

As Reported by the House Health and Aging Committee

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Sub. S. B. No. 342

Senators Niehaus, Kearney

Cosponsors: Senators Bacon, Eklund, Hite, Jones, Lehner, Schiavoni, Seitz,

Tavares

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A B I L L

To amend sections 3305.06, 3307.01, 3307.031, 1
3307.04, 3307.044, 3307.061, 3307.14, 3307.142, 2
3307.20, 3307.214, 3307.25, 3307.251, 3307.252, 3
3307.26, 3307.28, 3307.33, 3307.35, 3307.351, 4
3307.352, 3307.371, 3307.39, 3307.391, 3307.42, 5
3307.46, 3307.47, 3307.50, 3307.501, 3307.51, 6
3307.512, 3307.52, 3307.53, 3307.56, 3307.561, 7
3307.562, 3307.563, 3307.57, 3307.58, 3307.59, 8
3307.60, 3307.62, 3307.63, 3307.631, 3307.64, 9
3307.66, 3307.661, 3307.67, 3307.671, 3307.694, 10
3307.71, 3307.711, 3307.712, 3307.72, 3307.73, 11
3307.74, 3307.75, 3307.751, 3307.752, 3307.76, 12
3307.761, 3307.763, 3307.764, 3307.77, 3307.771, 13
3307.78, 3307.79, 3307.80, 3307.81, 3307.811, 14
3307.812, 3307.83, 3307.84, 3307.86, 3307.87, 15
3307.89, 3307.98, and 3313.975; to amend, for the 16
purpose of adopting new section numbers as 17
indicated in parentheses, sections 3307.64 18
(3307.48) and 3307.70 (3307.701); to enact new 19
section 3307.70 and section 3307.143; and to 20
repeal sections 3307.54, 3307.61, 3307.741, 21
3307.88, 3307.881, and 3307.882 of the Revised 22

Code to revise the law governing the State 23
Teachers Retirement System. 24

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3305.06, 3307.01, 3307.031, 3307.04, 25
3307.044, 3307.061, 3307.14, 3307.142, 3307.20, 3307.214, 3307.25, 26
3307.251, 3307.252, 3307.26, 3307.28, 3307.33, 3307.35, 3307.351, 27
3307.352, 3307.371, 3307.39, 3307.391, 3307.42, 3307.46, 3307.47, 28
3307.50, 3307.501, 3307.51, 3307.512, 3307.52, 3307.53, 3307.56, 29
3307.561, 3307.562, 3307.563, 3307.57, 3307.58, 3307.59, 3307.60, 30
3307.62, 3307.63, 3307.631, 3307.64, 3307.66, 3307.661, 3307.67, 31
3307.671, 3307.694, 3307.71, 3307.711, 3307.712, 3307.72, 3307.73, 32
3307.74, 3307.75, 3307.751, 3307.752, 3307.76, 3307.761, 3307.763, 33
3307.764, 3307.77, 3307.771, 3307.78, 3307.79, 3307.80, 3307.81, 34
3307.811, 3307.812, 3307.83, 3307.84, 3307.86, 3307.87, 3307.89, 35
3307.98, and 3313.975 be amended; sections 3307.64 (3307.48) and 36
3307.70 (3307.701) be amended for the purpose of adopting new 37
section numbers as indicated in parentheses; and new section 38
3307.70 and section 3307.143 of the Revised Code be enacted to 39
read as follows: 40

Sec. 3305.06. (A) Each electing employee shall contribute an 41
amount, which shall be a certain percentage of the employee's 42
compensation, to the provider of the investment option the 43
employee has selected. This percentage shall be the percentage the 44
electing employee would have otherwise been required to contribute 45
to the state retirement system that applies to the employee's 46
position, except that the percentage shall not be less than three 47
per cent. Employee contributions under this division may be 48
treated as employer contributions in accordance with Internal 49
Revenue Code 414(h). 50

(B) Each public institution of higher education employing an 51

electing employee shall contribute a percentage of the employee's 52
compensation to the provider of the investment option the employee 53
has selected. This percentage shall be equal to the percentage 54
that the public institution of higher education would otherwise 55
contribute on behalf of that employee to the state retirement 56
system that would otherwise cover that employee's position, less 57
the percentage contributed by the public institution of higher 58
education under division (D) of this section. 59

(C)(1) In no event shall the amount contributed by the 60
electing employee pursuant to division (A) of this section and on 61
the electing employee's behalf pursuant to division (B) of this 62
section be less than the amount necessary to qualify the plan as a 63
state retirement system pursuant to Internal Revenue Code 64
3121(b)(7) and the regulations adopted thereunder. 65

(2) The full amount of the electing employee's contribution 66
under division (A) of this section and the full amount of the 67
employer's contribution made on behalf of that employee under 68
division (B) of this section shall be paid to the appropriate 69
provider for application to the electing employee's investment 70
option. 71

(D) Each public institution of higher education employing an 72
electing employee shall contribute on behalf of that employee to 73
the state retirement system that otherwise applies to the electing 74
employee's position a percentage of the electing employee's 75
compensation to mitigate any negative financial impact of the 76
alternative retirement program on the state retirement system. The 77
percentage shall be six per cent, except that the percentage may 78
be adjusted by the Ohio retirement study council to reflect the 79
determinations made by actuarial studies conducted under section 80
171.07 of the Revised Code. Any adjustment shall become effective 81
on the first day of the second month following submission of the 82
actuarial study to the Ohio board of regents under section 171.07 83

of the Revised Code. 84

Contributions on behalf of an electing employee shall 85
continue in accordance with this division until the occurrence of 86
the following: 87

(1) If the electing employee would be subject to Chapter 145. 88
of the Revised Code had the employee not made an election pursuant 89
to section 3305.05 or 3305.051 of the Revised Code, until the 90
unfunded actuarial accrued liability for all benefits, except 91
health care benefits provided under section 145.325 or 145.58 of 92
the Revised Code and benefit increases provided after March 31, 93
1997, is fully amortized, as determined by the annual actuarial 94
valuation prepared under section 145.22 of the Revised Code; 95

(2) If the electing employee would be subject to Chapter 96
3307. of the Revised Code had the employee not made an election 97
pursuant to section 3305.05 or 3305.051 of the Revised Code, until 98
the unfunded actuarial accrued liability for all benefits, except 99
health care benefits provided under section 3307.39 ~~or 3307.61~~ of 100
the Revised Code and benefit increases provided after March 31, 101
1997, is fully amortized, as determined by the annual actuarial 102
valuation prepared under section 3307.51 of the Revised Code; 103

(3) If the electing employee would be subject to Chapter 104
3309. of the Revised Code had the employee not made an election 105
pursuant to section 3305.05 or 3305.051 of the Revised Code, until 106
the unfunded actuarial accrued liability for all benefits, except 107
health care benefits provided under section 3309.375 or 3309.69 of 108
the Revised Code and benefit increases provided after March 31, 109
1997, is fully amortized, as determined by the annual actuarial 110
valuation prepared under section 3309.21 of the Revised Code. 111

Sec. 3307.01. As used in this chapter: 112

(A) "Employer" means the board of education, school district, 113

governing authority of any community school established under 114
Chapter 3314. of the Revised Code, a science, technology, 115
engineering, and mathematics school established under Chapter 116
3326. of the Revised Code, college, university, institution, or 117
other agency within the state by which a teacher is employed and 118
paid. 119

(B) "Teacher" means all of the following: 120

(1) Any person paid from public funds and employed in the 121
public schools of the state under any type of contract described 122
in section 3311.77 or 3319.08 of the Revised Code in a position 123
for which the person is required to have a license issued pursuant 124
to sections 3319.22 to 3319.31 of the Revised Code; 125

(2) Any person employed as a teacher by a community school or 126
a science, technology, engineering, and mathematics school 127
pursuant to Chapter 3314. or 3326. of the Revised Code; 128

(3) Any person having a license issued pursuant to sections 129
3319.22 to 3319.31 of the Revised Code and employed in a public 130
school in this state in an educational position, as determined by 131
the state board of education, under programs provided for by 132
federal acts or regulations and financed in whole or in part from 133
federal funds, but for which no licensure requirements for the 134
position can be made under the provisions of such federal acts or 135
regulations; 136

(4) Any person having a license issued pursuant to sections 137
3319.22 to 3319.31 of the Revised Code and performing services 138
that are funded under section 3317.06 of the Revised Code and 139
provided to students attending nonpublic schools, without regard 140
to whether the services are performed in a public school and 141
whether the person is employed under a contract with a third 142
party; 143

(5) Any other teacher or faculty member employed in any 144

school, college, university, institution, or other agency wholly 145
controlled and managed, and supported in whole or in part, by the 146
state or any political subdivision thereof, including Central 147
state university, Cleveland state university, and the university 148
of Toledo; 149

~~(5)~~(6) The educational employees of the department of 150
education, as determined by the state superintendent of public 151
instruction. 152

In all cases of doubt, the state teachers retirement board 153
shall determine whether any person is a teacher, and its decision 154
shall be final. 155

"Teacher" does not include any eligible employee of a public 156
institution of higher education, as defined in section 3305.01 of 157
the Revised Code, who elects to participate in an alternative 158
retirement plan established under Chapter 3305. of the Revised 159
Code. 160

(C) "Member" means any person included in the membership of 161
the state teachers retirement system, which shall consist of all 162
teachers and contributors as defined in divisions (B) and (D) of 163
this section and all disability benefit recipients, as defined in 164
section 3307.50 of the Revised Code. However, for purposes of this 165
chapter, the following persons shall not be considered members: 166

(1) A student, intern, or resident who is not a member while 167
employed part-time by a school, college, or university at which 168
the student, intern, or resident is regularly attending classes; 169

(2) A person denied membership pursuant to section 3307.24 of 170
the Revised Code; 171

