A retirant reemployed under section 145.38, 145.382, or 145.383 of the Revised Code may only use a rollover distribution to deposit into an additional annuity account.

- (3) The retirement system shall accept rollover distributions for a purchase of service that is made only by post-tax payroll deduction, partial, or one-time lump-sum payment as defined in rule 145-1-35 of the Administrative Code.
- (4)
 - (a) If the amount of the rollover distribution received by the retirement system exceeds the cost of the service to be purchased, the amount in excess shall be returned to the financial institution that transmitted the rollover.
 - (b) If the financial institution will not accept the excess rollover amount, the retirement system shall pay the amount in excess to the member. Any amount that the retirement system cannot return to the financial institution or member shall be deposited in an additional annuity account or the member's rollover account, as appropriate based on the member's retirement plan.
- (C) An eligible rollover distribution of a member participating in the member-directed plan shall be credited to the member's rollover account, as defined in section 1.31 of the member-directed plan document.
- (D) An eligible rollover distribution of a member participating in the combined plan may be:
 - (1) Credited to the member in the member's rollover account, as defined in section 1.35 of the combined plan document; or,
 - (2) If used to purchase any service credit available under the combined plan, as described in rule 145-3-21 of the Administrative Code, credited to the member in the employee's savings fund or any other appropriate fund under section 145.23 of the Revised Code.
- (E) Any non-taxable portion of an eligible rollover distribution to a member of the combined plan or member-directed plan shall be treated in accordance with section 5.01 of the member-directed or combined plan document.
- (F) A member who is entitled to a distribution from this retirement system that qualifies as an eligible rollover distribution pursuant to sections 401(a)(31) and 402(f)(2)(A) of the Internal Revenue Code may request that the distribution be paid in a direct rollover to another eligible retirement plan to the extent permitted by section 401(a)(31) of the Internal Revenue Code.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.80, 145.82
Rule Amplifies: 145.01, 145.20, 145.201, 145.23, 145.28, 145.29,
145.291, 145.292, 145.293, 145.295, 145.299,
145.2911, 145.2913, 145.301, 145.302, 145.31,
145.452, 145.47, 145.62, 145.81
Prior Effective Dates: 12/06/1993, 11/02/1996, 03/27/1999, 01/01/2002
(Emer.), 03/22/2002, 01/01/2003, 01/01/2006,
04/06/2007 (Emer.), 07/01/2007, 01/01/2012,
01/07/2013 (Emer.), 03/24/2013, 07/07/2013 (Emer.),
09/16/2013, 01/01/2016, 01/01/2021

145-1-38

Purchase of service credit by payroll deduction.

(A)

- (1) A member of the public employees retirement system who is participating in the traditional pension plan may purchase service credit by post-tax payroll deduction, pursuant to this rule, rule 145-2-18 of the Administrative Code, section 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.301, 145.302, or 145.31, of the Revised Code, or former section 145.295 or 145.2911 of the Revised Code as they existed prior to January 7, 2013.
- (2) A member who is participating in the combined plan may purchase service credit by post-tax payroll deduction pursuant to this rule, rule 145-3-40 of the Administrative Code, section 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.301, or 145.302 of the Revised Code, or former section 145.295 or 145.2911 of the Revised Code as it existed prior to January 7, 2013, ~~or section 3.11 or 3.12 of the combined plan document.~~
- (3) Under a plan that is in compliance with Internal Revenue Code section 414(h) (2), a member may complete a purchase of service credit by pre-tax payroll deduction with amounts designated by the member's employer as picked-up contributions which is also known as an irrevocable pre-tax payroll deduction agreement as permitted by paragraph (E)(2) of this rule.
- (4) A member may purchase service credit in any combination of lump sum payment, partial payment, or post-tax payroll deductions.

(B)

- (1) Upon a member's request for purchase of service credit by post-tax payroll deduction the retirement system shall prepare a service purchase payment option form that is in compliance with rule 145-1-35 of the Administrative Code and states all of the following:
 - (a) The service to be purchased;
 - (b) The total cost of the service credit to be purchased;
 - (c) Alternate plans of monthly payments.
- (2) The member shall complete such service purchase payment option form by marking a plan of payment, stating the amount of service to be purchased, signing the form, and returning the form to the retirement system. The form shall be post-marked prior to the last date listed on the form.

- (3) A separate service purchase payment option form shall be completed for each separate type of service credit.

(C)

- (1) After receipt of the member's service purchase payment option form, the retirement system shall notify the member's employer that payroll deductions shall begin within sixty days.
- (2) The employer shall report at least monthly all members who have authorized payroll deductions on one report provided by the retirement system. Payment shall be remitted with this report. If the employer fails to timely file a report or remit payment to the retirement system, the employer shall be subject to the same penalty and interest described in section 145.47 of the Revised Code.

(D)

- (1) A member may increase or decrease the member's post-tax payroll deduction by written notice to the member's employer.
- (2) Except as provided in paragraph (E)(2) of this rule, a payroll deduction shall be terminated:
 - (a) Within thirty days after a member's written notice to the member's employer;
 - (b) Upon termination of employment;
 - (c) Upon termination of participation in the plan under which the payroll deduction commenced.
- (3) Except as provided in paragraph (E)(2) of this rule, a payroll deduction shall be suspended for any period that the payroll deduction exceeds the member's net pay.
- (4) A member may request to purchase the remainder of a service purchase that is being made by post-tax payroll deduction. Upon receipt of such request, the retirement system shall provide the member with a statement of the balance due for the remaining service credit available. A member shall notify the member's employer to terminate deductions upon payment of the balance due.

- (E) The retirement system shall accept new elections to purchase service credit by pre-tax payroll deduction, as described in paragraph (A)(3) of this rule, only if such election is received by the retirement system or post-marked on or before December 31, 2011.

- (1) A member who, on December 31, 2011, is purchasing service credit through a pre-tax deduction agreement may make an irrevocable election, on a form provided by the retirement system and received by the retirement system not later than March 31, 2012, to have the deduction agreement terminated. The member may purchase the balance of the service credit by any other method permitted by the retirement system.
- (2) A member who does not elect to terminate the pre-tax deduction agreement shall continue under the agreement for the duration of the purchase period. A member who is purchasing service credit under a pre-tax deduction agreement may not purchase the period of service subject to the agreement through any other method while the agreement is in effect. The member and employer shall not:
 - (a) Decrease or increase such payroll deduction;
 - (b) Terminate such payroll deduction unless the member has terminated employment, terminated participation in the plan under which the payroll deduction commenced, is reported by the employer as laid off for at least six consecutive months, or all of such service credit has been purchased by such payroll deduction; or
 - (c) Make a partial payment as defined in rule 145-1-35 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.80, 145.82
Rule Amplifies: 145.01, 145.20, 145.201, 145.28, 145.29, 145.291,
145.292, 145.293, 145.294, 145.301, 145.302, 145.31,
145.81
Prior Effective Dates: 12/04/1989, 12/03/1990, 11/02/1996, 02/01/1997,
03/27/1999, 01/01/2003, 01/01/2006, 07/01/2007
(Emer.), 08/09/2007, 01/01/2009, 01/01/2011,
01/01/2012, 01/07/2013 (Emer.), 03/24/2013,
07/07/2013 (Emer.), 09/16/2013, 01/01/2016,
01/01/2021

145-1-63

Guardianship and power of attorney.

- (A) For the purpose of this rule, "recipient" means a member, contributor, retirant, or beneficiary as provided in Chapter 145. of the Revised Code.
- (B) Unless expressly authorized by Ohio law or as described in this rule, the member or benefit recipient who is not subject to guardianship of the person or estate shall execute all forms and applications under his or her own power and signature, including electronic forms and signatures, and shall personally direct and manage all aspects of his or her account with the public employees retirement system.
- (C) Guardianship of estate shall be required to perform any of the following actions on behalf of a person who suffers from a legal disability as defined in division (B) or (D) of section 2131.02 of the Revised Code:
- (1) Apply for retirement on behalf of a recipient and only upon providing a court order approving the selection of the retirement plan of payment and beneficiary designation, unless expressly authorized as provided in paragraph (F)(2)(a) of this rule;
 - (2) Apply for and receive a refund that is in excess of twenty-five thousand dollars (gross) under section 145.40 of the Revised Code or article VIII of the member-directed or combined plan document on behalf of a recipient;
 - (3) Receive benefits that are in excess of twenty-five thousand dollars (gross) annually on behalf of a recipient;
 - (4) In the case of a qualified child who is eligible for a survivor benefit, only a guardian acting with the court's approval may elect to waive a survivor benefit on behalf of the qualified child; and
 - (5) Designate a beneficiary, unless expressly authorized as provided in paragraph (F)(2)(c) of this rule.
- (D) Unless guardianship has been established, a recipient who is incarcerated may continue to direct and manage his or her account or permit an attorney in fact to direct the account.
- (E) A guardian of the person is eligible to receive the account information of his or her ward, but shall not make any changes or elections regarding the account.
- (F) The following apply to the power a member or benefit recipient grants to an attorney in fact in writing and on file with the retirement system:

- (1) If authorized by general language regarding retirement plan transactions, an attorney in fact may perform the following actions:
 - (a) Authorize the release of account information;
 - (b) Provide and update bank account information for direct deposit of a recipient's benefits;
 - (c) Update the address of a recipient;
 - (d) Receive correspondence and account information on behalf of a recipient;
 - (e) Make additional deposits and purchase service credit;
 - (f) Make an initial plan selection under section 145.19 of the Revised Code or change the plan selection under section 145.814 of the Revised Code;
 - (g) Direct the OPERS investment options for participants in the combined and member-directed plans;
 - (h) Receive benefits on behalf of a recipient that do not exceed twenty-five thousand dollars (gross) annually.
 - (2) If authorized by express language regarding retirement plan transactions or health care decisions, as applicable, in a power of attorney, an attorney in fact may perform the following actions:
 - (a) Apply for retirement or other annuity on behalf of a recipient that is a joint and survivor annuity leaving one-half to the spouse if the recipient is married, a single life annuity if the recipient is single, and excluding any plan that includes a partial lump sum option payment or election to change a plan of payment;
 - (b) Apply for and receive a refund that is not in excess of twenty-five thousand dollars (gross) under section 145.40 of the Revised Code or article VIII of the member-directed or combined plan document on behalf of a recipient;
 - (c) Designate a beneficiary under section 145.384, 145.43, 145.431, 145.451, or 145.64 of the Revised Code;
 - (d) Make health care decisions and changes.
- (G) In lieu of guardianship, a court of competent jurisdiction may issue a limited order pursuant to section 2111.02, 2111.021, 2111.05 or 2111.131 of the Revised Code or a

comparable non-Ohio statute that directs the retirement system to issue a recipient's payment to a specific person, ~~or entity,~~ or financial institution and specifies the address ~~and direct deposit routing and account numbers for the financial institution to receive~~ to which such payment and other correspondence shall be issued.

- (H) The retirement system shall accept the direction of the guardian of the estate or attorney in fact until such time as the retirement system receives a copy of the court order terminating the guardianship or the written instrument signed by the principal that revokes the authority granted to the attorney in fact.
- (I) Payments due to minor recipients that are less than twenty-five thousand dollars (gross) annually may be issued to the natural parent caring for the recipient or the legal custodian of the recipient. After the age of eighteen, payments shall be issued directly to the recipient unless the recipient is subject to an ongoing guardianship.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.32, 145.35, 145.36, 145.361, 145.384, 145.40,
145.43, 145.431, 145.45, 145.451, 145.46, 145.64
Prior Effective Dates: 10/17/1973, 09/27/1985, 12/09/1988, 01/01/1990,
08/31/1992, 05/29/1995, 01/01/2003, 12/24/2004,
01/01/2006, 01/01/2007, 04/06/2007 (Emer.),
12/30/2007, 12/10/2012, 01/07/2013 (Emer.),
03/24/2013, 01/01/2016, 01/01/2021

145-1-64

Death of designated beneficiary.

- (A) This rule applies to a beneficiary designation in which two or more persons are designated as beneficiaries under section 145.384, 145.43, or 145.65 of the Revised Code, section ~~13.02~~ 13.01 of the combined plan document, or section 11.02 of the member-directed plan document.
- (B) The death of a designated beneficiary prior to the death of a contributor shall cancel only the designation of the deceased beneficiary. The percentage of the lump sum payment that would have been paid to the deceased beneficiary shall be apportioned equally to the contributor's remaining designated beneficiaries.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.384, 145.43, 145.65
Prior Effective Dates: 04/06/2007 (Emer.), 07/01/2007

145-1-65

Interim benefit payment.

(A) For purposes of this rule and rules 145-1-71 and 145-1-73 of the Administrative Code:

(1) "Finalized retirement benefit" means:

- (a) Any monthly benefit amount paid to a benefit recipient pursuant to section 145.32, 145.33, 145.331, 145.332, 145.335, 145.35, 145.36, 145.361, 145.37 or 145.46 of the Revised Code calculated after the receipt of the final report of retirement contributions upon which the member appears;
- (b) Any monthly benefit amount paid to a beneficiary pursuant to section 145.45 of the Revised Code calculated after the receipt of the final report of retirement contributions upon which the member appears;
- ~~(c)~~ Any monthly benefit amount paid pursuant to section 9.03 of the combined plan document calculated after the receipt of the final report of retirement contributions upon which the member appears;
- ~~(d)~~(c) Any monthly annuity paid pursuant to section 9.02 of the combined or member-directed plan documents after the receipt of the final report of retirement contributions upon which the member appears.

