



*Synopsis of Senate Committee Amendments**

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Legislative Service Commission

Sub. H.B. 373

124th General Assembly
(S. Ways & Means)

The Senate committee adopted a substitute bill that raises the employee contribution rate for State Highway Patrol Retirement System members and revises laws governing the Ohio Police and Fire Pension Fund, including the deferred retirement option plan authorized by Sub. S.B. 134 of this General Assembly. The substitute bill does the following:

State Highway Patrol Retirement System

Increases member contributions to the State Highway Patrol Retirement Fund to 10% of annual salary (from 9.5%).

Ohio Police and Fire Pension Fund

Deferred Retirement Option Plan (DROP)

Makes explicit that both the amount of the deferred pension and the pension payable on termination of a member's employment are calculated as of the effective date of the election to participate in DROP, not the date of termination of the member's employment.

Also makes explicit that any survivor benefit that is based on the member's pension is calculated as of the effective date of the election to participate in DROP.

Provides that the period during which interest on the amount held for a DROP participant is paid extends until the entire amount has been distributed.

Precludes a member from purchasing additional service credit, such as credit for military service, while a DROP participant, and provides for refund of any amount previously paid to purchase service credit that does not increase the amount of the member's pension.

* This synopsis does not address amendments that may have been adopted on the Senate floor.

Clarifies provisions of law concerning election by a DROP participant of a plan of pension payment that includes a survivor benefit.

Makes other technical and clarifying changes to laws governing DROP.

Eligibility to purchase service credit

Eliminates a requirement that a member of the Fund have 18 months of contributing service credit to be eligible to purchase credit for prior service covered by the Public Employees Retirement System, State Teachers Retirement System, or School Employees Retirement System.

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