(3) An other system retirant, as defined in section 3307.35 172
of the Revised Code, or a superannuate; 173

(4) An individual employed in a program established pursuant 174

to the "Job Training Partnership Act," 96 Stat. 1322 (1982), 29 175
U.S.C.A. 1501; 176

(5) The surviving spouse of a member or retirant if the 177
surviving spouse's only connection to the retirement system is an 178
account in an STRS defined contribution plan. 179

(D) "Contributor" means any person who has an account in the 180
teachers' savings fund or defined contribution fund, except that 181
"contributor" does not mean a member or retirant's surviving 182
spouse with an account in an STRS defined contribution plan. 183

(E) "Beneficiary" means any person eligible to receive, or in 184
receipt of, a retirement allowance or other benefit provided by 185
this chapter. 186

(F) "Year" means the year beginning the first day of July and 187
ending with the thirtieth day of June next following, except that 188
for the purpose of determining final average salary under the plan 189
described in sections 3307.50 to 3307.79 of the Revised Code, 190
"year" may mean the contract year. 191

(G) "Local district pension system" means any school teachers 192
pension fund created in any school district of the state in 193
accordance with the laws of the state prior to September 1, 1920. 194

(H) "Employer contribution" means the amount paid by an 195
employer, as determined by the employer rate, including the normal 196
and deficiency rates, contributions, and funds wherever used in 197
this chapter. 198

(I) "Five years of service credit" means employment covered 199
under this chapter and employment covered under a former 200
retirement plan operated, recognized, or endorsed by a college, 201
institute, university, or political subdivision of this state 202
prior to coverage under this chapter. 203

(J) "Actuary" means ~~the~~ an actuarial consultant ~~to~~ 204

<u>professional contracted with or employed by</u> the state teachers	205
retirement board, who shall be either of the following:	206
(1) A member of the American academy of actuaries;	207
(2) A firm, partnership, or corporation of which at least one person is a member of the American academy of actuaries.	208 209
(K) "Fiduciary" means a person who does any of the following:	210
(1) Exercises any discretionary authority or control with respect to the management of the system, or with respect to the management or disposition of its assets;	211 212 213
(2) Renders investment advice for a fee, direct or indirect, with respect to money or property of the system;	214 215
(3) Has any discretionary authority or responsibility in the administration of the system.	216 217
(L)(1) Except as provided in this division, "compensation" means all salary, wages, and other earnings paid to a teacher by reason of the teacher's employment, including compensation paid pursuant to a supplemental contract. The salary, wages, and other earnings shall be determined prior to determination of the amount required to be contributed to the teachers' savings fund or defined contribution fund under section 3307.26 of the Revised Code and without regard to whether any of the salary, wages, or other earnings are treated as deferred income for federal income tax purposes.	218 219 220 221 222 223 224 225 226 227
(2) Compensation does not include any of the following:	228
(a) Payments for accrued but unused sick leave or personal leave, including payments made under a plan established pursuant to section 124.39 of the Revised Code or any other plan established by the employer;	229 230 231 232
(b) Payments made for accrued but unused vacation leave, including payments made pursuant to section 124.13 of the Revised	233 234

Code or a plan established by the employer;	235
(c) Payments made for vacation pay covering concurrent	236
periods for which other salary, compensation, or benefits under	237
this chapter <u>or Chapter 145. or 3309. of the Revised Code</u> are	238
paid;	239
(d) Amounts paid by the employer to provide life insurance,	240
sickness, accident, endowment, health, medical, hospital, dental,	241
or surgical coverage, or other insurance for the teacher or the	242
teacher's family, or amounts paid by the employer to the teacher	243
in lieu of providing the insurance;	244
(e) Incidental benefits, including lodging, food, laundry,	245
parking, or services furnished by the employer, use of the	246
employer's property or equipment, and reimbursement for	247
job-related expenses authorized by the employer, including moving	248
and travel expenses and expenses related to professional	249
development;	250
(f) Payments made by the employer in exchange for a member's	251
waiver of a right to receive any payment, amount, or benefit	252
described in division (L)(2) of this section;	253
(g) Payments by the employer for services not actually	254
rendered;	255
(h) Any amount paid by the employer as a retroactive increase	256
in salary, wages, or other earnings, unless the increase is one of	257
the following:	258
(i) A retroactive increase paid to a member employed by a	259
school district board of education in a position that requires a	260
license designated for teaching and not designated for being an	261
administrator issued under section 3319.22 of the Revised Code	262
that is paid in accordance with uniform criteria applicable to all	263
members employed by the board in positions requiring the licenses;	264

(ii) A retroactive increase paid to a member employed by a school district board of education in a position that requires a license designated for being an administrator issued under section 3319.22 of the Revised Code that is paid in accordance with uniform criteria applicable to all members employed by the board in positions requiring the licenses;

(iii) A retroactive increase paid to a member employed by a school district board of education as a superintendent that is also paid as described in division (L)(2)(h)(i) of this section;

(iv) A retroactive increase paid to a member employed by an employer other than a school district board of education in accordance with uniform criteria applicable to all members employed by the employer.

(i) Payments made to or on behalf of a teacher that are in excess of the annual compensation that may be taken into account by the retirement system under division (a)(17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401(a)(17), as amended. For a teacher who first establishes membership before July 1, 1996, the annual compensation that may be taken into account by the retirement system shall be determined under division (d)(3) of section 13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub. L. No. 103-66, 107 Stat. 472.

(j) Payments made under division (B), (C), or (E) of section 5923.05 of the Revised Code, Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly, Section 3 of Amended Substitute Senate Bill No. 164 of the 124th general assembly, or Amended Substitute House Bill No. 405 of the 124th general assembly;

(k) Anything of value received by the teacher that is based on or attributable to retirement or an agreement to retire;

(l) Any amount paid by the employer as a retroactive payment

of earnings, damages, or back pay pursuant to a court order, 296
court-adopted settlement agreement, or other settlement agreement, 297
unless the retirement system receives both of the following: 298

(i) Teacher and employer contributions under sections 3307.26 299
and 3307.28 of the Revised Code, plus interest compounded annually 300
at a rate determined by the board, for each year or portion of a 301
year for which amounts are paid under the order or agreement; 302

(ii) Teacher and employer contributions under sections 303
3307.26 and 3307.28 of the Revised Code, plus interest compounded 304
annually at a rate determined by the board, for each year or 305
portion of a year not subject to division (L)(2)(1)(i) of this 306
section for which the board determines the teacher was improperly 307
paid, regardless of the teacher's ability to recover on such 308
amounts improperly paid. 309

(3) The retirement board shall determine ~~by rule~~ both of the 310
following: 311

(a) Whether particular forms of earnings are included in any 312
of the categories enumerated in this division; 313

(b) Whether any form of earnings not enumerated in this 314
division is to be included in compensation. 315

Decisions of the board made under this division shall be 316
final. 317

(M) "Superannuate" means both of the following: 318

(1) A former teacher receiving from the system a retirement 319
allowance under section 3307.58 or 3307.59 of the Revised Code; 320

(2) A former teacher receiving a benefit from the system 321
under a plan established under section 3307.81 of the Revised 322
Code, except that "superannuate" does not include a former teacher 323
who is receiving a benefit based on disability under a plan 324
established under section 3307.81 of the Revised Code. 325

For purposes of sections 3307.35 and 3307.353 of the Revised Code, "superannuate" also means a former teacher receiving from the system a combined service retirement benefit paid in accordance with section 3307.57 of the Revised Code, regardless of which retirement system is paying the benefit.

(N) "STRS defined benefit plan" means the plan described in sections 3307.50 to 3307.79 of the Revised Code.

(O) "STRS defined contribution plan" means the plans established under section 3307.81 of the Revised Code and includes the STRS combined plan under that section.

Sec. 3307.031. The state teachers retirement system shall consist of the STRS defined benefit plan described in sections 3307.50 to 3307.79 and the ~~one or more plans established under section 3307.81 of the Revised Code~~ STRS defined contribution plan.

Sec. 3307.04. The general administration and the management of the state teachers retirement system is hereby vested in the state teachers retirement board, which shall adopt rules necessary for the fulfillment of its duties and responsibilities under Chapter 3307. of the Revised Code. The board shall adopt policies for the operation of the system, and the investment of funds as provided by section 3307.15 of the Revised Code, and may authorize its administrative officers, or committees composed of board members, to act for the board in accord with such policies and subject to subsequent approval by the board.