(2) "Interim benefit payment" means:

- (a) Any monthly benefit amount paid to a benefit recipient pursuant to section 145.32, 145.33, 145.331, 145.332, 145.335, 145.35, 145.36, 145.361, 145.37 or 145.46 of the Revised Code prior to the payment of a finalized retirement benefit;
- (b) Any monthly benefit amount paid to a beneficiary pursuant to section 145.45 of the Revised Code prior to the payment of a finalized retirement benefit;
- ~~(c)~~ Any monthly benefit amount paid pursuant to section 9.03 of the combined plan document prior to the payment of a finalized retirement benefit;
- ~~(d)~~(c) Any monthly annuity paid pursuant to section 9.02 of the combined or member-directed plan documents prior to the payment of a finalized retirement benefit.

(3) "Beneficiary" means a person qualified to receive a monthly benefit pursuant to section 145.45 of the Revised Code after the death of a member or disability recipient.

- (4) "Partial lump sum option payment" means the lump sum payment described in division (A)(2) of section 145.45; or division (E)(1) of section 145.46 of the Revised Code; ~~or section 9.03(e)(4) of the combined plan document.~~
- (5) "Initial benefit payment" means the first benefit check or payment to a member or beneficiary. In the case that more than one initial payment is disbursed from one or more of the retirement plans defined in rule 145-1-81 of the Administrative Code, the first payment issued by the retirement system shall constitute the initial benefit payment for purposes of determining whether a benefit recipient is eligible to withdraw an application.
- (B) Interim benefit payments may be paid in accordance with this rule.
- (C) A beneficiary applying for a benefit under division (A)(2) of section 145.45 of the Revised Code, or a member or contributor applying for a monthly benefit under section 145.32, 145.33, 145.331, 145.332, 145.335, 145.37, 145.46, or 145.64 of the Revised Code; ~~or section 9.03 of the combined plan document~~ that includes a partial lump sum option payment, shall receive the partial lump sum option payment no earlier than ninety days after issuance of the initial benefit payment.
- (D) A member or contributor of the public employees retirement system may receive an interim benefit payment if either of the following is fully satisfied:
- (1)
- (a) The member is eligible for retirement pursuant to section 145.32, 145.33, 145.331, 145.332, 145.335, 145.37, or 145.46 of the Revised Code or article IX of the ~~combined~~ or member-directed plan document at the time the retirement application is filed;
 - (b) The member has filed all applications, forms and documents necessary to process the retirement benefit at least thirty days prior to the effective retirement benefit date;
 - (c) The member's employer has certified the last day for which the member will receive earnable salary;
 - (d) The member or contributor who makes payment for an additional annuity, pursuant to section 145.62 of the Revised Code, has at least one hundred dollars in an additional annuity account.
- (2)

- (a) The member or contributor is eligible for disability benefits pursuant to section 145.35, 145.36, 145.361, or 145.37 of the Revised Code;
 - (b) The public employees retirement board has approved the application for disability benefits by the member or contributor; and
 - (c) In the case of a member, the member's employer has certified the last day for which the member will receive earnable salary.
- (E) A beneficiary may receive an interim benefit payment if all of the following are satisfied:
- (1) The beneficiary is eligible for a benefit pursuant to section 145.45 of the Revised Code at the time the application is filed;
 - (2) The beneficiary has filed all applications, forms and documents necessary to process the benefit.
- (F)
- (1) For benefits payable under the traditional pension plan ~~and section 9.03 of the combined plan document~~, an interim benefit payment shall be calculated using the earnable salary and service credit available in the account of a member or contributor at the time of the calculation. For a monthly annuity payment option under section 9.02 of the combined or member-directed plan document, an interim benefit payment shall be calculated using the portion of the member's individual defined contribution account specified by the member on the member's retirement application.
 - (2)
 - (a) Except as provided in paragraph (F)(3) of this rule, the retirement system shall revise the monthly benefit to which the member is entitled following the receipt of the final report of retirement contributions upon which the member appears.
 - (b) The retirement system shall revise the monthly benefit to which a beneficiary is entitled upon receipt of a report of contributions on which the deceased member appears if the contributions were not used in the calculation of the interim benefit payment. If no additional contributions are received by the retirement system, the interim benefit payment shall be the finalized retirement benefit.
 - (c)

- (i) If the finalized retirement benefit is greater than the interim benefit payment, the retirement system shall increase the current benefit and issue a retroactive payment for the difference between the prior interim benefit payment and the finalized retirement benefit.
 - (ii) If the finalized retirement benefit is less than the interim benefit payment, the retirement system shall decrease the current benefit. The benefit recipient or the beneficiary shall repay to the retirement system the amount of the overpayment of benefits. If the benefit recipient or the beneficiary fails to repay such amount, the retirement system shall withhold the amount from any benefit due the benefit recipient or the beneficiary.
- (3) Monthly additional annuity payments shall commence as described in rule 145-2-43 of the Administrative Code.
- (G) A member or a beneficiary may withdraw their application for benefits prior to receipt of the initial benefit payment by providing the retirement system with either a written request to withdraw the application over the signature of the member or beneficiary or a verbal request to withdraw the application.
- (H)
 - (1) A beneficiary applying for a benefit under division (A)(2) of section 145.45 of the Revised Code, or a member or contributor applying for a monthly benefit under section 145.32, 145.33, 145.331, 145.332, ~~145.335~~, 145.37, 145.46, or 145.64 of the Revised Code, ~~or section 9.03 of the combined plan document~~ that does not include a partial lump sum option payment may make a one-time election to receive a partial lump sum option payment, or the member or contributor may make a one-time change to their plan of payment, at any time prior to issuance of the finalized retirement benefit payment.
 - (2) A beneficiary applying for a benefit under division (A)(2) of section 145.45 of the Revised Code, or a member or contributor applying for a monthly benefit under section 145.32, 145.33, 145.331, 145.332, ~~145.335~~, 145.37, 145.46, or 145.64 of the Revised Code, ~~or section 9.03 of the combined plan document~~ that includes a partial lump sum option payment may make a one-time change to their partial lump sum option payment amount, or the member or contributor may make a one-time change to their plan of payment, at any time prior to issuance of the partial lump sum option payment or transfer of the partial lump sum option payment by the retirement system to their financial institution.

- (3) A member or contributor is ineligible to name a different beneficiary under a plan of payment selected by the member or contributor unless the member or contributor reselects or elects a different plan of payment under this rule. The spouse of a member or contributor who reselects or elects a different plan of payment shall consent on a form provided by the retirement system to the new plan of payment selected by the retirant.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.80
Rule Amplifies: 145.32, 145.33, 145.331, 145.332, 145.335, 145.35,
145.36, 145.361, 145.37, 145.43, 145.431, 145.45,
145.46, 145.64, 145.82
Prior Effective Dates: 03/30/1992, 10/31/1994, 05/29/1995, 01/01/2003,
06/20/2003, 01/01/2004 (Emer.), 02/16/2004,
12/24/2004, 01/01/2006, 10/27/2006, 04/06/2007
(Emer.), 07/01/2007, 01/12/2008, 04/01/2010,
01/01/2011, 01/07/2013 (Emer.), 03/24/2013,
09/01/2013 (Emer.), 09/16/2013, 01/01/2021

145-1-70

Waiver of spousal consent.

- (A) The public employees retirement board may waive the requirement of spousal consent upon receipt of one of the following:
- (1) A written statement of the spouse's physician certifying that the spouse is medically incapable of consent;
 - (2) On a form approved by the board, the affidavits of the contributor and at least two other persons attesting that currently and during the year prior to the contributor's application for benefits the whereabouts of the spouse are unknown.
 - (3) A court order or orders issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property requiring the contributor to designate the maximum amount payable to a joint and survivor beneficiary or beneficiaries.
- (B) The requirement of spousal consent shall be waived if a member or contributor, who is married at the time of application, does both of the following:
- (1) The member applies for age and service retirement under section 145.32, 145.33, 145.331, 145.332, 145.335, or 145.46 of the Revised Code or the contributor applies for a benefit under section 145.384 of the Revised Code;
 - (2) The member or contributor selects a joint-life plan designating the spouse of the member or contributor as the beneficiary and the percentage payable to the spouse after the death of the member or contributor is fifty per cent or greater of the member's or contributor's lesser retirement allowance or benefit.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.46
Rule Amplifies: 145.32, 145.33, 145.331, 145.332, 145.335, 145.37,
145.384, 145.40, 145.46, 145.63, 145.64
Prior Effective Dates: 08/06/1990, 02/01/1993, 09/27/1998, 11/02/2000,
04/05/2001, 01/01/2003, 01/01/2006, 10/27/2006
(Emer.), 04/06/2007 (Emer.), 07/01/2007, 01/01/2011,
01/07/2013 (Emer.), 03/24/2013, 01/01/2021

145-1-73

Withdrawal of application for refund or money purchase or additional annuity lump sum payments.

(A)

- (1) Except as provided in paragraph (A)(2), (B), or (E) of this rule, a member or contributor of the public employees retirement system may withdraw a refund application by one or more of the following methods:
 - (a) Returning all uncashed refund payments to the retirement system not later than thirty days after issuance of the initial payment, along with a written request over the member's or contributor's signature to withdraw the application;
 - (b) Remitting to the retirement system a personal check or money order repaying the refund payment(s) transmitted by or on behalf of the retirement system to the member's or contributor's financial institution not later than thirty days after the institution's receipt of the refund payment(s), along with a written request over the member's or contributor's signature to withdraw the application.
- (2) A member or contributor who requested a rollover of a refund or lump sum payment to a financial institution may withdraw the application if both of the following occur:
 - (a) The member or contributor submits to the retirement system, not later than thirty days after issuance of the initial rollover payment, a written request over the member's or contributor's signature to withdraw the application;
 - (b) The financial institution transmits to the retirement system, not later than sixty days after issuance of the initial rollover payment, the amounts transmitted to the financial institution.

(B)

- (1) Except as provided in paragraph (B)(2) or (E) of this rule, a beneficiary who elects to receive a lump sum payment of the member's contributions in lieu of a benefit pursuant to division (A) or (B) of section 145.45 of the Revised Code ~~or article XI of the combined plan document~~ may withdraw an application for that payment by one or more of the following methods:
 - (a) Returning all uncashed refund payments to the retirement system not later than thirty days after issuance of the initial payment, along with a written request over the beneficiary's signature to withdraw the application and

a completed application for a benefit under division (A) or (B) of section 145.45 of the Revised Code ~~or article XI of the combined plan document;~~

- (b) Remitting to the retirement system a personal check or money order repaying the lump sum payment(s) transmitted by or on behalf of the retirement system to the beneficiary's financial institution not later than thirty days after the institution's receipt of the lump sum payment(s), along with a written request over the beneficiary's signature to withdraw the application.
- (2) A qualified spouse who elects to rollover the member's contributions to a financial institution may withdraw a refund application if all of the following occur:
- (a) The qualified spouse submits to the retirement system, not later than thirty days after issuance of the initial rollover payment, a written request over the spouse's signature to withdraw the application;
 - (b) The qualified spouse submits to the retirement system, not later than thirty days after issuance of the initial rollover payment, a completed application for benefits pursuant to division (A) or (B) of section 145.45 of the Revised Code ~~or article XI of the combined plan document;~~
 - (c) The financial institution transmits to the retirement system, not later than sixty days after issuance of the initial rollover payment, the amounts transmitted to the financial institution.
- (C) If a member participating in the member-directed or combined plan, or the member's beneficiary, withdraws an application as provided in this rule, the member or the beneficiary is not entitled to any investment gains or losses on the amount that was paid from the member's individual defined contribution account for the period beginning on the date the retirement system converts the units in the account for payment and ending on the date the payment(s) is reestablished in the account by the retirement system as provided in this rule. The amount paid from the member's individual defined contribution account that is returned to the retirement system as provided in this rule shall be credited to the member's individual defined contribution account and invested in the same OPERS investment options and in the same proportion as the account existed immediately prior to the refund.
- (D) Any non-vested amounts forfeited by a member participating in the member-directed plan or the member's beneficiary who withdraws a refund application under this rule shall be restored to the member's individual defined contribution account or retiree medical account, as defined in rule 145-4-01 of the Administrative Code. Investment

gains and losses shall not be applied to the amounts for the period that the amounts were not in the member's individual defined contribution account.

- (E) A member, contributor, or beneficiary may not withdraw a refund application as provided in this rule if any of the following have occurred:
- (1) The retirement system has made a distribution from the retiree medical account as defined in rule 145-4-01 of the Administrative Code;
 - (2) The retirement system has paid a portion of the refund or lump sum payment to satisfy a court order.
 - (3) The retirement system has made a distribution in accordance with paragraph (E) of rule 145-1-21 of the Administrative Code.
 - (4) In the case of an application for payment under section 145.63 of the Revised Code, the member, contributor, or beneficiary fails to also withdraw the individual's application for a refund or for retirement, disability, or annuity payments under section 145.384 of the Revised Code.
- (F) A member, contributor, or beneficiary who withdraws an application for an additional annuity payment under section 145.63 of the Revised Code is not entitled to any investment gains or losses on the additional annuity account for the period beginning on the date the retirement system converts the units in the account for payment and ending on the date the account is reestablished by the retirement system. The member's additional annuity account shall be credited based on the daily value of the OPERS stable value fund on the date the account is reestablished by the retirement system.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.384, 145.40, 145.401
Prior Effective Dates: 01/01/2004 (Emer.), 02/16/2004, 01/01/2006,
04/06/2007 (Emer.), 07/01/2007, 01/12/2008,
07/01/2016 (Emer.), 09/01/2016, 01/01/2019,
01/01/2022

145-1-74

Re-employment restrictions applicable to a member.

