

_____ moved to amend as follows:

In line _____ of the title, after "_____" insert "5505.17 and 5505.174" 1
2

In line _____ of the title, after "_____" insert "5505.179" 3

In line _____ of the title, after "_____" insert "regarding cost of 4
living adjustments and temporary supplemental benefits under the State 5
Highway Patrol Retirement System" 6

After line _____, insert: 7

"Section 1. That sections 5505.17 and 5505.174 be amended 8
and section 5505.179 of the Revised Code be enacted to read as 9
follows: 10

Sec. 5505.17. (A) (1) Upon retirement as provided in 11
section 5505.16 of the Revised Code, a state highway patrol 12
retirement system retirant shall receive a life pension, without 13
guaranty or refund, equal to the greater of one thousand fifty 14
dollars or the sum of two and one-half per cent of the 15
retirant's final average salary multiplied by the first twenty 16
years of total service credit, plus two and one-quarter per cent 17
of the retirant's final average salary multiplied by the number 18
of years, and fraction of a year, of total service credit in 19
excess of twenty years but not in excess of twenty-five years, 20
plus two per cent of the retirant's final average salary 21
multiplied by the number of years, and fraction of a year, in 22

excess of twenty-five years; provided that in no case shall the
pension exceed the lesser of seventy-nine and one-quarter per
cent of the retirant's final average salary or the limit
established by section 415 of the "Internal Revenue Code of
1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

(2) A member with fifteen or more years of total service
credit, who voluntarily resigns or who is discharged from the
state highway patrol for any reason except retirement under this
chapter, death, dishonesty, cowardice, intemperate habits, or
conviction of a felony, shall receive a pension equal to one and
one-half per cent of the member's final average salary
multiplied by the number of years, and fraction of a year, of
total service credit, except that the pension shall not exceed
the limit established by section 415 of the "Internal Revenue
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. The
pension shall commence at the end of the calendar month in which
the application is filed with the retirement board on or after
the attainment of age fifty-five years by the applicant. A
member or former member who withdraws any part or all of the
accumulated contributions from the employees' savings fund shall
thereupon forfeit all rights to a pension provided for in this
division.

(3) (a) A surviving spouse of a deceased member who died
~~before the effective date of this amendment~~ May 11, 2018, shall
receive a monthly pension, determined as follows, during the
spouse's life:

(i) If at the time of death the member was not eligible to
be granted a pension payable under division (A) (1) of this
section or to elect to receive a reduced pension payable under
section 5505.16 of the Revised Code, nine hundred dollars;

(ii) If at the time of death the member was eligible to be 53
granted a pension payable under division (A) (1) of this section 54
or to elect to receive a reduced pension payable under section 55
5505.16 of the Revised Code, the greater of nine hundred dollars 56
or fifty per cent of the computed monthly pension the member 57
would have received had the member been granted a pension under 58
division (A) (1) of this section or elected to receive a reduced 59
pension under section 5505.16 of the Revised Code. 60

(b) The surviving spouse of a retirant who retired before-- 61
~~the effective date of this amendment~~ May 11, 2018, shall receive 62
a monthly pension, determined as follows, during the spouse's 63
life: 64

(i) If the retirant had been granted retirement under 65
section 5505.16 of the Revised Code, but at the time of death 66
had not attained the age of eligibility for a pension, nine 67
hundred dollars; 68

(ii) If the retirant had been granted retirement under 69
section 5505.16 of the Revised Code and had attained the age of 70
eligibility for a pension, but at the time of death had not 71
elected to begin receiving the pension, the greater of nine 72
hundred dollars or fifty per cent of the computed monthly 73
pension the retirant was eligible to receive under section 74
5505.16 of the Revised Code; 75

(iii) If the retirant had been granted retirement and was 76
receiving a pension under division (A) (1) of this section or 77
section 5505.16 or 5505.18 of the Revised Code, or, regardless 78
of whether or not the retirant had actually received any 79
payment, was eligible to receive a pension under division (A) (1) 80
of this section or section 5505.16 or 5505.18 of the Revised 81
Code and had elected to begin receiving it, the greater of nine 82

hundred dollars or fifty per cent of the computed monthly 83
pension awarded the retirant. 84