The board may take all appropriate action to avoid payment by the system or its members of federal or state income taxes on contributions to the system or amounts earned on such contributions and to comply with any plan qualification requirements, including those on distributions, established under

Title 26 of the United States Code. 356

The attorney general shall prescribe procedures for the 357
adoption of rules authorized under this chapter, consistent with 358
the provision of section 111.15 of the Revised Code under which 359
all rules shall be filed in order to be effective. Such procedures 360
shall establish methods by which notice of proposed rules is given 361
to interested parties and rules adopted by the board published and 362
otherwise made available. When it files a rule with the joint 363
committee on agency rule review pursuant to section 111.15 of the 364
Revised Code, the board shall submit to the Ohio retirement study 365
council a copy of the full text of the rule, and if applicable, a 366
copy of the rule summary and fiscal analysis required by division 367
(B) of section 127.18 of the Revised Code. 368

All rules adopted pursuant to this chapter, prior to August 369
20, 1976, shall be published and made available to interested 370
parties by January 1, 1977. 371

Sec. 3307.044. The state teachers retirement board shall 372
appoint a committee to oversee the selection of an internal 373
auditor. The committee shall select one or more persons for 374
employment as an internal auditor. The board shall employ the 375
person or persons selected by the committee. 376

The committee shall consist of the following board members: 377
one retirant member, one contributing member, ~~and~~ one ex officio 378
member, and any additional board members appointed to the 379
committee by the board. The committee shall annually prepare and 380
submit to the Ohio retirement study council a report of its 381
actions during the preceding year. 382

Sec. 3307.061. (A) The office of a ~~contributing member or~~ 383
~~retired teacher~~ member of the state teachers retirement board who 384
is convicted of or pleads guilty to a felony, a theft offense as 385

defined in section 2913.01 of the Revised Code, or a violation of 386
section 102.02, 102.03, 102.04, 2921.02, 2921.11, 2921.13, 387
2921.31, 2921.41, 2921.42, 2921.43, or 2921.44 of the Revised Code 388
shall be deemed vacant. A person who has pleaded guilty to or been 389
convicted of an offense of that nature is ineligible for election 390
or appointment to ~~the office of contributing or retired teacher~~ 391
~~member~~ of the state teachers retirement board. 392

(B) A member of the state teachers retirement board who 393
willfully and flagrantly exercises authority or power not 394
authorized by law, refuses or willfully neglects to enforce the 395
law or to perform any official duty imposed by law, or is guilty 396
of gross neglect of duty, gross immorality, drunkenness, 397
misfeasance, malfeasance, or nonfeasance is guilty of misconduct 398
in office. On complaint and hearing in the manner provided for in 399
this section, the board member shall have judgment of forfeiture 400
of the office with all its emoluments entered against the board 401
member, creating in the office a vacancy to be filled as provided 402
by law. 403

(C) Proceedings for removal of a board member on any of the 404
grounds enumerated in division (B) of this section shall be 405
commenced by filing with the court of common pleas of the county 406
in which the board member resides a written complaint specifically 407
setting forth the charge. The complaint shall be accepted if 408
signed by the governor or signed as follows: 409

(1) If the complaint is against a contributing member of the 410
board, the complaint must be signed by a number of contributing 411
members of the retirement system that equals at least the 412
following and must include signatures of at least twenty 413
contributing members residing in at least five different counties: 414

(a) If the contributing member was most recently elected in 415
accordance with division (A) of section 3307.06 of the Revised 416

Code, ten per cent of the number of contributing members of the 417
system who voted in that election; 418

(b) If the contributing member was most recently elected 419
under division (D) of section 3307.06 of the Revised Code or took 420
office in accordance with section 3307.071 of the Revised Code, 421
ten per cent of the number of contributing members of the system 422
who voted in the most recent election held in accordance with 423
division (A) of section 3307.06 of the Revised Code for that 424
contributing member position on the board. 425

(2) If the complaint is against a retired teacher member of 426
the board, the complaint must be signed by a number of former 427
members of the system who are superannuates, as defined in section 428
3307.01 of the Revised Code, that equals at least the following 429
and must include signatures of at least twenty retired teacher 430
members residing in at least five different counties: 431

(a) If the retired teacher member was most recently elected 432
in accordance with division (C) of section 3307.06 of the Revised 433
Code, ten per cent of the number of former members of the system 434
who voted in that election; 435

(b) If the retired teacher member was most recently elected 436
under division (D) of section 3307.06 of the Revised Code or took 437
office in accordance with section 3307.071 of the Revised Code, 438
ten per cent of the number of former members of the system who 439
voted in the most recent election held in accordance with division 440
(B) of section 3307.06 of the Revised Code for that retired 441
teacher member position on the board. 442

(D) The clerk of the court of common pleas in which a 443
complaint against a member of the state teachers retirement board 444
is filed under division (C) of this section shall do both of the 445
following with respect to the complaint: 446

(1) Submit the signatures obtained pursuant to division (C) 447

of this section to the board for purposes of verifying the 448
validity of the signatures. The board shall verify the validity of 449
the signatures and report its findings to the court. 450

(2) Cause a copy of the complaint to be served on the board 451
member at least ten days before the hearing on the complaint. The 452
court shall hold a public hearing not later than thirty days after 453
the filing of the complaint. The court may subpoena witnesses and 454
compel their attendance in the same manner as in civil cases. 455
Process shall be served by the sheriff of the county in which the 456
witness resides. Witness fees and other fees in connection with 457
the proceedings shall be the same as in civil cases. The court may 458
suspend the board member pending the hearing. 459

If the court finds that one or more of the charges in the 460
complaint are true, it shall make a finding for removal of the 461
board member. The court's finding shall include a full, detailed 462
statement of the reasons for the removal. The finding shall be 463
filed with the clerk of the court and be made a matter of public 464
record. 465

The board member has the right to appeal to the court of 466
appeals. 467

(E) No individual who has been removed from the board 468
pursuant to this section shall be eligible to fill an elective or 469
appointed position as a member of the board. 470

Sec. 3307.14. The state teachers retirement board shall be 471
the trustee of certain funds hereby created as follows: 472

(A) The "teachers' savings fund" is the fund in which shall 473
be accumulated the contributions deducted from the compensation of 474
teachers participating in the STRS defined benefit plan ~~described~~ 475
~~in sections 3307.50 to 3307.79 of the Revised Code~~, as provided by 476
section 3307.26 of the Revised Code, together with the interest 477

credited thereon. Such accumulated contributions refunded upon 478
withdrawal, or payable to an estate or beneficiary as provided in 479
this chapter, shall be paid from this fund. Any accumulated 480
contributions forfeited by the failure of a contributor, an 481
estate, or a beneficiary to claim the same shall be transferred 482
from this fund to the guarantee fund. The accumulated 483
contributions of a member or of a teacher who qualifies for a 484
benefit under section 3307.35 of the Revised Code shall be 485
transferred at the member's or teacher's retirement from the 486
teachers' savings fund to the annuity and pension reserve fund. 487
The accumulated contributions of a member who dies prior to 488
superannuation retirement that are forfeited by the qualified 489
beneficiary in exchange for monthly survivor benefits, as provided 490
by section 3307.66 of the Revised Code, shall be transferred to 491
the survivors' benefit fund. The accumulated contributions of a 492
superannuate or other system retirant as defined in section 493
3307.35 of the Revised Code shall be transferred to the survivors' 494
benefit fund for payment of a lump-sum benefit to a beneficiary as 495
provided in that section. As used in this division, "accumulated 496
contributions" has the same meaning as in section 3307.50 of the 497
Revised Code. 498

(B) The "employers' trust fund" is the fund to which the 499
employer contribution made on behalf of a teacher participating in 500
the STRS defined benefit plan ~~described in sections 3307.50 to~~ 501
~~3307.79 of the Revised Code~~ shall be credited and in which shall 502
be accumulated the reserves held in trust for the payment of all 503
pensions or other benefits provided by sections 3307.35, 3307.58, 504
3307.59, 3307.60, 3307.63, 3307.631, 3307.66, 3307.6912, and 505
3307.98 of the Revised Code, to teachers retiring or receiving 506
disability benefits in the future or to their qualified 507
beneficiaries, and from which the reserves for such pensions and 508
other benefits shall be transferred to the annuity and pension 509
reserve fund and to the survivors' benefit fund. The balances as 510

of August 31, 1957, in the employers accumulation fund shall be 511
transferred to this fund. As of September 1, 1957, an additional 512
amount shall be transferred from the employers' trust fund to the 513
annuity and pension reserve fund in the amount required to 514
complete the funding of the prior service, as defined in section 515
3307.50 of the Revised Code, and military service pensions then 516
payable. 517

(C) The "annuity and pension reserve fund" is the fund from 518
which shall be paid all annuities, pensions, and disability 519
benefits under the STRS defined benefit plan ~~described in section~~ 520
~~3307.50 to 3307.79~~ and annuities payable under section 3307.352 of 521
the Revised Code for which reserves have been transferred from the 522
teachers' savings fund and the employers' trust fund. 523

(D) The "survivors' benefit fund" is the fund from which 524
shall be paid the survivors' benefits provided by section 3307.66 525
of the Revised Code and the lump sum payment to beneficiaries as 526
provided in section 3307.35 of the Revised Code, and to which 527
shall be transferred from the employers' trust fund the amount 528
required to fund all liabilities as of the end of each year. 529

(E) The "guarantee fund" is the fund from which interest is 530
transferred and credited on the amounts in the funds described in 531
divisions (A), (B), (C), and (D) of this section, and is a 532
contingent fund from which the special requirements of said funds 533
may be paid by transfer from this fund. All income derived from 534
the investment of funds by the state teachers retirement board as 535
trustee under section 3307.15 of the Revised Code, together with 536
all gifts and bequests, or the income therefrom, shall be paid 537
into this fund. 538

Any deficit occurring in any other fund that will not be 539
covered by payments to that fund, as otherwise provided in this 540
chapter, shall be paid by transfers of amounts from the guarantee 541
fund to such fund or funds. Should the amount in the guarantee 542

fund be insufficient at any time to meet the amounts payable 543
therefrom, the amount of such deficiency, with regular interest, 544
shall be paid by an additional employer rate of contribution as 545
determined by the actuary and shall be approved by the board, and 546
the amount of such additional employer contribution shall be 547
credited to the guarantee fund. 548

The board may accept gifts and bequests. Any funds that may 549
come into the possession of the board in this manner or that may 550
be transferred from the teachers' savings fund by reason of lack 551
of a claimant, or any surplus in any fund created in divisions (A) 552
to (F) of this section, or any other funds whose disposition is 553
not otherwise provided for, shall be credited to the guarantee 554
fund. 555

(F) The expense fund is the fund from which shall be paid the 556
expenses for the administration and management of the state 557
teachers retirement system as provided by this chapter. 558

(G) The "defined contribution fund" is the fund in which 559
shall be accumulated the contributions deducted from the 560
compensation of teachers participating in ~~a~~ an STRS defined 561
contribution plan established under section 3307.81 of the Revised 562
Code, as provided in section 3307.26 of the Revised Code, together 563
with any earnings and employer contributions credited thereon. 564