(A) For the purpose of this rule and section 145.38 or 145.382 of the Revised Code:

- (1) "Effective retirement benefit date" means the date upon which a retirement allowance begins.
- (2) "Ohio retirement system" means public employees retirement system, state teachers retirement system, school employees retirement system, Ohio police and fire pension fund, highway patrol retirement system, and Cincinnati retirement system.

(B)

- (1) Forfeiture of a retirement allowance under section 145.38 of the Revised Code for employment in a position covered by another Ohio retirement system shall apply only to a PERS retirant whose effective retirement benefit date is on or after September 1, 1991.
- (2) A PERS retirant who has received a retirement allowance for less than two months and who becomes employed in a position covered by an Ohio retirement system shall forfeit such allowance for any month in which the PERS retirant is so employed during the two month period immediately following such retirant's effective retirement benefit date.
- (3) Notwithstanding paragraphs (B)(1) and (B)(2) of this rule, forfeiture of a retirement allowance shall not apply to a PERS retirant who is employed in a position covered by an Ohio retirement system if the retirant was continuously employed in the position for at least two months prior to the effective retirement benefit date in this system.

(C)

- (1)
 - (a) Where a member of this system who also has established membership in another Ohio retirement system or systems is terminating all employment covered by all the systems, and is electing to take a retirement benefit from one or more of the other systems as of the effective retirement benefit date, the member shall elect to:
 - (i) Apply for a benefit if eligible pursuant to section 145.32, 145.33, 145.332, ~~145.335~~, 145.37 or 145.46 of the Revised Code or article IX of the ~~combined or~~ member-directed plan document; or

(ii) Apply for a refund of contributions pursuant to section 145.40 of the Revised Code or article VIII of the combined or member-directed plan document.

(b) If, as of the effective retirement benefit date from an Ohio retirement system the member has sufficient service credit to qualify for a benefit in this system, the member's effective retirement benefit date shall be the first of the month following the later of the member's benefit date in the Ohio retirement system or attainment of eligibility for a benefit in this system, but not more than ninety days prior to receipt by the public employees retirement system of the member's completed retirement application.

(2)

(a) A member of this system who also is a member of an Ohio retirement system and who has applied for a retirement benefit in that system may continue employment in the position covered by this system, provided that contributions made to this system after the member's effective retirement benefit date in the Ohio retirement system shall accrue only a benefit as described in section 145.384 of the Revised Code.

(b) If the member does not terminate all employment as described in paragraph (C)(1)(a) of this rule, the member may, upon termination of all service, elect to apply for a refund of contributions to this system made prior to the effective retirement benefit date in the Ohio retirement system.

(c) A member described in paragraph (C)(2)(b) of this rule may elect, at any time prior to commencement of a benefit under section 145.384 of the Revised Code, to have deposited to an additional annuity account described in section 145.62 of the Revised Code the member's refund amount under paragraph (C)(2)(b) of this rule. The accrual of allowable interest shall not begin until the additional annuity account is established.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.38
Rule Amplifies: 145.38, 145.382
Prior Effective Dates: 08/01/1992, 03/17/1994, 02/03/2000, 04/05/2001,
01/01/2003, 01/01/2006, 01/07/2013 (Emer.),
03/24/2013, 03/23/2015 (Emer.), 06/06/2015,
01/01/2016, 01/01/2021

145-1-75

Re-employment of a retirant.**(A) Definitions**

For the purpose of this rule and section 145.362, 145.37, 145.38, 145.382, 145.384, or 145.385 of the Revised Code:

- (1) "PERS retirant" means any former member of the public employees retirement system who retires as provided in section 145.32, 145.331, 145.332, or 145.37 of the Revised Code and is receiving a retirement allowance as provided in section 145.33, 145.331, 145.332, 145.335, or 145.46 of the Revised Code.
- (2) "Combined retirement" means retirement based upon section 145.37 of the Revised Code.
- (3) "A contract to provide services, or for services, as an independent contractor" means an agreement that establishes a relationship in which the individual is an independent contractor and not a public employee.
- (4) "Disability benefit recipient" means an individual defined in division (N) of section 145.01 of the Revised Code.
- (5) "Employed" means the relationship between a public employer and an individual who is a public employee rather than an independent contractor.
- (6) "Other system retirant" means an individual defined in division (A)(2) of section 145.38 of the Revised Code.

(B) Elective positions

- (1) The provisions of section 145.38 of the Revised Code, and this rule shall apply to an age and service or other system retirant who is elected to an office, or is appointed to an elective office, of the state or its political subdivisions covered by this retirement system.
- (2) The provisions of section 145.362 of the Revised Code, and these rules shall apply to a disability retirant who is elected to an office of the state or its political subdivisions covered by this retirement system.

(C) Employed positions

A PERS retirant who has received a retirement allowance for less than two months and who becomes employed by a public employer shall forfeit the retirement allowance for any month in which such retirant is employed during the two month period immediately following such retirant's effective retirement benefit date.

(D) Employment by legislative authority

(1) A PERS retirant may be employed irrespective of the length of time such retirant has received a retirement benefit:

(a) In a position authorized by section 101.31, 121.03 or 121.04 of the Revised Code; or

(b) In a position to which appointment is made by the governor with the advice and consent of the senate; or

(c) As the head of a division of a state department.

(2) A retirant described in paragraph (D)(1) of this rule, upon employment, shall elect in writing to the retirement system to have such employment covered either by:

(a) Section 145.38 of the Revised Code; or

(b) Section 145.382 of the Revised Code and paragraph (D)(3) of this rule.

(3)

(a) A retirant described in paragraph (D)(1) of this rule who elects to have such employment covered by section 145.382 of the Revised Code, upon employment, shall become a member of the retirement system based upon such employment with all obligations and rights except those pursuant to section 145.45 of the Revised Code, and shall forfeit such retirant's retirement allowance.

(b) Upon termination of employment, the retirant shall have a retirement allowance recalculated based on an allowance described in section 145.33 or 145.46 of the Revised Code utilizing the retirant's original service and service after retirement covered by section 145.382 of the Revised Code.

(E) Restoration to service by a disability benefit recipient shall be governed by section 145.362 of the Revised Code and rule 145-2-22 of the Administrative Code.

(F) Determinations

A retirant or benefit recipient may request a determination from the retirement system as to the effect on the benefit of the retirant or recipient of a return to employment or restoration to service covered by Chapter 145. of the Revised Code, rule 145-2-22 of the Administrative Code, or other employment.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.38
Rule Amplifies: 145.362, 145.37, 145.38, 145.382
Prior Effective Dates: 02/19/1960, 09/06/1988, 08/01/1992, 02/01/1993,
03/17/1994, 01/31/1998, 08/01/1998, 04/05/2001,
02/14/2002, 01/01/2003, 01/01/2006, 01/01/2007,
01/01/2009, 07/11/2009, 01/07/2013 (Emer.),
03/24/2013, 05/08/2014, 11/06/2014, 01/01/2016,
01/01/2022

145-1-77

Reemployment of member-directed or combined plan participant.

- (A) This rule amplifies sections 145.38 and 145.384 of the Revised Code and rules 145-1-74 to 145-1-76 of the Administrative Code.
- (B) As used in rule 145-1-74 of the Administrative Code, "PERS retirant" includes a member or former member of the public employees retirement system who is or has received a payment under section 145.335 of the Revised Code or article IX of the combined plan document or member-directed plan document, and has not withdrawn the application for retirement pursuant to rule 145-1-71 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.38, 145.384
Prior Effective Dates: 01/01/2003, 01/01/2006, 01/07/2013 (Emer.),
03/24/2013, 03/23/2015 (Emer.), 06/06/2015

145-1-80

Effect of applicant's death on payment plan.

- (A) If a member has filed an application for retirement pursuant to section 145.32, 145.33, 145.331, 145.332, 145.335, 145.37 or 145.46 of the Revised Code or article IX of the ~~combined or member-directed plan documents~~document and the member's death occurs subsequent to the effective retirement benefit date, the beneficiary and benefit payable shall be determined by the plan of payment and beneficiary designated by the member on the application for retirement benefits.
- (B) If a PERS retirant or other system retirant as defined in section 145.38 of the Revised Code, or a retirant described in section 145.382, or 145.383 of the Revised Code has filed an application for a benefit pursuant to section 145.382, 145.383 or 145.384 of the Revised Code, and the retirant dies subsequent to the effective date of the benefit, the benefit payable to the beneficiary shall be determined by the plan specified by the retirant on the application.

Effective:

Five Year Review (FYR) Dates: 9/25/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.38
Rule Amplifies: 145.32, 145.33, 145.331, 145.332, 145.335, 145.37,
145.38, 145.382, 145.383, 145.384, 145.46
Prior Effective Dates: 02/15/1967, 08/06/1990, 02/03/1992, 02/01/1993,
11/02/2000, 03/22/2002, 01/01/2003, 06/06/2005
(Emer.), 08/11/2005, 01/01/2009, 01/07/2013 (Emer.),
03/24/2013

145-1-81

Retirement plans.

(A) As used in Chapters 145-1 to 145-4 of the Administrative Code:

- (1) "Traditional pension plan" means the PERS defined benefit plan established under sections 145.201 to 145.70 of the Revised Code.
- (2) "Combined plan" means the PERS combined defined benefit/defined contribution plan ~~established under section 145.81~~ defined in section 145.196 of the Revised Code. Unless specifically identified otherwise within the text of the Administrative Code, references to the combined plan document refer to the version that includes amendments adopted through January 1, ~~2022~~2024.
- (3) "Member-directed plan" means the PERS defined contribution plan established under section 145.81 of the Revised Code. Unless specifically identified otherwise within the text of the Administrative Code, references to the member-directed plan document refer to the version that includes amendments adopted through January 1, ~~2022~~2024.

(B) The text of the combined and member-directed plan documents shall not be incorporated into this or any other rule of the Administrative Code. Current versions of the plan documents are available on the web site of the public employees retirement system at www.opers.org.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81
Prior Effective Dates: 01/01/2003, 01/01/2006, 05/08/2014, 03/23/2015
(Emer.), 06/06/2015, 04/18/2016, 01/01/2017,
01/01/2021, 01/01/2022

145-1-88

Changes to election to participate.

(A) This rule amplifies section 145.814 of the Revised Code and section 2.03 of the combined and member-directed plan documents.

(B) As used in this rule and rules 145-1-89, 145-2-18, and 145-3-40 of the Administrative Code:

(1) "Eligible member" has the same meaning as in section 145.814 of the Revised Code and includes a member who was not eligible to make an election under section 145.19 or 145.191 of the Revised Code due to the member's status as a law enforcement or public safety officer and who is not currently contributing as a law enforcement or public safety officer;

(2) "Amount on deposit" means the sum of the amounts available to a member to purchase service credit in the member's new plan as described in section 6.01 of the combined plan or section 6.01 or 6.02 of the member-directed plan.

(C)

(1) As used in this rule, "total service credit" means the sum of a member's service credit in the traditional pension plan, service credit in the combined plan, and contributing months in the member-directed plan.

(2) Subject to the requirements of this rule and rule 145-1-89 of the Administrative Code, in addition to the enrollment period described in sections 145.19 and 145.191 of the Revised Code, an eligible member who is actively contributing to the retirement system may elect to participate in a different plan as follows:

(a) For elections effective on or before July 1, 2015, during the following periods of service as a public employee:

(i) Once prior to attaining five years of total service credit;

(ii) Once after attaining five and prior to attaining ten years of total service credit;

(iii) Once after attaining ten years of total service credit.

An election that is not used within the specified time period may not be made in a subsequent time period.

(b) For elections effective on and after August 1, 2015, once at any time prior to retirement under any of the plans defined in rule 145-1-81 of the Administrative Code or a refund from the member's current plan.

- (c) For elections effective on and after January 1, 2022, an eligible member will no longer be permitted to elect to participate in the combined plan.
- (D) Except as provided in rule 145-1-89 of the Administrative Code, an election under this rule applies only to employer and employee contributions made after the effective date of the election.
- (E) An election to transfer ~~to the traditional pension plan~~ under section 10.03(a) of the combined plan document for the payment of a disability benefit is irrevocable. Any member that returns to service as a public employee following receipt of a disability benefit ~~shall remain a member of the traditional pension plan and~~ is not eligible to make an election under paragraph (C) of this rule.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.814
Prior Effective Dates: 01/01/2003, 11/15/2003, 01/01/2006, 01/01/2009,
01/01/2011, 07/07/2013 (Emer.), 09/16/2013,
03/23/2015 (Emer.), 06/06/2015, 01/01/2016,
01/01/2021, 01/01/2022

145-1-89

Transfer of contributions under rule 145-1-88 of the Administrative Code.