(c) The surviving spouse of a deceased member who dies on 85
or after ~~the effective date of this amendment~~ May 11, 2018, or a 86
retirant who retires on or after ~~the effective date of this~~ 87
~~amendment~~ May 11, 2018, shall receive a monthly pension during 88
the spouse's life if the spouse was married to the member or 89
retirant while the member or retirant was in the active service 90
of the state highway patrol. The pension shall be determined as 91
follows: 92

(i) During the period beginning ~~on the effective date of~~ 93
~~this amendment~~ May 11, 2018, and ending December 31, 2018, nine 94
hundred dollars; 95

(ii) During the period beginning January 1, 2019, and 96
continuing the following twelve months, and the period beginning 97
the first day of January of each year thereafter and continuing 98
the following twelve months, an amount equal to the monthly 99
amount payable during the prior twelve-month period plus an 100
amount determined by multiplying nine hundred dollars by the 101
amount the board determines annually under division ~~(B) (1) (b)~~ (B) 102
(1) of section 5505.174 of the Revised Code. 103

(d) In addition to the pension determined under division 104
(A) (3) (c) of this section, the surviving spouse of a deceased 105
member who dies on or after ~~the effective date of this amendment~~ 106
May 11, 2018, shall receive a monthly pension during the 107
spouse's life if the spouse was married to the member while the 108
member was in the active service of the state highway patrol 109
and, at the time of death, the member was eligible to be granted 110
a pension payable under division (A) (1) of this section or to 111
elect to receive a reduced pension payable under section 5505.16 112

of the Revised Code. The pension shall be an amount equal to the 113
amount the surviving spouse would have been entitled to receive 114
had the member retired effective the day following the date of 115
death having selected an option 2 plan under division (A) (2) (b) 116
of section 5505.162 of the Revised Code providing for one-half 117
of the member's lesser pension to be paid to the surviving 118
spouse. 119

(e) If a monthly pension to a surviving spouse was 120
terminated due to a remarriage, the surviving spouse is eligible 121
to receive a monthly pension under division (A) (3) of this 122
section effective the first day of the first month following 123
June 5, 1996. The pension shall be computed under division (A) 124
(3) of this section as of June 5, 1996. The pension payable to a 125
person who is the surviving spouse of more than one state 126
highway patrol retirement system member or retirant shall be 127
computed on the basis of the service of the member or retirant 128
to whom the surviving spouse was most recently married. 129

(4) A pension of one hundred fifty dollars per month shall 130
be paid by the system to or for the benefit of each child of a 131
deceased member or retirant until the child attains the age of 132
eighteen years or marries, whichever event occurs first, or 133
until the child attains twenty-three years of age if the child 134
is a student in and attending an institution of learning or 135
training pursuant to a program designed to complete in each 136
school year the equivalent of at least two-thirds of the full- 137
time curriculum requirements of the institution, as determined 138
by the retirement board. If any surviving child, regardless of 139
age at the time of the member's or retirant's death, because of 140
physical or mental disability, was totally dependent upon the 141
deceased member or retirant for support at the time of death, a 142
pension of one hundred fifty dollars per month shall be paid by 143

the system to or for the benefit of the child during the child's 144
natural life or until the child recovers from the disability. 145

(5) (a) If a retirant died prior to June 6, 1988, and the 146
surviving spouse was not married to the retirant while the 147
retirant was in the active service of the patrol, the surviving 148
spouse shall receive a pension of the greater of four hundred 149
twenty-five dollars per month or fifty per cent of the computed 150
monthly pension the retirant was receiving. 151

(b) If the pension payable to a person receiving a pension 152
under division (A) (5) (a) of this section on June 30, 2000, is 153
less than nine hundred dollars per month, the pension shall be 154
increased to nine hundred dollars per month. 155

(6) If a deceased member or retirant leaves no spouse or 156
surviving children, but leaves two parents depending solely upon 157
the deceased member or retirant for support, each parent shall 158
be paid a monthly pension of one hundred fifty-four dollars. If 159
in such case there is only one parent dependent solely upon the 160
deceased member or retirant for support, such parent shall be 161
paid a monthly pension of one hundred fifty-four dollars. Such 162
pension shall be paid during the life of the surviving parents, 163
or until dependency ceases, or until remarriage, whichever event 164
occurs first. 165