(H) The "health care fund" is the fund in which shall be 565
accumulated any amounts allocated by the board for health care 566
coverage described in section 3307.39 of the Revised Code, 567
together with any earnings credited thereon. The fund shall be 568
established under 26 U.S.C. 401(h) as a separate account. It is 569
the fund from which shall be paid health care coverage made 570
available under section 3307.39 of the Revised Code, except that 571
payments from the fund shall be limited as provided by 26 U.S.C. 572
401(h). 573

Sec. 3307.142. (A) Interest compounded annually shall be 574
credited to the accounts of members participating in the STRS 575
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 576
~~the Revised Code~~ and to the various funds listed in divisions (A) 577
to (F) of section 3307.14 of the Revised Code, and shall be 578
assumed in determining actuarial factors, at rates recommended by 579
the actuary and approved by the state teachers retirement board, 580
but not less than three and twenty-five hundredths per cent 581
effective September 1, 1965, except as follows: 582

(1) For the years stated the rates shall be as follows: 583

Years	Rates	
9-1-1920/8-31-1955	4.00%	584
9-1-1955/8-31-1963	3.00	585
9-1-1963/8-31-1965	2.25	586

(2) Subsequent to August 31, 1959, interest shall be credited 588
to accounts only at retirement. 589

(3) If the amount of the account at retirement is not a 590
factor in determining the allowance, interest shall not be 591
credited to such account after September 1, 1964. 592

(4) The actuary shall estimate the amount of interest reserve 593
required in the teachers savings fund for credit to accounts when 594
interest is to be a factor in determining the allowance, and the 595
balance of the interest reserve in such fund shall be transferred 596
to the employers trust fund as of September 1, 1965. 597

(B) Interest shall be credited to the accounts of members 598
participating in a an STRS defined contribution plan ~~established~~ 599
~~under section 3307.81 of the Revised Code~~ and to the defined 600
contribution fund in accordance with that plan. 601

Sec. 3307.143. If the state teachers retirement board 602
discontinues health care coverage authorized under section 3307.39 603

of the Revised Code, on satisfaction of all liabilities for health care coverage at the time of the discontinuance of coverage, the board shall transfer any surplus in the health care fund established under division (H) of section 3307.14 of the Revised Code in a fair and appropriate manner to the employers that have contributed to the fund.

Sec. 3307.20. (A) As used in this section:

(1) "Personal history record" means information maintained by the state teachers retirement board on an individual who is a member, former member, contributor, former contributor, retirant, or beneficiary that includes the address, electronic mail address, telephone number, social security number, record of contributions, correspondence with the state teachers retirement system, or other information the board determines to be confidential.

(2) "Retirant" has the same meaning as in section 3307.50 of the Revised Code and includes any former member receiving a benefit under an STRS defined contribution plan.

(B) The records of the board shall be open to public inspection, except for the following, which shall be excluded, except with the written authorization of the individual concerned:

(1) The individual's personal records provided for in section 3307.23 of the Revised Code;

(2) The individual's personal history record;

(3) Any information identifying, by name and address, the amount of a monthly allowance or benefit paid to the individual.

(C)(1) All medical reports and recommendations received by the board from a member, member's physician, board-assigned physician, or other entity providing medical reports and recommendations to the board under sections 3307.48, 3307.62, 3307.64, and 3307.66 of the Revised Code are privileged, except as

follows: 634

~~(1)~~(a) Copies of medical reports or recommendations shall be 635
made available by the board to the personal physician, attorney, 636
or authorized agent of the individual concerned upon written 637
release received from the individual or the individual's agent, 638
or, when necessary for the proper administration of the fund, to 639
the board assigned physician. 640

~~(2)~~(b) Documentation required by section 2929.193 of the 641
Revised Code shall be provided to a court holding a hearing under 642
that section. 643

(2) No medical report or recommendation received by the board 644
under section 3307.48, 3307.62, or 3307.66 of the Revised Code 645
shall be released to the individual concerned or considered a 646
medical record generated and maintained by a health care provider 647
in the process of establishing a therapeutic relationship. 648

(D) Any person who is a member or contributor of the system 649
shall be furnished, on written request, with a statement of the 650
amount to the credit of the person's account. The board need not 651
answer more than one request of a person in any one year. 652

(E) Notwithstanding the exceptions to public inspection in 653
division (B) of this section, the board may furnish the following 654
information: 655

(1) If a member, former member, retirant, contributor, or 656
former contributor is subject to an order issued under section 657
2907.15 of the Revised Code or an order issued under division (A) 658
or (B) of section 2929.192 of the Revised Code or is convicted of 659
or pleads guilty to a violation of section 2921.41 of the Revised 660
Code, on written request of a prosecutor as defined in section 661
2935.01 of the Revised Code, the board shall furnish to the 662
prosecutor the information requested from the individual's 663
personal history record. 664

(2) Pursuant to a court or administrative order issued under 665
section 3119.80, 3119.81, 3121.02, 3121.03, or 3123.06 of the 666
Revised Code, the board shall furnish to a court or child support 667
enforcement agency the information required under that section. 668

(3) At the written request of any person, the board shall 669
provide to the person a complete list of the names and addresses 670
of members, ~~former members~~, retirants, contributors, ~~former~~ 671
~~contributors~~, or beneficiaries. The costs of compiling, copying, 672
and mailing the list shall be paid by such person. 673

(4) Within fourteen days after receiving from the director of 674
job and family services a list of the names and social security 675
numbers of recipients of public assistance pursuant to section 676
5101.181 of the Revised Code, the board shall inform the auditor 677
of state of the name, current or most recent employer address, and 678
social security number of each member whose name and social 679
security number are the same as that of a person whose name or 680
social security number was submitted by the director. The board 681
and its employees shall, except for purposes of furnishing the 682
auditor of state with information required by this section, 683
preserve the confidentiality of recipients of public assistance in 684
compliance with section 5101.181 of the Revised Code. 685

(5) The system shall comply with orders issued under section 686
3105.87 of the Revised Code. 687

On the written request of an alternate payee, as defined in 688
section 3105.80 of the Revised Code, the system shall furnish to 689
the alternate payee information on the amount and status of any 690
amounts payable to the alternate payee under an order issued under 691
section 3105.171 or 3105.65 of the Revised Code. 692

(6) At the request of any person, the board shall make 693
available to the person copies of all documents, including 694
resumes, in the board's possession regarding filling a vacancy of 695

a contributing member or retired teacher member of the board. The 696
person who made the request shall pay the cost of compiling, 697
copying, and mailing the documents. The information described in 698
this division is a public record. 699

(7) The system shall provide the notice required by section 700
3307.373 of the Revised Code to the prosecutor assigned to the 701
case. 702

(F) A statement that contains information obtained from the 703
system's records that is signed by an officer of the retirement 704
system and to which the system's official seal is affixed, or 705
copies of the system's records to which the signature and seal are 706
attached, shall be received as true copies of the system's records 707
in any court or before any officer of this state. 708

Sec. 3307.214. On receipt of notice under section 3307.212 of 709
the Revised Code of the employment of a new teacher, the state 710
teachers retirement system shall inform the teacher of the 711
requirements of section 3307.25 of the Revised Code ~~and the~~ 712
~~provisions of sections 3307.88 and 3307.881 of the Revised Code.~~ 713

Sec. 3307.25. (A) An individual who becomes a member of the 714
state teachers retirement system on or after the date on which the 715
state teachers retirement board establishes a an STRS defined 716
contribution plan ~~under section 3307.81 of the Revised Code~~ shall 717
make an election under this section. Not later than one hundred 718
eighty days after the date on which employment begins, the 719
individual shall elect to participate either in the STRS defined 720
benefit plan ~~described in sections 3307.50 to 3307.79 of the~~ 721
~~Revised Code~~ or one of the STRS defined contribution plans 722
~~established under section 3307.81 of the Revised Code.~~ If a form 723
evidencing an election under this section is not on file with the 724
system at the end of the one-hundred-eighty-day period, the 725

individual is deemed to have elected to participate in the STRS 726
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 727
~~the Revised Code.~~ 728

(B) An election under this section shall be made in writing 729
on a form provided by the system and filed with the system. 730

(C) An election under this section shall take effect on the 731
date employment began and, except as provided in division (E) of 732
this section 3307.88 of the Revised Code, is irrevocable at the 733
end of the election period described in division (A) of this 734
section. 735

(D) An individual is ineligible to make an election under 736
this section if one of the following applies: 737

(1) At the time employment begins, the individual is already 738
a member or contributor participating in the STRS defined benefit 739
plan described in sections 3307.50 to 3307.79 of the Revised Code, 740
a former member who has previously made an election under division 741
(E) of this section or section 3307.251 of the Revised Code, a 742
superannuate of the system, or an other system retirant, as 743
defined in section 3307.35 of the Revised Code; 744

(2) An election to participate in an alternative retirement 745
plan under section 3305.05 or 3305.051 of the Revised Code is in 746
effect for employment covered by the system. 747

(E) A member who elected under division (A) of this section 748
to participate in an STRS defined contribution plan may make an 749
election to cease participation in the plan elected and 750
participate in the STRS defined benefit plan or in another STRS 751
defined contribution plan. The election must be made, on a form 752
provided by the system, not later than the first day of June 753
preceding the first day of July following the fourth anniversary 754
of the commencement of the member's participation in the original 755

plan. 756

An election made under this division takes effect on the 757
first day of July following the election. 758

(F)(1) When a member elects under division (E) of this 759
section to change from an STRS defined contribution plan to the 760
STRS defined benefit plan the system shall do all of the 761
following: 762

(a) Transfer from the member's account in the defined 763
contribution fund to an account in the teachers' savings fund the 764
sum of the following: 765

(i) An amount equal to the contributions made pursuant to 766
section 3307.26 of the Revised Code; 767

(ii) Any supplemental contributions made by the member; 768

(iii) Any earnings from supplemental contributions. 769

(b) Transfer from the defined contribution fund to the 770
employers' trust fund the sum of the following: 771