- (A) This rule amplifies section 145.814 of the Revised Code and sections 2.03 and 2.04 and article VI of the combined and member-directed plan documents.
- (B) Except as provided in paragraph (C) of this rule, an eligible member who elects a different plan under rule 145-1-88 of the Administrative Code may have the amounts on deposit for the prior plan transferred in accordance with the member's new plan if one of the following applies:
- (1) The member, by an election under rule 145-1-88 of the Administrative Code, will cease participation in the member-directed plan and begin participating in the traditional pension plan;
 - (2) The member, by an election under rule 145-1-88 of the Administrative Code, will cease participating in the combined plan and begin participating in the traditional pension plan.
- (C) For an election under rule 145-1-88 of the Administrative Code that is effective on or before July 1, 2015, the eligible member may transfer the amounts described in paragraph (B) of this rule to the member's new plan not later than one hundred eighty days after the effective date of the election. For an election that is effective on and after August 1, 2015, an eligible member may transfer such amounts at any time prior to retirement or distribution under any of the plans defined in rule 145-1-81 of the Administrative Code or a refund from the member's current plan.
- (D) For a member described in paragraph (B)(1) or (B)(2) of this rule ~~who will begin participating in the traditional pension plan~~, the amount on deposit shall be transferred in accordance with rule 145-2-18 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.814
Prior Effective Dates: 01/01/2003, 03/23/2015 (Emer.), 06/06/2015,
01/01/2021, 01/01/2022

145-1-90**Consolidation of the combined plan into the traditional pension plan.**

- (A) This rule amplifies section 145.196 of the Revised Code.
- (B) Pursuant to the authority specified in section 145.196 of the Revised Code, the combined plan shall be consolidated into the traditional pension plan effective January 1, 2024, for administrative and accounting purposes.
- (C) For the purpose of administering the individual account, as defined in section 145.196 of the Revised Code, in a manner consistent with PERS defined contribution plan, the plan document for the combined plan described in rules 145-3-01 and 145-3-02 of the Administrative Code shall remain in effect on and after the date of consolidation.
- (D) As used in Chapter 145. of the Administrative Code, all refererences to the "combined plan" mean the combined plan consolidated into the traditional pension plan as described in section 145.196 of the Revised Code and division (B) of this rule.

Effective:

Five Year Review (FYR) Dates:

Certification

Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.196
Rule Amplifies:	145.196

145-2-05

Free credit for military service.

(A) This rule amplifies section 145.30 of the Revised Code.

(B) Definitions

(1) "Maintained membership" means any of the following:

- (a) The member's contributions remained with the public employees retirement system during the military service;
- (b) The member's accumulated contributions before the member's military service were refunded pursuant to section 145.40 of the Revised Code or Article VIII of the combined plan and redeposited pursuant to section 145.31 of the Revised Code or rule 145-3-22 of the Administrative Code; ~~or~~
- (c) The member was exempt from membership or not a contributor to the retirement system before the member's military service, but Chapter 145. of the Revised Code authorizes a retroactive payment to establish membership before the member's military service.

(2) "Military service" means active duty in the branches of the armed forces as defined in section 145.30 of the Revised Code.

(3) "Total service credit as defined in section 145.01 of the Revised Code of twenty years" means twenty years of Ohio credit exclusive of military or uniformed service.

(4) "Was a member" means membership before the member's military service was established in the same manner as defined in paragraph (B)(1) of this rule.

(5) "Was or is out of active service as a public employee by reason of having become a member of the armed forces" means:

- (a) On or before November 13, 1965, the member established membership in the retirement system with one deduction and no more than three months had elapsed between the termination of the member's contributing service and the date the member entered military service.
- (b) After November 13, 1965, the member established one year of service credit in the retirement system and no more than three months have elapsed between the termination of the member's contributing service and the date the member entered military service.

(c) For military service that begins before November 13, 1965 and terminates after such date, free military service credit shall be granted if the member meets the eligibility requirements pursuant to section 145.30 of the Revised Code in effect during each period of military service before and after November 13, 1965 and not more than three months had elapsed between the termination of the member's contributing service and the date the member entered military service.

(C)

- (1) The service credit to which a member is entitled shall be calculated from the date the member entered military service through the date the military service terminated.
- (2) The member shall submit report(s) of separation (form DD214) or other satisfactory documentation as evidence of military service and discharge to the retirement system.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.30
Prior Effective Dates: 07/13/1972, 01/02/1990, 11/02/1996, 03/27/1999,
11/02/2000, 01/01/2003, 01/01/2007, 01/07/2013
(Emer.), 03/24/2013

145-2-06

Purchase of military service credit.

- (A) This rule amplifies sections 145.301 and 145.302 of the Revised Code.
- (B) The member shall submit report(s) of separation (form DD214) or other satisfactory documentation to the public employees retirement system as evidence of the member's military service, active or inactive duty points, if applicable, and discharge.
- (C) If a member has been in military service more than once as evidenced by more than one report of separation or service and wishes to purchase credit under section 145.302 of the Revised Code for more than one period of military service, interest as set in rule 145-1-35 of the Administrative Code shall be charged from the date the member last terminated military service.
- (D) For military service purchased under section 145.301 of the Revised Code:
- (1) A member shall have at least twelve months of contributing service for purposes of the calculation described in paragraph (D)(2) of this rule;
 - (2) The retirement system shall calculate the cost by using the greater of the member's final average salary or earnable salary for the twelve months of contributing service under Chapter 145., 3307., or 3309. of the Revised Code immediately preceding the month in which the application to purchase is received by the system. For members participating in the combined plan, the cost shall be calculated using the greater of the member's final average salary or earnable salary for the twelve months of contributing service under Chapter 145. of the Revised Code immediately preceding the month in which the application is received by the system. The public employees retirement board shall, based upon its actuary's recommendation, set the percentage rate for the cost of service allowed under section 145.301 of the Revised Code.
- (E) Where applicable, the member's public employer shall certify information including, but not limited to, the earnable salary the member would have earned during the member's military service on a form provided by the retirement system.
- (F) The employer contributions due pursuant to section 145.302 of the Revised Code shall be billed to the employer for payment after the member has paid all or part of the employee contributions due. If the employer fails to make the payments required, any employer amounts not paid shall be certified for collection and subject to the same penalty and interest described in section 145.51 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.301, 145.302
Prior Effective Dates: 08/15/1973, 01/01/1978, 01/02/1990, 08/06/1990,
11/02/1996, 05/04/2000, 01/01/2003, 01/01/2007,
01/07/2013 (Emer.), 03/24/2013, 01/01/2017

145-2-07

Additional service credit under section 145.201 of the Revised Code.

(A) This rule amplifies section 145.201 of the Revised Code.

(B)

- (1) For contributing service that occurred prior to January 1, 2014, "full-time service" does not include service computed as part-time pursuant to section 145.016 of the Revised Code. For contributing service that occurred on and after January 1, 2014, "full-time service" means service for which the monthly earnable salary, as reported for each month, equals or exceeds one thousand dollars.
- (2) The public employees retirement system shall prepare a statement of cost for the additional service credit to be purchased based on the request of an eligible member.
- (3) The statement of cost shall be based on thirty-five per cent of all eligible full-time service.
- (4) Each statement of cost issued under section 145.201 of the Revised Code prior to July 7, 2013, shall include full calendar years of eligible service; however, payment for the service credit may be made in full or partial year increments, provided the system has issued a full calendar year statement of cost for the service credit being purchased or a partial calendar year statement of cost as provided in this rule. A statement of cost may include a partial calendar year if the partial calendar year is:
 - (a) The only eligible service;
 - (b) The first year of a term of eligible service; or
 - (c) The last year of a term of eligible service.
- (5) Each statement of cost issued under section 145.201 of the Revised Code on and after July 7, 2013, shall include the cost of full calendar years and any portion of a year the member elects to purchase.
- (6) A member shall have at least twelve months of contributing service for purposes of the calculation described in rules 145-2-02 and 145-3-23 of the Administrative Code.

(C) A member who purchased service under section 145.201 of the Revised Code may elect to receive all or a portion of the amount paid under that section if, in calculating the member's age and service retirement allowance, either of the following apply:

- (1) In the case of a member of the traditional pension plan whose retirement allowance is calculated under division (A) of section 145.33 of the Revised Code, the member's total annual single lifetime allowance exceeds the lesser of one hundred per cent of the member's final average salary or the limit established by section 415 of the Internal Revenue Code of 1986, 26 U.S.C.A. 415.
 - (2) In the case of a participant in the combined plan, the participant's total annual single lifetime allowance exceeds the lesser of the limits described in section ~~9.03(a) of the combined plan document~~ 145.335 of the Revised Code.
- (D)
- (1) Upon the member's election under paragraph (C) of this rule, the retirement system shall refund to the member all or a portion of the amount paid to purchase service. The retirement system shall refund the amounts paid to purchase service credit in the reverse order of the member's purchase, with the most recent service purchased being the first amount refunded.
 - (2) The amount refunded to the member shall not exceed the actual amount paid by the member for the service credit to be refunded. No interest shall be paid on the amount refunded. If applicable, the retirement system shall withhold taxes on amounts paid to a member that have not yet been taxed.
 - (3) The amount refunded to the member shall not be paid prior to the issuance of the members retirement benefit, as defined in rule 145-1-65 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.201, 145.29
Prior Effective Dates: 04/07/1988, 09/06/1988, 01/01/2003, 01/01/2007,
12/30/2007, 01/01/2009, 01/07/2013 (Emer.),
03/24/2013, 07/07/2013 (Emer.), 09/16/2013,
01/01/2017, 01/01/2022

145-2-09

Purchase of exempted service credit.

(A)

- (1) For service which would have been covered by Chapter 145. of the Revised Code, but was exempted, a member shall make a request to purchase credit for this service on a form provided by the public employees retirement system.
- (2) The employer for which the service was performed shall complete the certification of such service on the form and attach to the form a copy of each approved written exemption from membership on file with the employer for such member.
- (3) After receipt of the completed form, the retirement system shall determine the amount of service credit that would have been earned had the service not been exempted.

(B) ~~For~~ Other than for members participating in the combined plan, for service which that would have been covered by Chapter 3307. or 3309. of the Revised Code, but was exempted and must be purchased in this system, this retirement system shall request certification from the other retirement system that such service was exempted and the amount of the credit for such service, which shall be determined from a certification of the employer for which the service was performed.

(C) The service credit purchased pursuant to section 145.28 of the Revised Code and this rule shall be adjusted to the extent that one of the following apply:

- (1) The service is concurrent with any other service that will be used in calculating a benefit;
- (2) The purchase of the service credit results in more than twelve months of credit in a year.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.28
Rule Amplifies: 145.28, 145.29
Prior Effective Dates: 05/21/1992 (Emer.), 08/01/1992, 01/01/2003,
01/01/2007, 01/01/2012, 01/07/2013 (Emer.),
03/24/2013

145-2-11

Police and fire or highway patrol service.

- (A) This rule amplifies sections 145.295 and 145.2913 of the Revised Code.
- (B) Any payments made by a member to purchase credit pursuant to section 145.295 or 145.2913 of the Revised Code shall not be refunded to a member except as authorized or required under those sections or section 145.40 of the Revised Code or Article VIII of the combined plan document.
- (C) A member who purchases or transfers credit under section 145.295 or 145.2913 of the Revised Code shall receive service credit in the public employees retirement system as follows:
- (1) For service earned as a police officer under Chapter 742. of the Revised Code or service earned under Chapter 5505. of the Revised Code, the service credit shall be treated as if it was earned in this system as a law enforcement officer.
 - (2) For service earned as a firefighter under Chapter 742. of the Revised Code, the service credit shall be treated as if it was earned in this system as a member who is not a law enforcement or public safety officer.
- (D) This paragraph applies to purchases and transfers initiated after January 7, 2013. The member's effective date of retirement or disability benefit shall be no earlier than the first day of the month following receipt by the retirement system of the first partial payment or total payment, if paid in full in one payment. The member's effective date of retirement or disability benefit shall be no later than the first day of the month following the ninetieth day after receipt by the retirement system of the first partial payment or total payment, if paid in full by one payment. If the member fails to retire, or terminate employment for purposes of a disability benefit, before the ninetieth day after the first partial payment or total payment is received, the retirement system shall return the amount paid by the member to the member. If the payment was transmitted to the retirement system by a financial institution, the amount received by the retirement system shall be returned to the financial institution.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.295
Rule Amplifies: 145.295, 145.2913
Prior Effective Dates: 04/05/1993, 12/09/1995, 09/27/1998, 03/22/2002,
01/01/2003, 01/01/2007, 01/07/2013 (Emer.),
03/24/2013, 05/08/2014

145-2-15

Cincinnati retirement system.