(7) Any amount remaining as accumulated contributions at 166
the time of death of a retirant who leaves no surviving spouse 167
or dependent children or parents shall be paid to the 168
beneficiary or beneficiaries the retirant has nominated by 169
written designation duly executed and filed with the board. A 170
retirant may designate an individual or a trust as a 171
beneficiary. If there is no designated beneficiary surviving the 172
retirant, the retirant's accumulated contributions shall be paid 173

according to the state law of descent and distribution; provided 174
that, if the retirant's accumulated contributions are not 175
claimed by an eligible person or by the estate of the retirant 176
within seven years, they shall be transferred to the income fund 177
of the system and after that shall be paid from that fund to 178
such person or estate upon application to the board. 179

(8) The increase provided for by division (A) (5) of this 180
section shall be included in the calculation of the additional 181
benefit paid under section 5505.174 of the Revised Code. 182

(B) The board shall adopt, and may amend or rescind, the 183
necessary rules for the administration of this section and all 184
decisions of the board shall be final. Any payment of a pension 185
or benefit under this section is subject to the provisions of 186
section 5505.26 of the Revised Code. 187

(C) A member's total service credit may include periods 188
during which the member's employment with the state highway 189
patrol is interrupted by a leave of absence, when requested by 190
the governor, to accept employment with another agency of the 191
state, provided that: 192

(1) The member is reemployed by the state highway patrol 193
within thirty days following termination of such other 194
employment; 195

(2) The member pays into the retirement system, to the 196
credit of the employees' savings fund, an amount equal to the 197
total contributions the member would have paid had the state 198
highway patrol employment not been so interrupted. Such 199
repayment shall begin within ninety days after the member's 200
return to duty with the state highway patrol and be completed 201
within a period equal to that of the leave of absence. 202

(D) Service credits granted under division (C) of this 203
section shall not include any duplications of credits for which 204
a pension is payable by the public employees retirement system. 205

Sec. 5505.174. (A) Eligibility for an increase under this 206
section shall be determined as follows: 207

(1) For a person whose pension effective date is prior to 208
January 7, 2013, an "eligible person" is one of the following: 209

(a) A person fifty-three years old or older who has been 210
receiving a pension pursuant to division (B) of section 5505.16, 211
division (A) (1) of section 5505.17, or division (B) of section 212
5505.18 of the Revised Code for not less than twelve months; 213

(b) A person who has been receiving a pension pursuant to 214
division (B) of section 5505.18 of the Revised Code for not less 215
than sixty months regardless of age; 216

(c) A person who has been receiving a pension pursuant to 217
section 5505.162 or division (A) (3), (4), (5), or (6) of section 218
5505.17 of the Revised Code for not less than twelve months 219
regardless of age. 220

(2) For a person whose pension effective date is on or 221
after January 7, 2013, but before ~~the effective date of this~~ 222
~~amendment~~ May 11, 2018, an "eligible person" is a person who is 223
sixty years old or older who has been receiving a pension 224
pursuant to division (B) of section 5505.16, section 5505.162, 225
division (A) (1), (3), (4), (5), or (6) of section 5505.17, or 226
division (B) of section 5505.18 of the Revised Code for not less 227
than twelve months. 228

(3) For a person whose pension effective date is on or 229
after ~~the effective date of this amendment~~ May 11, 2018, an 230
"eligible person" is a person who is sixty years old or older 231

who has been receiving a pension pursuant to division (B) of 232
section 5505.16, section 5505.162, division (A) (1), (3) (a), (b), 233
or (d), (4), (5), or (6) of section 5505.17, or division (B) of 234
section 5505.18 of the Revised Code for not less than twelve 235
months. 236

(B) (1) Except as otherwise provided in this section, the 237
state highway patrol retirement board ~~shall~~ may annually 238
increase pensions payable to eligible persons under this chapter 239
~~in accordance with the following:~~ 240

~~(a) For each person sixty-five years of age or older who 241
is receiving a pension not greater than one hundred eighty-five 242
per cent of the federal poverty level for a family of two 243
persons, as revised annually by the United States department of 244
health and human services in accordance with section 673(2) of 245
the "Omnibus Reconciliation Act of 1981," 95 Stat. 511, 42- 246
U.S.C. 9902, as amended, the board shall increase the pension by 247
three per cent. 248~~