(i) An amount equal to the contributions made pursuant to 772
section 3307.28 of the Revised Code; 773

(ii) Any amount remaining in the member's account in the 774
defined contribution fund after the transfers described in 775
divisions (F)(1)(a) and (b)(i) of this section are made. 776

(c) Grant service credit in accordance with rules adopted 777
under section 3307.53 of the Revised Code. 778

(2) If the amount in the member's account in the defined 779
contribution fund is less than the amount the member would have 780
had in an account in the teachers' savings fund had the member 781
elected to participate in the STRS defined benefit plan, the 782
system shall transfer from the guarantee fund established under 783
section 3307.14 of the Revised Code to the teachers' savings fund 784
the amount necessary to make the transfer required by division 785

(F)(1)(a)(i) of this section. 786

(3) Except for service credit granted under division 787
(F)(1)(c) of this section, a member who begins participation in 788
the STRS defined benefit plan pursuant to division (E) of this 789
section shall have the same rights and privileges under the plan 790
as a member who never had made an election to participate in an 791
STRS defined contribution plan. 792

Sec. 3307.251. As used in this section, "accumulated 793
contributions" and "total service credit" have the same meanings 794
as in section 3307.50 of the Revised Code. 795

(A) A member of the state teachers retirement system who, as 796
of the thirtieth day of June immediately preceding the date on 797
which the system establishes a an STRS defined contribution plan 798
~~under section 3307.81 of the Revised Code~~, has less than five 799
years of total service credit is eligible to make an election 800
under this section. 801

Not later than one hundred eighty days after the day the 802
state teachers retirement board first establishes ~~one or more~~ 803
~~plans under section 3307.81 of the Revised Code~~ an STRS defined 804
contribution plan, an eligible member may elect to participate in 805
such a plan ~~established under that section~~. If an election is not 806
made, a member to whom this section applies is deemed to have 807
elected to continue participating in the STRS defined benefit plan 808
~~described in sections 3307.50 to 3307.79 of the Revised Code.~~ 809

(B) An election under this section shall be made in writing 810
on a form provided by the system and filed with the system. 811

(C) On receipt of an election under this section, the system 812
shall do both of the following: 813

(1) Credit to the account of the member in the defined 814
contribution fund the accumulated contributions standing to the 815

member's credit in the teachers' savings fund, plus interest at a rate determined by the board;

(2) Cancel all service credit and eligibility for any payment, benefit, or right under the STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code.

(D) An election under this section shall be irrevocable at the end of the election period described in division (A) of this section.

Sec. 3307.252. A member of the state teachers retirement system who elects to participate in a an STRS defined contribution plan established under section 3307.81 of the Revised Code shall be ineligible for any benefit or payment under sections 3307.50 to 3307.79 of the Revised Code the STRS defined benefit plan and, except as provided in section ~~3307.88~~ 3307.25 of the Revised Code, shall be forever barred from claiming or purchasing service credit with the system or any other Ohio state retirement system, ~~as defined in section 3307.741 of the Revised Code,~~ for service covered by the election.

Sec. 3307.26. (A) Each teacher shall contribute eight a certain per cent of the teacher's earned compensation, except that the state teachers retirement board may raise the contribution rate to a rate not greater than ten per cent of the teacher's earned compensation. For the per cent shall be not greater than fourteen per cent of the teacher's compensation. The per cent shall be as follows:

(1) For compensation earned not later than June 30, 2013, ten per cent;

(2) For compensation earned on or after July 1, 2013, but not later than June 30, 2014, eleven per cent;

(3) For compensation earned on or after July 1, 2014, but not

later than June 30, 2015, twelve per cent; 846

(4) For compensation earned on or after July 1, 2015, but not 847
later than June 30, 2016, thirteen per cent; 848

(5) For compensation earned on or after July 1, 2016, 849
fourteen per cent; 850

(6) For compensation earned on or after July 1, 2017, the 851
state teachers retirement board may reduce the rate to less than 852
fourteen per cent if the board's actuary determines in its annual 853
actuarial valuation required by section 3307.51 of the Revised 854
Code or in other evaluations conducted under that section that a 855
reduction in the rate does not materially impair the fiscal 856
integrity of the retirement system. 857

(B) For teachers participating in the STRS defined benefit 858
plan described in sections 3307.50 to 3307.79 of the Revised Code, 859
contributions shall be deposited in the teachers' savings fund. 860
For teachers participating in a an STRS defined contribution plan 861
established under section 3307.81 of the Revised Code, 862
contributions shall be deposited in the defined contribution fund. 863
Contributions made pursuant to this section shall not exceed the 864
limits established by section 415 of the "Internal Revenue Code of 865
1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. 866

(C) The contribution for all teachers shall be deducted by 867
the employer on each payroll in an amount equal to the applicable 868
per cent of the teachers' paid compensation for such payroll 869
period or other period as the board may approve. All contributions 870
on paid compensation for teachers participating in ~~plans~~ 871
~~established under section 3307.81 of the Revised Code~~ an STRS 872
defined contribution plan shall be remitted at intervals required 873
by the state teachers retirement system under section 3307.86 of 874
the Revised Code. All contributions on earned compensation for 875
teachers participating in the STRS defined benefit plan ~~described~~ 876

~~in sections 3307.50 to 3307.79 of the Revised Code~~ shall be 877
remitted to the state teachers retirement system by the thirtieth 878
day of June of each year. Each school district shall encumber 879
sufficient moneys by the thirtieth day of June of each year to 880
account for the difference, if any, that may exist between 881
contributions that would be withheld based upon compensation 882
earned by a teacher during the year ending the thirtieth day of 883
June and the contributions withheld based upon compensation paid 884
to the teacher for the year. Deductions from payroll for 885
contributions under this section, on an annual basis, shall not 886
exceed eight per cent or other percentage established by the board 887
authorized by this section. 888

(D) At retirement under the STRS defined benefit plan 889
~~described in sections 3307.50 to 3307.79 of the Revised Code~~, or 890
upon a member's death prior to retirement under that plan, if 891
contributions have been made after September 1, 1959, in excess of 892
the contributions normally required to provide the retirement or 893
survivor benefit, the excess contributions may be refunded to the 894
member, to the member's beneficiary, or to the member's estate in 895
a lump sum, or may be used to provide additional income. 896

(E) The board may determine with regard to any member 897
participating in the STRS defined benefit plan ~~described in~~ 898
~~sections 3307.50 to 3307.79 of the Revised Code~~ whether the limits 899
established by division ~~(C)~~(D) of section 3307.58 of the Revised 900
Code have resulted in exclusion from use in the calculation of 901
benefits under section 3307.58, 3307.59, or 3307.60 of the Revised 902
Code of any compensation on which contributions have been made 903
under this section. The board may adopt rules in accordance with 904
section 111.15 of the Revised Code providing for the disposition 905
of contributions attributable to such compensation and may dispose 906
of the contributions in accordance with those rules. Any 907
disposition of contributions made by the board in accordance with 908

the rules shall be final. 909

(F) The deductions under this section shall be made even 910
though the minimum compensation provided by law for any teacher 911
shall be reduced thereby. Every teacher shall be deemed to consent 912
to the deductions made. Payment less the deductions shall be a 913
complete discharge and acquittance of all claims and demands for 914
the services rendered by the person during the period covered by 915
the payment. 916

(G) Additional deposits may be made to a member's account in 917
the teachers' savings fund or defined contribution fund, subject 918
to rules of the board. At retirement, the amount deposited with 919
interest may be used to provide additional annuity income. The 920
additional deposits may be refunded to the member before 921
retirement, and shall be refunded if the member withdraws the 922
member's refundable account. The deposits may be refunded to the 923
beneficiary or estate if the member dies before retirement. 924

Sec. 3307.28. Each employer shall pay annually to the state 925
teachers retirement system an amount certified by the secretary 926
which shall be a certain per cent of the earnable compensation of 927
all members, and which shall be known as the "employer 928
contribution." For members participating in the STRS defined 929
benefit plan described in sections 3307.50 to 3307.79 of the 930
Revised Code, the employer contribution shall be deposited into 931
the employers' trust fund. For members participating in a an STRS 932
defined contribution plan established under section 3307.81 of the 933
Revised Code, the employer contribution shall be deposited into 934
the defined contribution fund in accordance with the plan selected 935
by the member, less the amount transferred under section 3307.84 936
of the Revised Code. 937

The rate per cent of the contribution shall be fixed by the 938
actuary on the basis of the actuary's evaluation of the 939

liabilities of the system, not to exceed fourteen per cent, and 940
shall be approved by the state teachers retirement board. The 941
board may raise the rate per cent of the contribution to fourteen 942
per cent of the earnable compensation of all members. In making 943
such evaluation, the actuary shall use, as the actuarial 944
assumptions, such interest rates and mortality and other tables as 945
are adopted by the board. The actuary shall compute the percentage 946
of such earnable compensation, to be known as the "employer rate," 947
required annually to fund the liability for all benefits under 948
~~sections 3307.50 to 3307.79 of the Revised Code~~ the STRS defined 949
benefit plan, after deducting therefrom the benefits provided by 950
the member's accumulated contributions, as defined in section 951
3307.50 of the Revised Code, deposits, and other appropriations, 952
and to fund any deficiencies in the funds described in divisions 953
(A) to (F) of section 3307.14 of the Revised Code. 954

Sec. 3307.33. Membership in the state teachers retirement 955
system shall cease on occurrence of any of the following: receipt 956
of payment pursuant to section 3307.56 of the Revised Code or 957
under ~~a~~ an STRS defined contribution plan established under 958
~~section 3307.81 of the Revised Code~~; retirement as provided in 959
sections 3307.58 and 3307.59 of the Revised Code or under ~~a~~ an 960
STRS defined contribution plan established under section 3307.81 961
~~of the Revised Code~~; death; or denial of membership pursuant to 962
section 3307.24 of the Revised Code. 963