- (A) This rule amplifies sections 145.2910, 145.2911, and 145.2912 of the Revised Code.
- (B) "Eligible service credit" means service earned under this system or the Cincinnati retirement system or military service credit purchased or obtained in this system or the Cincinnati retirement system.
- (C)
- (1) A member of this system, who is eligible to obtain eligible service credit in this system for service credit with the Cincinnati retirement system, shall make a request to obtain credit for such service on a form provided by this system.
 - (2) Except as otherwise provided in this rule, a member shall make payments required under division (C)(4)(a) of section 145.2911 of the Revised Code pursuant to rule 145-1-35 or 145-1-38 of the Administrative Code. A member may use an eligible rollover distribution for such payments as allowed by rule 145-1-37 of the Administrative Code.
 - (3) Service credit for a member who obtains credit pursuant to section 145.2911 of the Revised Code and this rule shall be the amount certified by the Cincinnati retirement system upon payment of the following amounts:
 - (a) Any required amounts due from the member under section 145.2911 of the Revised Code and this rule; and,
 - (b) The required amounts due from the Cincinnati retirement system under division (C)(4)(b) of section 145.2911 of the Revised Code.
 - (4) If the Cincinnati retirement system fails to transfer those amounts required under division (C)(4)(b) of section 145.2911 of the Revised Code, this system shall notify the member, and shall not grant the service credit.
- (D)
- (1) This system shall transfer those amounts required under section 145.2912 of the Revised Code for a member or former member of this system, who is eligible to obtain eligible service credit in the Cincinnati retirement system for service credit with this system pursuant to section 145.2912 of the Revised Code, after:
 - (a) Receiving notification from the Cincinnati retirement system that the member has requested such transfer;
 - (b) The member has paid any required amounts to this system; and,

- (c) This system has notified the member.
 - (2) If a member's request for a transfer under division (A)(4)(a) of section 145.2912 of the Revised Code is for less than the member's total eligible service credit with this system, any benefits or payments to which the member or the member's beneficiary or beneficiaries may be entitled shall be based on the remaining service credit with this system.
- (E) A member who purchases or transfers credit under section 145.2912 of the Revised Code shall receive service credit in the public employees retirement system as follows:
- (1) For service earned as a police officer under the Cincinnati retirement system, the service credit shall be treated as if it was earned in this system as a law enforcement officer.
 - (2) For all other service earned under the Cincinnati retirement system, the service credit shall be treated as if it was earned in this system as a member who is not a law enforcement or public safety officer.
- (F) This paragraph applies to purchases and transfers initiated after January 7, 2013. The member's effective date of retirement or disability benefit shall be no earlier than the first day of the month following receipt by the retirement system of the first partial payment or total payment, if paid in full in one payment. The member's effective date of retirement or disability benefit shall be no later than the first day of the month following the ninetieth day after receipt by the retirement system of the first partial payment or total payment, if paid in full by one payment. If the member fails to retire, or terminate employment for purposes of a disability benefit, before the ninetieth day after the first partial payment or total payment is received, the retirement system shall return the amount paid by the member to the member. If the payment was transmitted to the retirement system by a financial institution, the amount received by the retirement system shall be deposited in accordance with section 145.62 of the Revised Code or returned to the financial institution.
- (G) Any payments made by a member to purchase credit pursuant to section 145.2910, 145.2911, or 145.2912 of the Revised Code shall not be refunded to a member except as authorized or required under those sections or section 145.40 of the Revised Code or Article VIII of the combined plan document.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.2910, 145.2911, 145.2912
Prior Effective Dates: 11/30/2001 (Emer.), 02/14/2002, 01/01/2003,
01/01/2007, 04/06/2007 (Emer.), 07/01/2007,
01/07/2013 (Emer.), 03/24/2013, 01/01/2018

145-2-40

Benefits payable under section 145.333 of the Revised Code.

- (A) As used in this rule, “retirement allowance” has the same meaning as defined in section 145.333 of the Revised Code.
- (B) If a retirement allowance is reduced under section 145.333 of the Revised Code, the reduced retirement allowance shall become the member’s single lifetime allowance for purposes of sections 145.33, 145.332, 145.335, and 145.45 of the Revised Code.
- (C) As used in division (E) of section 145.333 of the Revised Code, “full month of service” means any month during which a public employee has earnable salary in the public employees retirement system and does not include the first or last month of employment with a public employer or a period of an approved leave of absence from a public employer.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.90
Rule Amplifies: 145.333
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013, 01/01/2014

145-2-43

Additional annuity accounts.

- (A) A member or contributor who makes a deposit for an additional annuity pursuant to section 145.62 of the Revised Code shall remit the first deposit with a form provided by the public employees retirement system. The retirement system shall not accept a payment for less than fifteen dollars. Deposits shall be credited to the tax year in which the deposit is posted to the account of the member or contributor.
- (B) A member or contributor may elect to have an eligible rollover distribution paid directly to an additional annuity account as a direct rollover. Any non-taxable portion of an eligible rollover distribution shall be separately accounted for by the retirement system and shall only be accepted in a direct trustee-to-trustee transfer to the additional annuity account. The following definitions apply to this paragraph:
- (1) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of a member or contributor from an eligible retirement plan. An eligible rollover distribution does not include:
- (a) Any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the member or contributor or the joint lives (or joint life expectancies) of the member or contributor and the member or contributor's designated beneficiary, or for a specified period of ten years or more;
 - (b) Any distribution to the extent such distribution is required under section 401(a)(9) of the Internal Revenue Code of 1986, 26 U.S.C.A. 401;
 - (c) Any distribution that is made upon hardship of the member or participant; or
 - (d) The portion of any distribution that is not includible in gross income, unless the distribution is being rolled over to either (i) a traditional individual retirement account or individual retirement annuity under sections 408(a) or 408(b) of the Internal Revenue Code of 1986, 26 U.S.C.A. 408, or (ii) a qualified trust which is part of a plan which is a defined contribution plan under sections 401(a) or 403(a) of the Internal Revenue Code of 1986, 26 U.S.C.A. 403, that will separately account for the distribution, including the taxable and non-taxable portions of the distribution, in a direct trustee-to-trustee transfer.
- (2) "Eligible retirement plan" means any program defined in sections 401(a)(31) and 402(c)(8)(B) of the Internal Revenue Code of 1986, 26 U.S.C.A. 402, from which the member or contributor has a right to an eligible rollover distribution, as follows:

- (a) An individual retirement account under section 408(a) of the Internal Revenue Code;
 - (b) An individual retirement annuity under section 408(b) of the Internal Revenue Code (other than an endowment contract);
 - (c) A qualified trust;
 - (d) An annuity plan under section 403(a) of the Internal Revenue Code;
 - (e) An eligible deferred compensation plan under section 457(b) of the Internal Revenue Code of 1986, 26 U.S.C.A. 457, that is maintained by an eligible employer under section 457(e)(1)(A) of the Internal Revenue Code;
 - (f) An annuity contract under section 403(b) of the Internal Revenue Code; and
 - (g) ~~Effective January 1, 2008, a Roth individual retirement account or~~ An annuity described in section 408A of the Internal Revenue Code, subject to the limitations set forth in such Internal Revenue Code provision; provided, however, that the plan is not responsible for assuring that a distributee is eligible to make such a rollover.
- (3) "Direct rollover" means a payment to the additional annuity account from an eligible retirement plan specified by the member or contributor.
- (C) A member or contributor shall make application for an additional annuity payment under section 145.64 of the Revised Code or a one-time lump sum payment under section 145.63 of the Revised Code on a form provided by the public employees retirement system. In the event a member or contributor is deceased, the qualifying beneficiary shall make application. Except as provided in this paragraph, a member or contributor may apply for a one-time lump sum payment at any time. If, at the time of application for a one-time lump sum payment, the additional annuity account of the member or contributor includes mandatory employee or employer contributions that were transferred to the account in accordance with rule 145-1-74 or 145-2-18 of the Administrative Code, the member or contributor may only apply for a one-time lump sum payment under the circumstances described in section 145.63 of the Revised Code if the member has terminated service.
- (D) Except as provided in this paragraph, monthly additional annuity payments shall commence at the time of issuance of an initial benefit payment, as defined in paragraph (A)(5) of rule 145-1-65 of the Administrative Code. In the case of a member or contributor who indicates on a form provided by the retirement system that the member or contributor will be making additional deposits into their additional annuity account, monthly additional annuity payments shall not be issued until one

hundred twenty days following the initial benefit payment or, in the case of an additional annuity commenced in connection with a benefit under section 145.384 of the Revised Code, one hundred twenty days from issuance of the first payment under that section.

- (E) All amounts on deposit with the retirement system on December 31, 2007, for an additional annuity, including any interest as may have been allowed by the public employees retirement board under former section 145.23 of the Revised Code, section 145.62 of the Revised Code, or prior versions of this rule, and any deposits made on or after January 1, 2008, shall be invested in the OPERS stable value fund, as described in the statement of investment objectives and policies for the defined contribution fund. The retirement system shall value the amounts described in this paragraph in accordance with the daily values determined for the OPERS stable value fund and acceptable industry practices. The board and the retirement system are not liable for losses or depreciation in the value of the amounts described in this paragraph.
- (F) Pursuant to division (B)(6) of section 145.64 of the Revised Code, a member or contributor who fails to select a plan of payment for the monthly additional annuity shall receive monthly annuity payments under a plan of payment that is consistent with the marital status of the member or contributor.
- (G) On application for a payment under section 145.63 or 145.64 of the Revised Code by a member, contributor, or beneficiary whose deposits were transferred to the income fund as described in section 145.41 of the Revised Code, the retirement system shall credit interest and invest the deposits as described in paragraph (E) of this rule.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.62
Rule Amplifies: 145.62, 145.63, 145.64, 145.65
Prior Effective Dates: 02/03/1992, 10/09/2000, 01/01/2002 (Emer.),
03/22/2002, 01/01/2003, 01/01/2007, 04/06/2007
(Emer.), 07/01/2007, 01/01/2008 (Emer.), 01/19/2008,
04/01/2008 (Emer.), 06/23/2008, 01/01/2011,
02/01/2011 (Emer.), 04/18/2011, 01/01/2012,
01/07/2013 (Emer.), 03/24/2013, 08/01/2015 (Emer.),
09/30/2015, 01/01/2017, 01/01/2021, 01/01/2022

145-2-44

Selection of payment plan-spousal consent.

- (A) A contributor who is married at the time of retirement under section 145.32, 145.33, 145.331, 145.332, 145.335, 145.37, or 145.46 of the Revised Code, section 9.02 ~~or 9.03~~ of the combined plan document, or section 9.02 of the member-directed plan document, or at the time benefits are to commence under section 145.384 or 145.64 of the Revised Code, shall receive a retirement benefit under the joint-life plan with one-half of such allowance continuing after death to the contributor's surviving spouse unless one of the following apply:
- (1) The spouse consents on a form provided by the public employees retirement system that the spouse is aware that the contributor has selected the joint-life plan with one-half of such allowance continuing after death to the contributor's surviving spouse and a partial lump sum option payment as defined in rule 145-1-65 of the Administrative Code, or a payment plan other than a joint-life plan with one-half of such allowance continuing after death to the contributor's surviving spouse.
 - (2) The public employees retirement board waives the requirement of a spousal consent in accordance with rule 145-1-70 ~~or rule 145-3-11~~ of the Administrative Code;
 - (3) The contributor is required to elect a plan of payment and designate a former spouse as beneficiary pursuant to a court order issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property and the contributor also designates the contributor's current spouse as a beneficiary under that plan.
 - (4) The retirement system is required to commence a benefit described in this paragraph in accordance with section 401(a)(9) of the Internal Revenue Code and the regulations thereunder.
- (B) This paragraph applies to a contributor who elects a plan of payment under which a portion of the contributor's benefit continues, after the death of the contributor, to two, three, or four surviving beneficiaries. A contributor's current spouse must also consent to the election of a plan of payment described in this paragraph if either of the following applies:
- (1) The contributor is not subject to a court order issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property that requires the contributor to elect the plan of payment described in this paragraph;

- (2) The contributor is ordered to designate a former spouse as beneficiary of a specified portion of the benefit under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property, but also designates a beneficiary or beneficiaries other than the contributor's current spouse and former spouse under that plan of payment.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.46
Rule Amplifies: 145.32, 145.33, 145.331, 145.332, 145.335, 145.37,
145.384, 145.46, 145.64
Prior Effective Dates: 08/06/1990, 02/01/1993, 09/27/1998, 11/02/2000,
01/01/2003, 01/01/2004 (Emer.), 02/16/2004,
10/27/2006, 04/06/2007 (Emer.), 07/01/2007,
04/01/2008 (Emer.), 06/23/2008, 01/07/2013 (Emer.),
03/24/2013, 09/01/2013 (Emer.), 09/16/2013

145-2-46

Beneficiary's percentage under joint-life and multiple-life plans.

Unless a court order specifically requires a member to allocate to the member's former spouse less than ten per cent of the member's monthly retirement allowance, the portion of a retirement allowance that continues after death to a member's surviving beneficiary pursuant to the plan of payment described in division (B)(1) or (B)(3) of section 145.46 of the Revised Code ~~or section 9.03 (e)(1)(i) or (e)(1)(iii) of the combined plan document~~ shall be expressed as a whole percentage and shall meet or exceed the greater of the following:

- (A) Ten per cent of the member's monthly retirement allowance;
- (B) A percentage that causes the beneficiary's monthly benefit to be at least fifty dollars.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.46
Rule Amplifies: 145.32, 145.33, 145.331, 145.332, 145.335, 145.37,
145.46
Prior Effective Dates: 07/01/2004, 10/27/2006, 04/06/2007 (Emer.),
07/01/2007, 01/01/2010, 01/07/2013 (Emer.),
03/24/2013, 09/01/2013 (Emer.), 09/16/2013,
01/01/2021

145-2-47

Beneficiary and payment plan changes after retirement.

(A) Section 145.46 of the Revised Code as effective January 7, 2013, renames the plans of payment available under sections 145.32, 145.33, 145.335, 145.332, and 145.46 and former section 145.34 of the Revised Code. For purposes of Chapter 145. of the Revised Code and Chapters 145-1 to 145-4 of the Administrative Code, such payment plans shall be treated the same as follows:

- (1) A straight or single life annuity payment plan and plan B shall be known as “the single-life plan”.
- (2) An option 1 payment plan and plan D shall be known as “the joint-life plan”.
- (3) An option 2 payment plan and plan A when the retirant's spouse is the retirant's beneficiary and the amount payable after the retirant's death is fifty per cent shall be known as “the joint-life plan”.
- (4) An option 2 payment plan and plan C when the beneficiary is someone other than the retirant's spouse or the amount payable to a beneficiary after the retirant's death is other than fifty per cent shall be known as “the joint-life plan”.
- (5) An option 3 payment plan and plan E.
- (6) Plan F shall be known as “the multiple-life plan”.