~~(b) For persons other than those described in division (B) 249
(1) (a) of this section, the board may increase the pension. Any 250
increase shall be determined by the board based on compliance 251
with the amortization period requirement of section 5505.121 of 252
the Revised Code. The board's determination shall be based on 253
the annual actuarial valuation required by section 5505.12 of 254
the Revised Code. If the board determines that an increase may 255
be made, the increase shall not exceed three per cent of the 256
eligible person's pension. No increase under this section shall 257
exceed a dollar amount determined by the board. 258~~

(2) No increase under this section shall exceed the limit 259
established by section 415 of the "Internal Revenue Code of 260
1986," 100 Stat. 2085, 26 U.S.C. 415, as amended. 261

(3) The date of the first increase paid under this section 262
shall be the anniversary date for future increases. The pension 263
used in the first calculation of an increase under this section 264
shall remain as the base for all future increases paid under 265
this section, unless a new base is established. 266

(C) If payment of a portion of a benefit is made to an 267
alternate payee under section 5505.261 of the Revised Code, 268
increases under this section granted while the order is in 269
effect shall be apportioned between the alternate payee and the 270
eligible person in the same proportion that the amount being 271
paid to the alternate payee bears to the amount paid to the 272
eligible person. 273

If payment of a portion of a benefit is made to one or 274
more beneficiaries under "option 4" under division (A) (4) of 275
section 5505.162 of the Revised Code, each increase under this 276
section granted while the plan of payment is in effect shall be 277
divided among the designated beneficiaries in accordance with 278
the portion each beneficiary has been allocated. 279

(D) The board shall adopt, and may amend or rescind, any 280
rule necessary to carry out this section. 281

Sec. 5505.179. (A) On or after June 1, 2027, and on or 282
after the first day of June of each year thereafter, the state 283
highway patrol retirement board may allocate an amount for the 284
purpose of granting a temporary supplemental benefit to each 285
retirant who, during the calendar year in which the amount may 286
be allocated, has reached at least sixty years of age. The board 287
shall not allocate an amount that exceeds the excess net 288
investment income during the preceding calendar year over the 289
expected investment income for the same period, calculated based 290
on the assumed rate of return determined by the board. 291

(B) In December 2027, and in December of each year 292
thereafter, the board may grant to each retirant described in 293
division (A) of this section a temporary supplemental benefit in 294
the form of a lump sum payment from the amount allocated under 295
that division. 296

(C) The board shall adopt rules to administer the 297
temporary supplemental benefit authorized under this section. 298
The rules shall recognize the years of service credit for each 299
retirant described in division (A) of this section as a basis 300
for allocating the amount payable to the retirant. 301

(D) Amounts paid under this section shall not be included 302
in the base for increasing a pension provided under section 303
5505.174 of the Revised Code and shall not incur any obligation 304
or liability for future payments under this section. 305

Section 2. That existing sections 5505.17 and 5505.174 of 306
the Revised Code are hereby repealed." 307

After line _____, insert: 308

"Section 3. Section 5505.17 of the Revised Code is 309
presented in this act as a composite of the section as amended 310
by both H.B. 49 and H.B. 362 of the 132nd General Assembly. The 311
General Assembly, applying the principle stated in division (B) 312
of section 1.52 of the Revised Code that amendments are to be 313
harmonized if reasonably capable of simultaneous operation, 314
finds that the composite is the resulting version of the section 315
in effect prior to the effective date of the section as 316
presented in this act." 317

The motion was _____ agreed to.

<u>SYNOPSIS</u>	318
Cost of living adjustments	319
R.C. 5505.174; with conforming changes in R.C. 5505.17	320
Eliminates the requirement that the State Highway Patrol	321
Retirement Board annually grant a 3% cost of living adjustment	322
(COLA) to certain benefit recipients who are age 65 or older and	323
whose benefits are not greater than 185% of the federal poverty	324
level for a family of two.	325
Prohibits any COLA increase from exceeding a dollar amount	326
determined by the Board.	327
Temporary supplemental benefits	328
R.C. 5505.179	329
Authorizes the Board to grant to each retirant who is at	330
least age 60 a temporary supplemental benefit in the form of a	331
lump sum payment beginning in December 2027 and in December of	332
each year after that.	333
Prohibits the Board, for purposes of funding the total	334
amount of temporary supplemental benefits granted in any year,	335
from allocating an amount that exceeds the excess net investment	336
income during the preceding calendar year over the expected	337
investment income for the same period.	338