Sec. 3307.35. (A) As used in this section and section 964
3307.352 of the Revised Code, "other system retirant" means a both 965
of the following: 966

(1) A member or former member of the public employees 967
retirement system, Ohio police and fire pension fund, school 968
employees retirement system, state highway patrol retirement 969
system, or Cincinnati retirement system who is receiving from a 970

system of which the retirant is a member or former member age and 971
service or commuted age and service retirement, a benefit, 972
allowance, or distribution under a plan established under section 973
145.81 or 3309.81 of the Revised Code, or a disability benefit 974
from a system of which the retirant is a member or former member; 975

(2) A person who is participating or has participated in an 976
alternative retirement plan established under Chapter 3305. of the 977
Revised Code and is receiving a benefit, allowance, or 978
distribution under the plan. 979

(B) Subject to this section and section 3307.353 of the 980
Revised Code, a superannuate or other system retirant may be 981
employed as a teacher. 982

(C) A superannuate or other system retirant employed in 983
accordance with this section shall contribute to the state 984
teachers retirement system in accordance with section 3307.26 of 985
the Revised Code and the employer shall contribute in accordance 986
with sections 3307.28 and 3307.31 of the Revised Code. Such 987
contributions shall be received as specified in section 3307.14 of 988
the Revised Code. A superannuate or other system retirant employed 989
as a teacher is not a member of the state teachers retirement 990
system, does not have any of the rights, privileges, or 991
obligations of membership, except as provided in this section, and 992
is not eligible to receive health, medical, hospital, or surgical 993
benefits under section 3307.39 of the Revised Code for employment 994
subject to this section. 995

(D) The employer that employs a superannuate or other system 996
retirant shall notify the state teachers retirement board of the 997
employment not later than the end of the month in which the 998
employment commences. Any overpayment of benefits to a 999
superannuate by the retirement system resulting from an employer's 1000
failure to give timely notice may be charged to the employer and 1001
may be certified and deducted as provided in section 3307.31 of 1002

the Revised Code. 1003

(E) On receipt of notice from an employer that a person who 1004
is an other system retirant has been employed, the state teachers 1005
retirement system shall notify the state retirement system of 1006
which the other system retirant was a member of such employment. 1007

(F) A superannuate or other system retirant who has received 1008
an allowance or benefit for less than two months when employment 1009
subject to this section or section 3305.05 of the Revised Code 1010
commences shall forfeit the allowance or benefit for any month the 1011
superannuate or retirant is employed prior to the expiration of 1012
such period. The allowance or benefit forfeited each month shall 1013
be equal to the monthly amount the superannuate or other system 1014
retirant is eligible to receive under a single lifetime benefit 1015
plan of payment described in section 3307.60 of the Revised Code. 1016
Contributions shall be made to the retirement system from the 1017
first day of such employment, but service and contributions for 1018
that period shall not be used in the calculation of any benefit 1019
payable to the superannuate or other system retirant, and those 1020
contributions shall be refunded on the superannuate's or 1021
retirant's death or termination of the employment. Contributions 1022
made on compensation earned after the expiration of such period 1023
shall be used in calculation of the benefit or payment due under 1024
section 3307.352 of the Revised Code. 1025

(G) On receipt of notice from the Ohio police and fire 1026
pension fund, public employees retirement system, or school 1027
employees retirement system of the re-employment of a 1028
superannuate, the state teachers retirement system shall not pay, 1029
or if paid shall recover, the amount to be forfeited by the 1030
superannuate in accordance with section 145.38, 742.26, or 1031
3309.341 of the Revised Code. 1032

(H) If the disability benefit of an other system retirant 1033
employed under this section is terminated, the retirant shall 1034

become a member of the state teachers retirement system, effective 1035
on the first day of the month next following the termination, with 1036
all the rights, privileges, and obligations of membership. If ~~such~~ 1037
~~person~~ the retirant, after the termination of the retirant's 1038
disability benefit, earns two years of service credit under this 1039
retirement system or under the public employees retirement system, 1040
Ohio police and fire pension fund, school employees retirement 1041
system, or state highway patrol retirement system, the retirant's 1042
prior contributions as an other system retirant under this section 1043
shall be included in the retirant's total service credit, as 1044
defined in section 3307.50 of the Revised Code, as a state 1045
teachers retirement system member, and the retirant shall forfeit 1046
all rights and benefits of this section. Not more than one year of 1047
credit may be given for any period of twelve months. 1048

(I) This section does not affect the receipt of benefits by 1049
or eligibility for benefits of any person who on August 20, 1976, 1050
was receiving a disability benefit or service retirement pension 1051
or allowance from a state or municipal retirement system in Ohio 1052
and was a member of any other state or municipal retirement system 1053
of this state. 1054

(J) The state teachers retirement board may make the 1055
necessary rules to carry into effect this section and to prevent 1056
the abuse of the rights and privileges thereunder. 1057

Sec. 3307.351. (A) As used in this section: 1058

(1) In addition to the meaning in section 3307.01 of the 1059
Revised Code, when appropriate "compensation" has the same meaning 1060
as in section 3309.01 of the Revised Code. 1061

(2) "Earnable salary" has the same meaning as in section 1062
145.01 of the Revised Code. 1063

(3) "STRS position" means a position for which a member of 1064

the state teachers retirement system is making contributions to 1065
the system. 1066

(4) "Other state retirement system" means the public 1067
employees retirement system or the school employees retirement 1068
system. 1069

(5) "State retirement system" means the public employees 1070
retirement system, state teachers retirement system, or the school 1071
employees retirement system. 1072

(B)(1) A Subject to division (E) of this section, a member of 1073
the state teachers retirement system who holds two or more STRS 1074
positions may retire under section 3307.57, 3307.58, or 3307.60 of 1075
the Revised Code or under an STRS defined contribution plan from 1076
the position for which the annual compensation at the time of 1077
retirement is highest and continue to contribute to the retirement 1078
system for the other STRS position or positions. 1079

(2) A Subject to division (E) of this section, a member of 1080
the state teachers retirement system who also holds one or more 1081
other positions covered by the other state retirement systems may 1082
retire under section 3307.57, 3307.58, or 3307.60 of the Revised 1083
Code or under an STRS defined contribution plan from the STRS 1084
position and continue contributing to the other state retirement 1085
systems if the annual compensation for the STRS position at the 1086
time of retirement is greater than annual compensation or earnable 1087
salary for the position, or any of the positions, covered by the 1088
other state retirement systems. 1089

(3) A Subject to division (E) of this section, a member of 1090
the state teachers retirement system who holds two or more STRS 1091
positions and at least one other position covered by one of the 1092
other state retirement systems may retire under section 3307.57, 1093
3307.58, or 3307.60 of the Revised Code or under an STRS defined 1094
contribution plan from one of the STRS positions and continue 1095

contributing to the state teachers retirement system and the other 1096
state retirement system if the annual compensation for the STRS 1097
position from which the member is retiring is, at the time of 1098
retirement, greater than the annual compensation or earnable 1099
salary for any of the positions for which the member is continuing 1100
to make contributions. 1101

(4) Subject to division (E) of this section, a member of the 1102
state teachers retirement system who also holds one or more other 1103
positions covered by the other state retirement systems may retire 1104
under section 3307.57, 3307.58, or 3307.60 of the Revised Code or 1105
under an STRS defined contribution plan from one of the other 1106
state retirement system positions and continue contributing to the 1107
state teachers retirement system if the annual compensation for 1108
the other state retirement system position from which the member 1109
is retiring is, at the time of retirement, greater than the annual 1110
compensation for any of the positions for which the member is 1111
continuing to make contributions. 1112

(5) A member of the state teachers retirement system who has 1113
retired as provided in division (B)(2) or (3) of section 145.383 1114
or division (B)(2) or (3) of section 3309.343 of the Revised Code 1115
may continue to contribute to the state teachers retirement system 1116
for an STRS position if the member held the position at the time 1117
of retirement from the other state retirement system. 1118

~~(5)~~(6) A member who contributes to the state teachers 1119
retirement system in accordance with division (B)(1), (3), ~~or (4)~~ 1120
or (5) of this section shall contribute in accordance with section 1121
3307.26 of the Revised Code. The member's employer shall 1122
contribute as provided in section 3307.28 of the Revised Code. 1123
Neither the member nor the member's survivors are eligible for any 1124
benefits based on those contributions other than those provided 1125
under section 145.384, 3307.352, or 3309.344 of the Revised Code. 1126

(C)(1) In determining retirement eligibility and the annual 1127

retirement allowance of a member who retires as provided in 1128
division (B)(1), (2), ~~or (3)~~, or (4) of this section, the 1129
following shall be used to the date of retirement: 1130

(a) The member's earnable salary and compensation for all 1131
positions covered by a state retirement system; 1132

(b) Total service credit in any state retirement system, 1133
except that the credit shall not exceed one year of credit for any 1134
period of twelve months; 1135

(c) The member's accumulated contributions. 1136

(2) A member who retires as provided in division (B)(1), (2), 1137
~~or (3)~~, or (4) of this section is a retirant for all purposes of 1138
this chapter, except that the member is not subject to section 1139
3307.35 of the Revised Code for a position or positions for which 1140
contributions continue under those divisions or division (B)~~(4)~~(5) 1141
of this section. 1142

(D) A retired member receiving a benefit under section 1143
3307.352 of the Revised Code based on employment subject to this 1144
section is not a member of the state teachers retirement system 1145
and does not have any rights, privileges, or obligations of 1146
membership. The retired member is a superannuate for purposes of 1147
section 3307.35 of the Revised Code. 1148