(B) Except as provided in paragraph (I) of this rule, a designation of beneficiary may be changed after retirement when the retirant is receiving benefits under:

- (1) A payment plan B or the single-life plan.
- (2) A payment plan E, under the version of section 145.46 in effect immediately prior to January 7, 2013, but the payment plan cannot be changed.

(C) When a retirant is receiving benefits under the joint-life plan, the plan shall be changed to the single-life plan and a new beneficiary may be designated:

- (1) The first day of the month following the date on which the public employees retirement system receives the death certificate of the spouse or other individual designated as beneficiary under the plan, but any change in the benefit amount shall be effective the first day of the month following the date of death of the spouse or beneficiary.
- (2) On the first day of the month after receipt of the election of the retirant to revert to the single-life plan following divorce, annulment or dissolution of marriage with a spouse designated as beneficiary under the plan, except that no benefit

shall be increased without the written consent of the former spouse who was the designated beneficiary or an order from the court with jurisdiction over the termination of the marriage.

- (D) The right to have the joint-life plan recomputed as the single-life plan upon notice of the date of death of the beneficiary, or upon divorce, annulment or dissolution of marriage with a spouse who was designated as beneficiary, applies to all retirants who are receiving benefits under the joint-life plan regardless of the original effective date of benefits.
- (E) Upon the marriage or remarriage of a retirant receiving benefits under the multiple-life plan, the retirant may designate the new spouse as a beneficiary under the multiple-life plan only if the retirant does not already have four beneficiaries designated under that plan at the time the retirant applies to add the new spouse.
- (F)
 - (1) The death or disqualification of any designated beneficiary under the multiple-life plan shall not change the plan of payment. The the multiple-life plan benefit shall continue to the remaining designated beneficiaries in their same percentages. If the death or disqualification occurs prior to the retirant's death, the deceased beneficiary's portion shall revert to the retirant for the remainder of his or her lifetime.
 - (2) A retirant may not cancel the multiple-life plan and return to a single lifetime benefit equivalent until the date of death of all designated beneficiaries under that plan. The effective date of this change shall be the first day of the month following the date of death of the last living beneficiary.
- (G) A retirant who is receiving benefits under the single-life plan may, upon the retirant's later marriage or remarriage, elect to have the retirant's benefit recomputed as the joint-life plan and designate only the new spouse as beneficiary, as provided in division (H) of section 145.46 of the Revised Code, ~~sections~~section 9.02(f) ~~and 9.03(h)~~ of the combined plan document, and section 9.02(f) of the member-directed plan document. The actuarial factors shall be based on the actuarial ages of the retirant and beneficiary at the time the benefit is recomputed.
- (H) A retirant who elected to receive a partial lump sum option payment, as defined in rule 145-1-65 of the Administrative Code, shall have the partial lump sum option payment accounted for upon the recomputation of the retirant's benefit.
- (I) Any request for a change of plan of payment or of beneficiary shall be made on a form approved by the public employees retirement board. If a retirant dies prior to the

retirement system's receipt of the form, the retirant's request for a change of plan of payment or beneficiary is void.

- (J) For those retirants whose benefit is commenced under the single-life plan in accordance with section 401(a)(9) of the Internal Revenue Code of 1986, 26 U.S.C.A. 401, and the regulations thereunder, not later than one year after the effective date of the benefit described in this paragraph, a retirant who was married on the effective date of the benefit may elect the joint-life plan based on the actuarial equivalent of the retirant's single life annuity as determined by the board and designate the retirant's current spouse as beneficiary. The election shall be made on a form approved the retirement system and shall be effective on the effective date of the benefit paid under the single-life plan. Any benefit overpayment may be recovered as provided in section 145.563 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.32, 145.33, 145.332, 145.335, 145.43, 145.46
Prior Effective Dates: 08/20/1976, 10/30/1978, 08/06/1990, 09/27/1998,
01/01/2003, 01/01/2004 (Emer.), 02/16/2004,
06/06/2005 (Emer.), 08/11/2005, 10/27/2006,
05/08/2007 (Emer.), 08/09/2007, 04/01/2008 (Emer.),
06/23/2008, 01/01/2010, 01/07/2013 (Emer.),
03/24/2013, 09/01/2013 (Emer.), 09/16/2013,
01/01/2017

145-2-50

Acturial reduction factors.

The public employees retirement board shall, based on the recommendation of the board's actuary, establish the percentage rate for the reductions described in division (A)(2) of section 145.33 of the Revised Code and division (B)(2) of section 145.335 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.33, 145.335
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013

145-2-51

Effective date of benefits.

Benefits available pursuant to section 145.32, 145.33, 145.332, 145.335, 145.43, 145.45 or 145.46 of the Revised Code shall be effective the first day of the month immediately following the latest of the following:

(A) For a member:

- (1) The last date for which compensation was paid;
- (2) Eligibility by attaining the required minimum age;
- (3) Eligibility by accumulating the required service credit;
- (4) Ninety days prior to receipt by the public employees retirement system of the member's completed application for retirement;
- (5) February 1, 2013, for retirement applications received by the retirement system on or after January 7, 2013.

(B) For a beneficiary:

- (1) The death of the contributor or retirant;
- (2) Attainment of eligibility.

Effective:

Five Year Review (FYR) Dates: 9/29/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.32, 145.33, 145.331, 145.332, 145.335, 145.43,
145.45, 145.46
Prior Effective Dates: 08/20/1976, 08/01/1992, 02/01/1993, 09/27/1998,
01/01/2003, 01/01/2007, 01/12/2008, 01/07/2013
(Emer.), 03/24/2013

145-3-01

Plan documents.

- (A) This rule amplifies sections 145.81 and 145.811 of the Revised Code.
- (B) To meet the requirements of section 401(a) of the Internal Revenue Code, the public employees retirement board shall adopt the documents entitled the "public employees retirement system of Ohio defined contribution plan" and the "public employees retirement system of Ohio combined defined benefit/defined contribution plan." The board may amend the provisions of the plans in accordance with the provisions of the plan documents.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.81, 145.811
Prior Effective Dates:	01/01/2003

145-3-02

Combined and member-directed plan provisions.

(A) The combined plan consists of all of the following:

- (1) ~~Sections 145.01 to 145.20 and 145.80 to 145.98~~ Chapter 145, of the Revised Code, excluding the sections of the Revised Code listed in division (E) of section 145.196 of the Revised Code, and any corresponding administrative rules;
- (2) The provisions of the plan document for the PERS combined defined benefit/defined contribution plan, and any amendments thereto;
- (3) Any rules adopted pursuant to section 145.09 or 145.80 of the Revised Code.

(B) The member-directed plan consists of all of the following:

- (1) Section 145.01 to 145.20 and 145.80 to 145.98 of the Revised Code and any corresponding administrative rules;
- (2) The provisions of the plan document for the PERS defined contribution plan, and any amendments thereto;
- (3) Any rules adopted pursuant to section 145.80 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.82
Prior Effective Dates: 01/01/2003, 12/24/2004

145-3-04

Impact of weekend or holiday on initial plan selection.

- (A) This rule amplifies section 145.19 of the Revised Code and sections 2.01 of the combined and member-directed plan documents.
- (B) If the last day of the one hundred-eighty-day election period occurs on a weekend or holiday, the public employees retirement system may accept the election on the first business day after the last day of the one hundred-eighty-day period.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.19(A)
Prior Effective Dates:	01/01/2012

145-3-06

Procedure for additional deposits.

- (A) This rule amplifies section 3.04 of the combined plan document and member-directed plan document.
- (B) A member participating in the combined plan or member-directed plan who makes a payment of additional after-tax contributions to the member's miscellaneous contribution account shall remit the payment with a form provided by the public employees retirement system.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.81
Prior Effective Dates:	01/01/2003, 12/24/2004, 07/01/2007 (Emer.), 08/09/2007

145-3-08

Active/inactive administrative fee.

- (A) This rule amplifies section 24.03(a)(2) and (3) of the combined plan document and section 21.03(a)(2) and (3) of the member-directed plan document.
- (B) The public employees retirement board shall establish the administrative fee, if any, to be assessed under section 24.03(a)(2) and (3) of the combined plan document and section 21.03(a)(2) and (3) of the member-directed plan document.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.81, 145.88(A)
Prior Effective Dates:	01/01/2003

145-3-10

Application by participant for refund of contributions.

- (A) This rule amplifies section 8.01(c) of the member-directed plan document and section 8.04(c) of the combined plan document.
- (B) For purposes of section 8.01(c) of the member-directed plan document and section 8.04(c) of the combined plan document, "eligible for benefits under article IX or section 145.335 of the Revised Code" means a participant is eligible for a benefit under section 9.01 of the member-directed plan document or combined plan document with an effective retirement benefit date on or before the first of the month following the date application for a refund is received by the public employees retirement system.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81
Prior Effective Dates: 01/01/2003

TO BE RESCINDED

145-3-11

Waiver of spousal consent.

- (A) This rule amplifies sections 9.02(b) and 9.03(e) of the combined plan document and section 9.02(b) of the member-directed plan document.
- (B) For payment options under the combined plan or the member-directed plan, the board may waive the requirement of spousal consent in accordance with rule 145-1-70 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81
Prior Effective Dates: 01/01/2003

145-3-13

Beneficiary and payment plan changes after retirement.

- (A) This rule amplifies ~~section 9.03(e) of the combined plan document and~~, in the case of a monthly annuity payment option only, sections 9.02 of the combined and member-directed plan documents.
- (B) Beneficiary and plan of payment changes for ~~a retirement allowance under section 9.03(e) of the combined plan document,~~ a monthly annuity under section 9.02 of the combined plan document; or ~~a monthly annuity under~~ section 9.02 of the member-directed plan document shall be made in accordance with rules 145-2-44, 145-2-46, and 145-2-47 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.80
Prior Effective Dates: 01/01/2003, 12/24/2004, 10/27/2006, 01/01/2021

145-3-14

Designation of beneficiaries under the multiple-life plan.

- (A) This rule amplifies ~~section 9.03(e) of the combined plan document and~~, in the case of a monthly annuity payment option only, sections 9.02 of the combined and member-directed plan documents
- (B) Designation of beneficiaries pursuant to a plan of payment under which a portion of the benefit continues, after the death of the retirant, to two, three, or four surviving beneficiaries shall be made in accordance with rule 145-2-60 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.80
Prior Effective Dates: 10/27/2006, 01/01/2014

145-3-15

Calculation of amount due retirant with multiple beneficiaries under the multiple-life plan.

- (A) This rule amplifies ~~section 9.03(e) of the combined plan document and~~, in the case of a monthly annuity payment option only, sections 9.02 of the combined and member-directed plan documents.
- (B) Calculation of the amount due to a retirant receiving a benefit pursuant to a plan of payment under which a portion of the benefit continues, after the death of the retirant, to two, three, or four surviving beneficiaries shall be calculated in accordance with rule 145-2-62 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.80
Prior Effective Dates: 10/27/2006, 09/01/2013 (Emer.), 09/16/2013

145-3-16

Priority of multiple court orders under the multiple-life plan.

- (A) This rule amplifies ~~section 9.03(e) of the combined plan document and~~, in the case of a monthly annuity payment option only, sections 9.02 of the combined and member-directed plan documents.
- (B) The priority of multiple court orders shall be established in accordance with rule 145-2-64 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.80
Prior Effective Dates: 10/27/2006, 09/01/2013 (Emer.), 09/16/2013

145-3-21

Purchase of service credit by combined plan members.

- (A) This rule amplifies division (C) of section 145.82 of the Revised Code and section 3.05 of the combined plan document.
- (B) A member participating in the combined plan may purchase service credit under section 145.20, 145.201, ~~145.28~~, 145.291, 145.292, 145.293, 145.299, 145.2915, ~~145.30~~, ~~145.301~~, 145.302, or 145.47 of the Revised Code, former section 145.295, 145.2911, or 145.2913 of the Revised Code as they existed prior to January 7, 2013, ~~or section 3.11 or 3.12 of the combined plan document.~~
- (C) For purposes of determining the member's eligibility to purchase service credit under section 145.28, 145.295, 145.2911, or 145.2913 of the Revised Code ~~or section 3.11 of the combined plan document~~, "eighteen months of contributing service credit in the system" means eighteen months of contributing service credit under the combined plan, inclusive of service credit transferred from a prior plan to the combined plan pursuant to rule 145-3-40 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.01, 145.20, 145.201, 145.28, 145.29, 145.291,
145.292, 145.293, 145.295, 145.299, 145.2911,
145.2913,145.2915, 145.301, 145.302, 145.47, 145.81,
145.82
Prior Effective Dates: 01/01/2003, 12/24/2004, 01/01/2009, 01/07/2013
(Emer.), 03/24/2013, 07/07/2013 (Emer.), 09/16/2013,
01/01/2016

145-3-22

Restored service.

