



# EMPLOYER NOTICE

## Administrative Rule amendments effective Jan. 1, 2021

### WHO SHOULD READ THIS NOTICE

Finance directors, chief administrative officers, human resources and benefits professionals of OPERS employers.

### SITUATION OVERVIEW

Administrative rules are reviewed every five years or as needed to determine whether they require amendments, rescission or to continue without change. The OPERS Board of Trustees approved changes to the following Administrative Rules which became effective on Jan. 1, 2021.

### SUMMARY OF SUBSTANTIVE RULE AMENDMENTS

- 1. Rule 145-1-21:** Federal tax compliance provisions.  
**Amendment Eighteen to the Member-Directed Plan Document.**  
**Amendment Eighteen to the Combined Plan Document:** The amendments are intended to update the rule to recognize a change to the required minimum distribution age enacted in the federal Secure Act, which took effect on December 31, 2019. Formerly, the required minimum age was 70 ½. Beginning January 1, 2020, the required minimum age is 72.
- 2. Rule 145-1-26:** Definition of earnable salary. Current law excludes from earnable salary retroactive payments made by an employer within thirty-six months of an employee's effective date of retirement with an understanding that the employee would retire. The rule is amended to add payments made within sixty months of the employee's effective date of retirement to reflect the five-year final average salary of Group C.
- 3. Rule 145-1-37:** Purchases made with an eligible rollover distribution. The title of the rule has been amended to reflect that rollovers into the retirement system are not limited to service purchases. The rule includes other clarifying amendments regarding how rollovers are treated in the OPERS retirement plans.
- 4. Rule 145-1-62:** Proof of date of birth and legal name change. The amendments to the rule remove three sources for validating a member's date of birth: an official baptismal record, an original family bible that contains entries of family births, and a life insurance policy that meets certain specified requirements.
- 5. Rule 145-1-65:** Interim benefit payment. The amendment will allow a verbal request to withdraw a retirement application prior to the issuance of an initial benefit payment.

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6. **Rule 145-1-70:** Waiver of spousal consent. The amendment provides that spousal consent is waived if a member who is married at the time of retirement selects a joint-life plan that provides at least a 50% surviving benefit to the member's spouse.
7. **Rule 145-1-76:** Benefits payable to a reemployed retiree.  
**Rule 145-3-13:** Beneficiary and payment plan changes after retirement.  
The amendments, which apply to the Money Purchase Annuity program and to annuities paid under the Combined and Member-Directed Plan, provides for the same joint-life annuity requirements that currently apply to the Traditional Pension Plan's age and service retirement and additional annuity benefits.
8. **Rule 145-2-43:** Additional annuity accounts. The amendment to the rule establishes another exception to a member's ability to refund an additional annuity account at any time if the account contains mandatory employee contributions.
9. **Rule 145-2-46:** Beneficiary's percentage under joint-life and multiple-life plans. The amendment to this rule makes the dollar threshold consistent with the \$50 minimum benefit threshold enacted in Substitute H.B. 572 of the 132nd General Assembly.
10. **Rule 145-4-01:** Health care definitions. The amendment continues to exclude from "qualified years of employer contributions" amounts paid as a refund or lump sum payment in lieu of a non-law enforcement annuity unless the member is required to receive a refund or payment due to the annuity not meeting the \$50 minimum benefit threshold.unless the member is required to receive a refund or payment due to not meeting the \$50 minimum benefit threshold.
11. **Rule 145-4-06:** Eligibility for health care in the traditional pension and combined plans. Clarifies that current eligibility for health care for Group B members is consistent with unreduced age and service retirement for Group B.

#### AMENDMENTS TO UPDATE CERTAIN RULES RELATED TO BUSINESS PRACTICES

1. **Rule 145-1-27:** Remittance of employer contributions.  
**Rule 145-1-38:** Purchase of service credit by payroll deduction.  
**Rule 145-1-39:** Replacement of payments.  
**Rule 145-1-78:** Retirement of a member pursuant to section 145.383 of the Revised Code.

#### WHAT EMPLOYERS NEED TO KNOW

The information contained here is a high-level overview to keep employers informed of changes to Administrative Rules pertaining to the organization, operational policies, definitions and administration. Employers are encouraged to be knowledgeable about all aspects of each Administrative Rule change.

Those who want to read the primary documentation for all Administrative Rule changes will find exact information about all Administrative Rules on the [Register of Ohio website, www.registerofohio.state.oh.us](http://www.registerofohio.state.oh.us).

## WHOM TO CONTACT FOR MORE INFORMATION

After reviewing this Employer Notice, contact Employer Services with questions or comments at 888-400-0965, or by e-mail at [employeroutreach@opers.org](mailto:employeroutreach@opers.org).

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