(E) Effective July 1, 2014, a member may continue to 1149
contribute to the retirement system for another STRS position or 1150
other state retirement system position under division (B)(1), (2), 1151
(3), or (4) of this section only for those positions the member 1152
continuously held for at least twelve consecutive months 1153
immediately prior to retirement under section 3307.57, 3307.58, or 1154
3307.60 of the Revised Code or an STRS defined contribution plan. 1155

(F) The state teachers retirement board may adopt rules to 1156
carry out this section. 1157

Sec. 3307.352. For purposes of this section, "superannuate" 1158
includes a member who retired under section 3307.351 of the 1159
Revised Code. 1160

(A) Except as provided in division (B)(3) of this section, a 1161
superannuate or other system retirant who has made contributions 1162
under section 3307.35 or 3307.351 of the Revised Code may file an 1163
application with the state teachers retirement system for a 1164
benefit consisting of a single life annuity. The annuity shall 1165
have a reserve equal to the amount of the superannuate's or 1166
retirant's accumulated contributions, as defined in section 1167
3307.50 of the Revised Code, for the period of employment, other 1168
than the contributions excluded pursuant to division (F) of 1169
section 3307.35 of the Revised Code, and an amount determined by 1170
the state teachers retirement board from the employers' trust 1171
created by section 3307.14 of the Revised Code, plus interest 1172
credited to the date of retirement at a rate of interest 1173
determined by the board. The superannuate or other system retirant 1174
shall elect either to receive the benefit as a monthly annuity for 1175
life or a lump sum payment discounted to the present value using a 1176
rate of interest determined by the board, except that if the 1177
monthly annuity would be less than twenty-five dollars per month 1178
the superannuate or retirant shall receive a lump sum payment. 1179

A benefit payable under this division shall commence on the 1180
first day of the month immediately following the latest of the 1181
following: 1182

(1) The last day for which compensation for ~~all~~ employment ~~as~~ 1183
~~a teacher~~ subject to this section was paid; 1184

(2) Attainment by the superannuate or other system retirant 1185
of age sixty-five; 1186

(3) If the superannuate or other system retirant was 1187
previously employed under section 3307.35 or 3307.351 of the 1188

Revised Code and previously received or is receiving a benefit 1189
under this division, completion of a period of twelve months since 1190
the effective date of the last benefit under this division. 1191

(B)(1) A superannuate or other system retirant under age 1192
sixty-five who has made contributions under section 3307.35 or 1193
3307.351 of the Revised Code may file an application with the 1194
state teachers retirement system for a return of those 1195
contributions if both of the following conditions are met: 1196

(a) The superannuate or retirant has terminated, for any 1197
reason other than death, the employment for which the 1198
contributions were made. 1199

(b) If the superannuate or retirant received a return of 1200
contributions under this division for a previous period of 1201
employment under section 3307.35 or 3307.351 of the Revised Code, 1202
twelve months have passed since the date the retirement system 1203
returned the contributions. 1204

(2) A return of contributions under this division shall 1205
consist of the sum of the following: 1206

(a) The contributions the superannuate or other system 1207
retirant made under section 3307.35 or 3307.351 of the Revised 1208
Code other than the contributions excluded under division (F) of 1209
section 3307.35 of the Revised Code; 1210

(b) Interest at a rate determined by the state teachers 1211
retirement board credited ~~to~~ through the ~~date that~~ later of the 1212
month the superannuate or retirant terminated the employment for 1213
which the contributions are made or the date required by division 1214
(B)(1)(b) of this section. 1215

(3) Payment of a return of contributions under this division 1216
shall be made on a date determined by the state teachers 1217
retirement board but shall be not earlier than the later of the 1218
first day of the first month following termination of employment 1219

or the date required by division (B)(1)(b) of this section. The 1220
payment cancels the superannuate or retirant's right to a benefit 1221
under division (A) of this section for the service for which the 1222
contributions were made. 1223

(C)(1) If a superannuate or other system retirant who made 1224
contributions under section 3307.35 or 3307.351 of the Revised 1225
Code dies before receiving a benefit under division (A) of this 1226
section or a return of contributions under division (B) of this 1227
section, a lump sum payment shall be paid to the beneficiary 1228
designated under division (D)(1) of section 3307.562 of the 1229
Revised Code. The lump sum shall be calculated in accordance with 1230
division (A) of this section, except that the interest shall be 1231
credited as follows: 1232

(a) If the superannuate or retirant was under age sixty-five 1233
at the time of death, the interest shall be credited through the 1234
month of death. 1235

(b) If the superannuate or retirant was age sixty-five or 1236
older at the time of death, the interest shall be credited through 1237
the later of the month in which the superannuate or retirant 1238
terminated the employment for which the contributions are made or 1239
the month the superannuate or retirant attained age sixty-five. 1240

(2) If at the time of death a superannuate or other system 1241
retirant receiving a monthly annuity under division (A) of this 1242
section has received less than the superannuate or retirant would 1243
have received as a lump sum payment, the difference between the 1244
amount received and the amount that would have been received as a 1245
lump sum payment shall be paid to the superannuate's or retirant's 1246
beneficiary designated under division (D)(1) of section 3307.562 1247
of the Revised Code. 1248

(D) No amount received under this section shall be included 1249
in determining an additional benefit under section 3307.67 of the 1250

Revised Code or any other post-retirement benefit increase. 1251

Sec. 3307.371. (A) As used in this section, "alternate 1252
payee," "benefit," "lump sum payment," "participant," and "public 1253
retirement program" have the same meanings as in section 3105.80 1254
of the Revised Code. 1255

(B) On receipt of an order issued under section 3105.171 or 1256
3105.65 of the Revised Code, the state teachers retirement system 1257
shall determine whether the order meets the requirements of 1258
sections 3105.80 to 3105.90 of the Revised Code. The system shall 1259
retain in the participant's record an order the board determines 1260
meets the requirements. Not later than sixty days after receipt, 1261
the system shall return to the court that issued the order any 1262
order the system determines does not meet the requirements. 1263

(C) The system shall comply with an order retained under 1264
division (B) of this section at the following times as 1265
appropriate: 1266

(1) If the participant has applied for or is receiving a 1267
benefit or has applied for but not yet received a lump sum 1268
payment, as soon as practicable; 1269

(2) If the participant has not applied for a benefit or lump 1270
sum payment, on application by the participant for a benefit or 1271
lump sum payment. 1272

(D) If the system transfers a participant's service credit or 1273
contributions made by or on behalf of a participant to a public 1274
retirement program that is not named in the order, the system 1275
shall do both of the following: 1276

(1) Notify the court that issued the order by sending to the 1277
court a copy of the order and the name and address of the public 1278
retirement program to which the transfer was made. 1279

(2) Send a copy of the order to the public retirement program 1280
to which the transfer was made. 1281

(E) If it receives a participant's service credit or 1282
contributions and a copy of an order as provided in division (D) 1283
of this section, the system shall administer the order as if it 1284
were the public retirement program named in the order. 1285

(F) If a participant's benefit or lump sum payment is or will 1286
be subject to more than one order described in section 3105.81 of 1287
the Revised Code or to an order described in that section ~~3105.81~~ 1288
~~of the Revised Code and a withholding an order under section~~ 1289
~~3111.23 or 3113.21~~ issued in accordance with Chapter 3119., 3121., 1290
3123., or 3125. of the Revised Code, the system shall, after 1291
determining that the amounts that are or will be withheld will 1292
cause the benefit or lump sum payment to fall below the limits 1293
described in section 3105.85 of the Revised Code, do all of the 1294
following: 1295

(1) Establish, in accordance with division (G) of this 1296
section and subject to the limits described in section 3105.85 of 1297
the Revised Code, the priority in which the orders are or will be 1298
paid by the system in accordance with division (G) of this 1299
section; 1300

(2) Reduce the amount paid to an alternate payee based on the 1301
priority established under division (F)(1) of this section; 1302

(3) Notify, by regular mail, a participant and alternate 1303
payee of any action taken under this division. 1304

(G) A withholding or deduction notice issued ~~under section~~ 1305
~~3111.23 or 3113.21~~ in accordance with Chapter 3119., 3121., 3123., 1306
or 3125. of the Revised Code or an order described in section 1307
3115.32 of the Revised Code has priority over all other orders and 1308
shall be complied with in accordance with child support 1309
enforcement laws. All other orders are entitled to priority in 1310

order of earliest retention by the system. The system is not to 1311
retain an order that provides for the division of property unless 1312
the order is filed in a court with jurisdiction in this state. 1313

(H) The system is not liable in civil damages for loss 1314
resulting from any action or failure to act in compliance with 1315
this section. 1316

Sec. 3307.39. (A) The state teachers retirement board may 1317
enter into an agreement with insurance companies, health insuring 1318
corporations, or government agencies authorized to do business in 1319
the state for issuance of a policy or contract of health, medical, 1320
hospital, or surgical benefits, or any combination thereof, for 1321
those individuals receiving, under the STRS defined benefit plan 1322
~~described in sections 3307.50 to 3307.79 of the Revised Code,~~ 1323
service retirement or a disability or survivor benefit who 1324
subscribe to the plan. Notwithstanding any other provision of this 1325
chapter, the policy or contract may also include coverage for any 1326
eligible individual's spouse and dependent children and for any of 1327
the individual's sponsored dependents as the board considers 1328
appropriate. If all or any portion of the policy or contract 1329
premium is to be paid by any individual receiving service 1330
retirement or a disability or survivor benefit, the individual 1331
shall, by written authorization, instruct the board to deduct the 1332
premium agreed to be paid by the individual to the companies, 1333
corporations, or agencies. 1334

The board may contract for coverage on the basis of part or 1335
all of the cost of the coverage to be paid from appropriate funds 1336
of the state teachers retirement system. The cost paid from the 1337
funds of the system shall be included in the employer's 1338
contribution rate provided by section 3307.28 of the Revised Code. 1339

The board may enter into an agreement under this division for 1340
coverage of recipients of benefits under a an STRS defined 1341