- (A) This rule amplifies section 145.97 of the Revised Code and section 3.06 of the combined plan document.
- (B) A member participating in the combined plan on December 31, 2021, may redeposit the amounts withdrawn under article VIII of the combined plan, subject to all of the following:
- (1) The member has at least eighteen months of contributing service in the combined plan or in the Ohio police and fire pension fund or state highway patrol retirement system;
 - (2) The member shall redeposit the amount withdrawn with interest on that amount compounded annually at a rate to be determined by the public employees retirement board from the first day of the month of withdrawal to and including the month of redeposit.
- (C) The amount withdrawn shall be redeposited and credited as follows:
- (1) To the employers' accumulation fund, the amount that equals the amount, if any, distributed under section 8.02 of the combined plan document.
 - (2) To the member's accounts, as defined in section 1.01 of the combined plan document, the amount distributed under section 8.01 of the combined plan document.
 - (3) To the member's account in the employees' savings fund, any remaining amount including the interest required in paragraph (B)(2) of this rule.
- (D) The member may choose to purchase only part of such credit in any one payment, subject to rules adopted by the board. Except for the amount described in paragraph (C)(1) of this rule, the amounts paid to restore service credit under this rule shall vest as described in section 7.01 of the combined plan document.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.82, 145.97
Prior Effective Dates: 01/01/2003, 12/24/2004, 01/07/2013 (Emer.),
03/24/2013, 01/01/2022

145-3-23

Additional liability for service purchases in the combined plan.

(A) This rule amplifies section 145.29 of the Revised Code.

(B) As used in this rule, “service credit” means both of the following:

(1) Service credit that may be purchased or obtained under sections 145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.299, and 145.47 of the Revised Code, as those sections existed on and after January 7, 2013.

(2) Service credit that may be purchased or obtained under section 145.814 of the Revised Code or rule 145-3-40 of the Administrative Code for a plan change that is effective on or after July 7, 2013, and prior to January 1, 2022, under section 2.03 of the combined or member-directed plan document, as amended on January 7, 2013.

(C)

(1) Except as provided in this paragraph, the public employees retirement system shall calculate the cost to purchase service credit by using the greater of the member’s final average salary or the member’s earnable salary for the twelve months of contributing service under the combined plan immediately preceding the month in which the application to purchase is received by the system. If the member’s election to purchase service described in paragraph (B)(2) of this rule occurs less than twelve months after the effective date of a plan change, the system shall calculate the cost to purchase service credit by using the final average salary or last twelve months of earnable salary in the prior plan.

(2) The public employees retirement board shall, based upon its actuary’s recommendation, establish the percentage rate for the cost of the service credit under the combined plan.

(D) Payments made by a member to purchase service credit under section 145.29 of the Revised Code and this rule shall be credited to the employees’ savings fund and shall be considered the accumulated contributions of the member.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.29
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013, 07/07/2013 (Emer.),
09/16/2013, 05/08/2014, 03/23/2015 (Emer.),
06/06/2015, 01/01/2022

TO BE RESCINDED

145-3-24

Purchase of workers' compensation service.

A member participating in the combined plan may purchase service credit under section 145.2915 of the Revised Code in accordance with rule 145-2-03 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.2915
Prior Effective Dates: 07/07/2013 (Emer.), 09/16/2013

TO BE RESCINDED

145-3-27

Purchase of service credit pursuant to section 145.293 of the Revised Code.

A member participating in the combined plan may purchase service credit under section 145.293 of the Revised Code in accordance with rule 145-2-04 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.293, 145.81, 145.82
Prior Effective Dates: 01/01/2003

TO BE RESCINDED

145-3-28 **Free military service credit.**

(A) This rule amplifies section 145.30 of the Revised Code as applicable to members participating in the combined plan.

(B) Definitions

(1) "Maintained his membership" means any of the following:

- (a) The member's contributions to the combined plan under section 145.85 of the Revised Code remained with the public employees retirement system during the military service;
- (b) The member's contributions before the military service were refunded under article VIII of the combined plan document and redeposited in accordance with rule 145-3-22 of the Administrative Code;
- (c) The member was exempt from membership or not a contributor to the retirement system before the member's military service, but Chapter 145. of the Revised Code authorizes a retroactive payment to establish membership before the member's military service.

(2) "Military service," "total service credit as defined in section 145.01 of the Revised Code of twenty years," and "was or is out of active service as a public employee by reason of having become a member of the armed forces" have the same meanings as described in rule 145-2-05 of the Administrative Code.

(3) "Was a member" means membership before the member's military service was established in the same manner as described in paragraph (B)(1) of this rule.

(C)

(1) The service credit to which a member is entitled shall be calculated from the date the member entered military service through the date the military service terminated.

(2) The member shall submit to the retirement system report(s) of separation (form DD214) or other satisfactory documentation as evidence of the member's military service and discharge.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.30, 145.81, 145.82
Prior Effective Dates: 01/01/2003

TO BE RESCINDED

145-3-29 **Purchase of military service credit.**

- (A) This rule amplifies section 145.302 of the Revised Code as applicable to members participating in the combined plan and sections 3.12 and 24.02 of the combined plan document.
- (B) A member participating in the combined plan may purchase service credit under section 145.302 of the Revised Code and section 3.12 of the combined plan document.
- (C) The member shall submit report(s) of separation (form DD214) or other satisfactory documentation to the public employees retirement system as evidence of the member's military service and discharge.
- (D) If a member has been in military service more than once as evidenced by more than one report of separation or service and wishes to purchase credit under section 145.302 of the Revised Code for more than one period of military service, interest as set in rule 145-1-35 of the Administrative Code shall be charged from the date the member last terminated military service.
- (E) For military service purchased under section 3.12 of the combined plan document:
- (1) A member shall have at least twelve months of contributing service for purposes of the calculation described in paragraph (E)(2) of this rule;
 - (2) The retirement system shall calculate the cost by using the greater of the member's final average salary or earnable salary for the twelve months of contributing service under Chapter 145. of the Revised Code immediately preceding the month in which the application to purchase is received by the system.
- The cost of the service credit shall be not less than fifty percent of the additional liability to the combined plan resulting from that year of service as determined by an actuary employed by the public employees retirement board.
- (F) Where applicable, the member's public employer shall certify information including, but not limited to, the earnable salary the member would have earned during the member's military service on a form provided by the retirement system.
- (G) The employer contributions due pursuant to section 145.302 of the Revised Code shall be billed to the employer for payment after the member has paid all or part of the employee contributions due. If the employer fails to make the payments required, any employer amounts not paid shall be certified for collection and subject to the same penalty and interest described in section 145.51 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.301, 145.302, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 07/07/2013 (Emer.), 09/16/2013

TO BE RESCINDED

145-3-31 Additional service credit under section 145.201 of the Revised Code.

- (A) This rule amplifies section 145.201 of the Revised Code as applicable to members participating in the combined plan.
- (B) A member participating in the combined plan may purchase service credit under section 145.201 of the Revised Code in accordance with rule 145-2-07 of the Administrative Code.
- (C) A member participating in the combined plan may elect to receive a refund of amounts paid to purchase service credit under section 145.201 of the Revised Code in accordance with rule 145-2-07 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.80
Rule Amplifies: 145.201, 145.82
Prior Effective Dates: 01/01/2003, 04/07/2007 (Emer.), 07/01/2007

TO BE RESCINDED

145-3-32

Purchase of school board member service.

- (A) This rule amplifies section 145.299 of the Revised Code as applicable to members participating in the combined plan.
- (B) A member participating in the combined plan may purchase service credit under section 145.299 of the Revised Code in accordance with rule 145-2-08 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.80
Rule Amplifies: 145.299, 145.81, 145.82
Prior Effective Dates: 01/01/2003

TO BE RESCINDED

145-3-34

Purchase of exempted service credit.

- (A) This rule amplifies section 3.11 of the combined plan document.
- (B)
- (1) For service that would have been covered by Chapter 145. of the Revised Code, but was exempted, a member shall make a request to purchase credit for this service on a form provided by the public employees retirement system.
 - (2) The employer for which the service was performed shall complete the certification of such service on the form and attach to the form a copy of each approved written exemption from membership on file with the employer for such member.
 - (3) After receipt of the completed form, the retirement system shall determine the amount of service credit that would have been earned had the service not been exempted.
- (C) The service credit purchased pursuant to section 3.11 of the combined plan document and this rule shall be adjusted to the extent that one of the following apply:
- (1) The service is concurrent with any other service that will be used in calculating a benefit;
 - (2) The purchase of the service credit results in more than twelve months of credit in a year.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.80
Rule Amplifies: 145.28, 145.29, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 01/07/2013 (Emer.), 03/24/2013,
07/07/2013 (Emer.), 09/16/2013

TO BE RESCINDED

145-3-35

Police and fire or highway patrol service.

- (A) This rule amplifies sections 145.295 and 145.2913 of the Revised Code as applicable to members participating in the combined plan.
- (B) Any payments made by a member to purchase credit pursuant to section 145.295 or 145.2913 of the Revised Code shall not be refunded to a member except as authorized or required under those sections, article VIII of the combined plan document, as amended on January 7, 2013, or rule 145-2-11 of the Administrative Code.
- (C) This paragraph applies to purchases and transfers initiated after January 7, 2013. The member's effective date of retirement or disability benefit shall be no earlier than the first day of the month following receipt by the retirement system of the first partial payment or total payment, if paid in full by one payment. The member's effective date of retirement or disability benefit shall be no later than the first day of the month following the ninetieth day after receipt by the retirement system of the first partial payment or total payment, if paid in full by one payment. If the member fails to retire, or terminate employment for purposes of a disability benefit, before the ninetieth day after the first partial payment or total payment is received, the retirement system shall return the amount paid by the member to the member. If the payment was transmitted to the retirement system by a financial institution, the amount received by the retirement system shall be returned to the financial institution.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.295, 145.2913, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 12/24/2004, 01/07/2013 (Emer.),
03/24/2013, 01/01/2015

TO BE RESCINDED

145-3-36

Purchase of optional service.

- (A) This rule amplifies section 145.292 of the Revised Code as applicable to members participating in the combined plan.
- (B) A member participating in the combined plan may purchase service credit under section 145.292 of the Revised Code in accordance with rule 145-2-12 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.292
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013

TO BE RESCINDED

145-3-37

Purchase of leave of absence.

- (A) This rule amplifies section 145.291 of the Revised Code as applicable to members participating in the combined plan.
- (B) A member participating in the combined plan may purchase service credit under section 145.291 of the Revised Code in accordance with rule 145-2-13 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.291, 145.81, 145.82
Prior Effective Dates: 01/01/2003

TO BE RESCINDED

145-3-38 **Cincinnati retirement system.**

- (A) This rule amplifies sections 145.2910 and 145.2911 of the Revised Code as applicable to members participating in the combined plan.
- (B) Except as provided in paragraph (C) of this rule, a member participating in the combined plan may purchase service credit under sections 145.2910 and 145.2911 of the Revised Code in accordance with rule 145-2-15 of the Administrative Code.
- (C) Any payments made by a member to purchase credit pursuant to section 145.2910 or 145.2911 of the Revised Code shall not be refunded to a member except as authorized or required under those sections, article VIII of the combined plan document, as amended on January 7, 2013, or rule 145-2-15 of the Administrative Code.
- (D) For purchases and transfers described in paragraph (F) of rule 145-2-15 of the Administrative Code, if the payment was transmitted to the retirement system by a financial institution, the amount received by the retirement system shall be returned to the financial institution.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.2910, 145.2911, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 12/24/2004, 01/01/2009, 01/01/2010,
01/07/2013 (Emer.), 03/24/2013, 01/01/2015,
01/01/2020

TO BE RESCINDED

145-3-39

Purchase of firefighter service.

- (A) As used in this rule, "firefighter" has the same meaning as in rule 145-1-50 of the Administrative Code.
- (B) A firefighter employed before May 1, 1991, who is or becomes a member on May 1, 1991, may purchase the firefighter service as described in rule 145-2-17 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.82
Prior Effective Dates: 01/01/2003

145-3-40

Service credit in the combined plan for participation in member-directed plan.

- (A) This rule amplifies section 145.814 of the Revised Code and sections 2.03, 2.04, and 6.02 of the member-directed plan document. This rule applies to members participating in the combined plan on December 31, 2021.
- (B) For each member who elects to transfer funds from the member-directed plan to purchase service in the combined plan under division (D) of section 145.814 of the Revised Code and section 2.03 of the member-directed plan document, the public employees retirement system shall prepare a statement of cost for service credit to be purchased in the combined plan based on participation in the member-directed plan, at the request of an eligible member. An actuary employed by the public employees retirement board shall determine the additional liability, as defined in section 145.814 of the Revised Code, as described in rule 145-3-23 of the Administrative Code.
- (C) An eligible member shall purchase the service credit only by a lump-sum payment of the amount on deposit, as defined in rule 145-1-35 of the Administrative Code, except that a member described in division (D)(1) of section 145.814 of the Revised Code may, pay any additional liability that exceeds the amount on deposit by initiating payroll deduction under rule 145-1-38 of the Administrative Code or by direct partial payment. For plan elections effective on or before July 1, 2015, the payroll deduction shall be initiated or direct partial payment shall be made not later than one hundred eighty days after the effective date of an election to participate in the combined plan under section 2.03 of the member-directed plan document. Service credit purchased under this rule shall be included in the member's total service credit in the combined plan. If the member elects to receive pro-rated service credit, for purposes of section 1.41 of the combined plan document, the period of service upon which contributing service is based shall be the member's earliest service credit available to purchase under this rule.
- (D) Any funds remaining in an eligible member's accounts, as defined in section 1.01 of the member-directed plan document, after the purchase of service credit under this rule shall be credited to the member's rollover account in the combined plan and treated as a rollover, except that amounts transferred to the member-directed plan under section 2.02 of the member-directed plan document shall be credited to the participant contribution account in the combined plan, as if the contributions had been originally transferred under section 2.02 of the combined plan document. A member may also elect, at the time of service purchase, to leave any remaining funds on deposit in the member-directed plan; any funds remaining shall be credited to the member's rollover account, as defined in section 1.31 of the member-directed plan document, and treated as a rollover.
- (E)

- (1) Service credit purchased under this rule cancels the corresponding years of participation in the member-directed plan.
- (2) For plan elections effective on or before July 1, 2015, years of participation in the member-directed plan that are not purchased under this rule shall be cancelled immediately upon the expiration of the one hundred eighty day period following the effective date of an election to participate in the combined plan under section 2.03 of the member-directed plan document.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.814
Prior Effective Dates: 01/01/2003, 11/15/2003, 12/24/2004, 01/01/2009,
07/11/2009, 01/01/2010, 01/01/2011, 01/07/2013
(Emer.), 03/24/2013, 06/06/2015, 01/01/2021,
01/01/2022

TO BE RESCINDED

145-3-41

Application for a disability benefit.

