

OPERS EMPLOYER Notice

August 28, 2009

Ohio Public Employees Retirement System • 277 East Town Street • Columbus, Ohio 43215

Recent amendments to Chapter 145 of the Ohio Revised and Administrative Codes

Who should read this notice

Finance directors, payroll professionals and human resources professionals

Situation overview

Following are summaries of the statutory and rule amendments recently approved by the OPERS Board of Trustees and the Ohio General Assembly.

- **Mandatory early retirement incentive plans for state institutions** (ORC Section 145.298): Increases the threshold for state institutions to provide mandatory early retirement incentive (ERI) plans due to closure or layoffs. Changes the mandatory ERI threshold for proposed layoff from the lesser of 50 persons or 10% of those employed to the lesser of 350 persons or 40% of those employed. The bill excludes this requirement for employing units with 50 or fewer employees. This amendment was effective July 17, 2009.
- **Excluded from OPERS membership** (ORC 145.012): Members of the Unemployment Compensation Advisory Council, effective October 16, 2009
- **Payment for periods of non-contributing service** (Amended rule 145-1-31): Amendment to paragraph (F) (4) (a) provides for the holding and vesting of some contributions for those in the Member-Directed plan.
- **Benefits payable to a re-employed retiree** (Amended rule 145-1-75): Amendment to paragraph (E) (3) defining employer/individual/OPERS primary health care coverage responsibilities for re-employed retirees.
- **Service credit in Combined Plan for Member-Directed Plan participation** (Amended rule 145-3-40): Amendment to paragraph (C) detailing the deadline and how service credit may be purchased in a transfer of plans.

Here are summaries of new rules:

- **Conversion of service credit to law enforcement service credit** (Rule 145-2-16) This rule allows public safety and law enforcement officers to convert non-law enforcement service credit into credit that makes them eligible for a public safety or law enforcement retirement benefit. The rule specifies eligibility, cost, and procedural requirements for converting the service credit, effective as of August 2, 2009.

More on back



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- **Internal Revenue Code limitations on benefits** (Rule 145-2-65)
The Internal Revenue Code limits the amounts retirees can receive from a defined benefit plan and the amounts members contribute to defined contribution plans. This rule was adopted because IRS regulations encourage OPERS' plan to provide a greater level of detail regarding federal benefit limitations.

What you need to do

OPERS is required to notify public employers of any amendment or change to the Ohio Administrative Code. We recognize employers are an important resource for employees, our members; we ask you to review any informational items you may have on these topics to ensure you are compliant with the current rules and rule amendments.

Changes to the *Employer Manual*

No changes were made to the *Employer Manual* as a result of these changes.

Who to contact for more information

After you review this *Employer Notice*, contact your Employer Outreach representative with questions or comments at 1-888-400-0965 or via the Internet at employeroutreach@opers.org.

This Employer Notice is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.



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