- (A) This rule amplifies division (C) of section 145.82 of the Revised Code and sections 10.02 and 10.03 of the combined plan document.
- (B) Subject to paragraph (C) of this rule, a member participating in the combined plan who has disability coverage under section 10.01 of the combined plan document may apply for disability benefits in accordance with rule 145-2-21 of the Administrative Code.
- (C) In addition to the agreement required under paragraph (C)(4) of that rule, a member participating in the combined plan shall, prior to approval of the member's application, elect one of the options listed in section 10.03 of the combined plan document.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.82
Prior Effective Dates: 01/01/2003, 01/01/2020

TO BE RESCINDED

145-3-43 **Disability appeals.**

- (A) This rule applies when an application for a disability benefit filed under rule 145-3-41 of the Administrative Code is denied.
- (B) After an application under rule 145-3-41 of the Administrative Code is denied, the board shall comply with rule 145-2-23 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.81, 145.82
Prior Effective Dates: 01/01/2003, 01/01/2020

145-3-50

Designation of beneficiary prior to retirement.

- (A) This rule amplifies section 13.02 of the combined plan document and section 11.02 of the member-directed plan document.
- (B) The member participating in the combined or member-directed plan may designate a beneficiary in accordance with section 145.431 of the Revised Code and rule 145-2-30 of the Administrative Code.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.431
Prior Effective Dates: 07/07/2013 (Emer.), 09/16/2013

TO BE RESCINDED

145-3-51 **Survivor benefits.**

- (A) This rule amplifies division (C) of section 145.82 of the Revised Code and section 11.02 of the combined plan document.
- (B) Subject to division (C)(1) of section 145.45 of the Revised Code, the beneficiary or beneficiaries of a deceased member participating in the combined plan may elect to forfeit the sums payable under article VIII of the combined plan document and to substitute survivor benefits if the beneficiary or beneficiaries:
- (1) Meet the requirements of section 145.45 of the Revised Code;
 - (2) Elect to transfer to the traditional pension plan under section 11.02 of the combined plan document.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.45, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 12/24/2004

TO BE RESCINDED

145-3-52

Proof of dependency.

Where dependency is required for eligibility for benefits under rule 145-3-51 of the Administrative Code, proof of dependency shall be made in accordance with rule 145-2-31 of the Administrative Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.45, 145.81, 145.82
Prior Effective Dates: 01/01/2003

145-3-53

Validity of marriage.

In the absence of a valid marriage certificate, validity of marriage shall be established in accordance with rule 145-2-35 of the Administrative Code.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.43, 145.81, 145.82
Prior Effective Dates:	01/01/2003

TO BE RESCINDED

145-3-71

Actuarial reduction factors.

The public employees retirement board shall, based on the recommendation of the board's actuary, establish the percentage rate for the reductions described in section 9.03(a) of the combined plan document, as amended on January 7, 2013.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.33
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013

TO BE RESCINDED

145-3-73 **Cost of living adjustment.**

- (A) As used in this rule, "alternate payee" has the same meaning as in section 3105.80 of the Revised Code
- (B) A benefit recipient who has received an allowance under section 9.03 of the combined plan document for at least twelve months shall have such allowance increased pursuant to section 145.323 of the Revised Code and as provided in this rule on the annual anniversary of the recipient's effective benefit date.
- (C) A new benefit base upon which a cost of living adjustment shall be calculated shall be established when:
- (1) A post retirement increase is granted, other than a cost of living adjustment or a payment representing reimbursement of premium for medicare part "B".
 - (2) A retirant receiving under the joint-life plan dies and the surviving beneficiary begins receiving a portion of the amount previously paid to the retirant.
 - (3) A retirant receiving under the joint-life plan reverts to the single-life plan as a result of the death of the beneficiary spouse, or divorce or dissolution of marriage as authorized in section 9.03 of the combined plan document and rule 145-3-13 of the Administrative Code.
 - (4) A retirant receiving under the multiple-life plan reverts to the single-life plan as a result of the removal of all beneficiaries as authorized in section 9.03 of the combined plan document and rule 145-3-13 of the Administrative Code.
 - (5) The benefit established at retirement is recalculated for any reason except for a cost of living adjustment or reimbursement of premium for medicare part "B."
 - (6) A part of a benefit is waived then the base shall be the portion being paid. If a waiver is withdrawn, the full base shall be re-established.
- (D) For allowances that became payable before October 27, 2006, the apportionment of a cost of living adjustment between a benefit recipient and an alternate payee pursuant to section 9.03(d) of the combined plan document shall begin with the next cost of living adjustment granted on or after October 27, 2006, and shall continue while the order is in effect.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.323, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 10/27/2006, 09/01/2013 (Emer.),
09/16/2013

TO BE RESCINDED

145-3-75 **Death benefit payment.**

- (A) This rule shall apply only to the death benefit payable pursuant to section 145.451 of the Revised Code.
- (B) A retirant may designate a beneficiary or beneficiaries to receive only the death benefit payment.
- (1) Such designation may be changed on a form provided by the public employees retirement system.
- (2) The death benefit payment shall be divided equally among the surviving beneficiaries if the retirant designated multiple beneficiaries.
- (C) If the death benefit is payable to the person responsible for the retirant's burial expenses, such person shall submit proof of financial liability and proof of payment of these expenses.
- (D) If a beneficiary of the death benefit payment or portion of a death benefit payment dies prior to the distribution of the amount, the payment shall be issued to the beneficiary's estate.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.451, 145.81, 145.82
Prior Effective Dates: 01/01/2003, 01/01/2022

TO BE RESCINDED

145-3-77

Annual interest credited to contributor accounts in the employee savings fund.

The public employees retirement board shall set pursuant to division (A) of section 145.473 of the Revised Code the annual interest rate to be credited to the accounts in the employees' savings fund of members who are participating in the combined plan.

Effective:

Five Year Review (FYR) Dates: 9/30/2024

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.473, 145.81, 145.82
Prior Effective Dates: 01/01/2003

145-3-81

Military service.

- (A) This rule amplifies section 21.02 of the member-directed plan document.
- (B) A member participating in the member-directed plan may make contributions under section 145.302 of the Revised Code in accordance with rule 145-2-06 of the Administrative Code. Notwithstanding section 145.302 of the Revised Code, a member who makes contributions in accordance with that section shall receive a year or portion of a year of participation, as defined in section 1.38 of the member-directed plan document, rather than service credit.
- (C) Contributions received from a member described in paragraph (B) of this rule shall be deposited and credited in accordance with section 3.03 of the member-directed plan document. Contributions received from the member's employer shall be deposited and credited in accordance with section 3.02 of the member-directed plan document.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.302, 145.81
Prior Effective Dates:	01/01/2003

145-3-82

Purchase of service credit by member-directed plan members.

- (A) This rule amplifies section 145.47 of the Revised Code as applicable to members participating in the member-directed plan.
- (B) A member participating in the member-directed plan may purchase service credit under section 145.47 of the Revised Code in accordance with rule 145-3-23 of the Administrative Code.

Five Year Review (FYR) Dates: 9/30/2024 and 09/27/2029

CERTIFIED ELECTRONICALLY

Certification

09/30/2024

Date

Promulgated Under: 111.15
Statutory Authority: 145.80
Rule Amplifies: 145.47
Prior Effective Dates: 07/07/2013 (Emer.), 09/16/2013

145-4-25

Dental and vision coverage.

(A) As used in this rule:

(1) "Benefit recipient" means person receiving a benefit from the public employees retirement system. "Benefit" means monthly amounts paid to an individual pursuant to section 145.32, 145.33, 145.331, 145.332, ~~145.335~~, 145.35, 145.36, 145.361, 145.37, 145.384, 145.45, or 145.46 of the Revised Code, or section 9.02, ~~article X~~, or ~~article XI~~ of the combined plan document.

(2) "Dependent" means:

(a) The spouse of a benefit recipient.

(b) The biological or legally adopted child of a benefit recipient who is under the age of twenty-six.

(c) The grandchild of a benefit recipient for whom the benefit recipient has been ordered pursuant to section 3109.19 of the Revised Code, or equivalent order from another state, to provide dental and vision coverage.

A benefit recipient shall inform the retirement system, in writing, not later than thirty days after an eligible dependent no longer meets the requirements of this rule. The retirement system may require a benefit recipient to certify the status of an individual as an eligible dependent for coverage. Failure to provide certification within sixty days of the request by the retirement system shall result in the denial or withdrawal of coverage for such individual until the open enrollment period.

(3) "Initial benefit payment" has the same meaning as in rule 145-1-65 of the Administrative Code.

(B)

(1) Except as provided in paragraph (B)(2) of this rule, the public employees retirement system may offer dental or vision coverage that is administered by a third party administrator(s) to benefit recipients and dependents provided that the benefit exceeds the premium set by the public employees retirement board for coverage under this rule.

(2)

(a) A spouse of a benefit recipient shall cease to be eligible for coverage on the first day of the month following the date of the final decree of divorce or dissolution from the benefit recipient.

- (b) A dependent described in paragraph (A)(2)(b) of this rule shall cease to be eligible for coverage on the first day of the month following the child's twenty-sixth birthday. A dependent described in paragraph (A)(2)(c) of this rule shall cease to be eligible for dental and vision coverage on the first day of the month following the dependent's eighteenth birthday.

(C) Enrollment

- (1) Except as provided in paragraph (C)(2) of this rule, a benefit recipient's application for dental or vision coverage must be received by the retirement system not later than thirty days after the benefit recipient's initial benefit payment. During the thirty-day period, the applicant may make one change to the filed application.
- (2) A benefit recipient that does not enroll as provided in paragraph (C)(1) of this rule may enroll by filing an application for enrollment in dental or vision coverage during one of the following:
 - (a) The annual open enrollment period;
 - (b) Within sixty days of involuntary termination of coverage under another group plan, and with proof of such termination.
- (3) A benefit recipient may enroll an eligible dependent in coverage during the annual open enrollment period or at any time outside of open enrollment if any of the following apply and the application is received not later than sixty days after the occurrence of the event:
 - (a) The benefit recipient may enroll a new spouse upon marriage;
 - (b) The benefit recipient may enroll an eligible child upon the birth or adoption of the child;
 - (c) The benefit recipient may enroll an eligible dependent who has involuntarily lost vision and dental coverage from another source;
 - (d) The benefit recipient is ordered to enroll a child pursuant to a national medical support order;
 - (e) The dependent first achieves an eligibility threshold described in this rule.
- (4) Enrollment of a benefit recipient or eligible dependent under this rule shall be made on an application provided by the retirement system.

(D) Effective date of coverage

- (1) The effective date of dental and vision coverage of a benefit recipient receiving a benefit pursuant to section 145.32, 145.33, 145.331, 145.332, 145.335, division (B)(1) of section 145.37, or 145.384 of the Revised Code, or section 9.02 of the combined plan document shall be the later of the following:
 - (a) The effective benefit date of the benefit that is the basis of the coverage;
 - (b) The first day of the month during which an application for the benefit is received by the retirement system.
 - (c) If the retirement system or health care administrator has not paid claims for coverage for an eligible benefit recipient or eligible dependent, the benefit recipient may elect an effective date of coverage that is after the date described in paragraph (D)(1)(a) or (D)(1)(b) of this rule but is not later than thirty days after the initial benefit payment. An election under this paragraph shall be made not later than thirty days after the initial benefit payment.
 - (2) The effective date of dental and vision coverage of a benefit recipient receiving a benefit pursuant to section 145.35, 145.36, 145.361, division (B)(2) of section 145.37, 145.45, or 145.46 of the Revised Code, ~~or Article X or Article XI of the combined plan document~~ shall be the first day of the month following the initial benefit payment.
 - (3) Notwithstanding paragraphs (D)(1) and (D)(2) of this rule, in the case of enrollment during open enrollment, the effective date of coverage shall be January first of the following year.
- (E) The following provisions apply to the dental and vision coverage offered by the retirement system:
- (1) The coverage shall be in effect for a calendar year.
 - (2) An individual enrolled in coverage can voluntarily terminate the individual's enrollment in the coverage or a dependent's enrollment in the coverage only at the end of each calendar year by filing the notice of cancellation in a form and manner approved by the retirement system during the open enrollment period.
 - (3) The system shall require the automatic withholding of coverage premiums from the benefit paid to the enrolled individual.
- (F) The retirement system shall offer continuation coverage, as applicable, in accordance with the requirements of the Consolidated Omnibus Budget and Reconciliation Act 1985 ("COBRA"), 42 U.S.C.A. 300gg-1.

Effective:

Five Year Review (FYR) Dates: 9/20/2028

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.58
Rule Amplifies: 145.58, 145.584
Prior Effective Dates: 01/01/2022