~~contribution plan established under section 3307.81 of the Revised Code~~ 1342
if the plan selected includes health, medical, hospital, or 1343
surgical benefits, or any combination thereof. The board may 1344
contract for coverage on the basis that the cost of the coverage 1345
will be paid by the recipient or by the plan to which the 1346
recipient contributed under this chapter. The board may offer to 1347
recipients plans that provide for different levels of coverage or 1348
for prepayment of the cost of coverage. 1349

The board may provide for self-insurance of risk or level of 1350
risk as set forth in the contract with the companies, 1351
corporations, or agencies, and may provide through the 1352
self-insurance method specific benefits as authorized by the rules 1353
of the board. 1354

(B) The board ~~shall~~ may make a monthly payment to each 1355
recipient of service retirement, or a disability or survivor 1356
benefit under the STRS defined benefit plan described in sections 1357
~~3307.50 to 3307.79 of the Revised Code~~ who is ~~eligible for~~ 1358
~~insurance enrolled in~~ coverage under part B of the medicare 1359
program established under Title XVIII of "The Social Security 1360
Amendments of 1965," 79 Stat. 301 (1965), 42 U.S.C.A. 1395j, as 1361
amended, and may make a monthly payment to a recipient of benefits 1362
under a an STRS defined contribution plan established under 1363
~~section 3307.81 of the Revised Code~~ who is eligible for that 1364
insurance coverage if the monthly payments are funded through the 1365
plan selected by the recipient. The payment shall be the greater 1366
of the following: 1367

(1) Twenty-nine dollars and ninety cents; 1368

(2) An amount determined by ~~multiplying the board, which~~ 1369
shall not exceed ninety per cent of the basic premium for the 1370
coverage ~~by a percentage, not exceeding ninety per cent,~~ 1371
~~determined by multiplying the years of service used in calculating~~ 1372
~~the service retirement or benefit or, in the case of a recipient~~ 1373

~~of benefits under a plan established under section 3307.81 of the~~ 1374
~~Revised Code, the participant's years of service by a percentage~~ 1375
~~determined by the board not exceeding three per cent, except that~~ 1376
the amount shall not exceed the amount paid by the recipient. 1377

At the request of the board, the recipient shall certify the 1378
amount paid by the recipient for coverage described in this 1379
division. 1380

The board shall make all payments under this division 1381
beginning the month following receipt of satisfactory evidence of 1382
the payment for the coverage. 1383

(C) The board shall establish by rule requirements for the 1384
coordination of any coverage, payment, or benefit provided under 1385
this section ~~or section 3307.61 of the Revised Code~~ with any 1386
similar coverage, payment, or benefit made available to the same 1387
individual by the public employees retirement system, Ohio police 1388
and fire pension fund, school employees retirement system, or 1389
state highway patrol retirement system. 1390

(D) The board shall make all other necessary rules pursuant 1391
to the purpose and intent of this section. 1392

Sec. 3307.391. The state teachers retirement board ~~shall~~ may 1393
establish a program under which members of the state teachers 1394
retirement system, employers on behalf of members, and persons 1395
receiving benefits under this chapter are permitted to participate 1396
in contracts for long-term health care insurance. Participation 1397
may include dependents and family members. If a participant in a 1398
contract for long-term care insurance leaves employment, the 1399
participant and the participant's dependents and family members 1400
may, at their election, continue to participate in a program 1401
established under this section in the same manner as if the 1402
participant had not left employment, except that no part of the 1403
cost of the insurance shall be paid by the participant's former 1404

employer. 1405

Such program may be established independently or jointly with 1406
one or more of the other retirement systems. For purposes of this 1407
section, "retirement systems" has the same meaning as in division 1408
(A) of section 145.581 of the Revised Code. 1409

The board may enter into an agreement with insurance 1410
companies, health insuring corporations, or government agencies 1411
authorized to do business in the state for issuance of a long-term 1412
care insurance policy or contract. However, prior to entering into 1413
such an agreement with an insurance company or health insuring 1414
corporation, the board shall request the superintendent of 1415
insurance to certify the financial condition of the company or 1416
corporation. The board shall not enter into the agreement if, 1417
according to that certification, the company or corporation is 1418
insolvent, is determined by the superintendent to be potentially 1419
unable to fulfill its contractual obligations, or is placed under 1420
an order of rehabilitation or conservation by a court of competent 1421
jurisdiction or under an order of supervision by the 1422
superintendent. 1423

The board ~~shall~~ may adopt rules in accordance with section 1424
111.15 of the Revised Code governing the program. ~~The~~ Any rules 1425
adopted by the board shall establish methods of payment for 1426
participation under this section, which may include establishment 1427
of a payroll deduction plan under section ~~3307.70~~ 3307.701 of the 1428
Revised Code, deduction of the full premium charged from a 1429
person's benefit, or any other method of payment considered 1430
appropriate by the board. If the program is established jointly 1431
with one or more of the other retirement systems, the rules also 1432
shall establish the terms and conditions of such joint 1433
participation. 1434

Sec. 3307.42. (A) Except as provided in section 3307.373 of 1435

the Revised Code, the granting to any person of an allowance, 1436
annuity, pension, or other benefit under the STRS defined benefit 1437
~~plan described in sections 3307.50 to 3307.79 of the Revised Code,~~ 1438
or the granting of a benefit under a an STRS defined contribution 1439
~~plan established under section 3307.81 of the Revised Code,~~ 1440
pursuant to an action of the state teachers' retirement board 1441
vests a right in such person, so long as the person remains the 1442
beneficiary of any of the funds established by section 3307.14 of 1443
the Revised Code, to receive the allowance, annuity, pension, or 1444
benefit at the rate fixed at the time of granting the allowance, 1445
annuity, pension, or benefit. Such right shall also be vested with 1446
equal effect in the beneficiary of a grant heretofore made from 1447
any of the funds named in section 3307.14 of the Revised Code. 1448

(B)(1) The state teachers retirement system may suspend the 1449
benefit of a person receiving a benefit under section 3307.58 or 1450
3307.59 of the Revised Code, a disability benefit under section 1451
3307.63 or 3307.631 of the Revised Code, a survivor benefit under 1452
section 3307.66 of the Revised Code, any payment under section 1453
3307.352 of the Revised Code, a benefit under section 3307.60 of 1454
the Revised Code as a beneficiary, or a benefit under an STRS 1455
defined contribution plan under either of the following 1456
circumstances: 1457

(a) The retirement system has good cause to believe that the 1458
person receiving benefits is incapacitated and no other person has 1459
authority to act or receive benefits on the person's behalf. 1460

(b) The retirement system learns that the person receiving 1461
benefits is missing, and no person provides evidence satisfactory 1462
to the system that the person is alive and is entitled to receive 1463
benefits. 1464

(2) Benefits shall resume on presentation of evidence 1465
satisfactory to the board that the person is no longer 1466
incapacitated or is alive and entitled to receive benefits. Any 1467

missed payments shall be paid in a single lump sum payment. 1468

(3) A benefit suspended under division (B)(1)(b) of this 1469
section shall be terminated on presentation to the board of a 1470
decree of presumed death. Notwithstanding section 2121.04 of the 1471
Revised Code, the termination shall be retroactive to the date the 1472
benefit was suspended. 1473

Sec. 3307.46. Whenever the limits established by section 415 1474
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 1475
U.S.C.A. 415, as amended, are raised, the state teachers 1476
retirement board may increase the amount of the pension, benefit, 1477
or allowance of any person whose pension, benefit, or allowance 1478
payable under section 3307.58, 3307.59, 3307.63, 3307.631, or 1479
3307.67 of the Revised Code or a an STRS defined contribution plan 1480
established under section 3307.81 of the Revised Code was limited 1481
by the application of section 415. The amount of the increased 1482
pension, benefit, or allowance shall not exceed the lesser of the 1483
amount the person would have received if the limits established by 1484
section 415 had not been applied or the amount the person is 1485
eligible to receive subject to the new limits established by 1486
section 415. 1487

Sec. 3307.47. (A) If a person is paid any benefit or payment 1488
by the state teachers retirement system under the plans described 1489
in section 3307.031 of the Revised Code or under section 3307.371 1490
of the Revised Code to which the person is not entitled, the 1491
benefit shall be repaid to the system by the person. If the person 1492
fails to make the repayment, the system shall withhold the amount 1493
due from any benefit due the person or the person's beneficiary 1494
under this chapter, ~~or may collect the amount in any other manner~~ 1495
~~provided by law.~~ 1496

(B) If an alternate payee under section 3307.371 of the 1497

Revised Code fails to make a repayment required by division (A) of 1498
this section, the system may withhold the amount due from any 1499
benefit due the retirant who was subject to the order under which 1500
the alternate payee was paid or due a survivor or beneficiary of 1501
the retirant. 1502

(C) If a survivor or beneficiary of a retirant fails to make 1503
a repayment required by division (A) of this section, the system 1504
may withhold the amount due from any benefit or payment due any 1505
other survivor or beneficiary of the retirant receiving benefits 1506
or payments under this chapter. 1507

(D) If a child support enforcement agency fails to repay an 1508
overpayment of child support, the system may withhold the amount 1509
due from any benefit due a survivor or beneficiary of the retirant 1510
who was subject to the child support order. 1511

(E) If a person receives any payment pursuant to section 1512
3307.39 of the Revised Code to which the person is not entitled, 1513
including any payment to a third party on the person's behalf, the 1514
payment to which the person is not entitled shall be repaid to the 1515
retirement system. If the person or third party fails to make the 1516
repayment, the retirement system shall withhold the amount due, or 1517
portion of the amount due, from any payment or benefit due the 1518
person or person's beneficiary under this chapter. 1519

(F) The retirement system may collect amounts due under this 1520
chapter in any other manner the system considers appropriate, as 1521
provided by law. 1522

Sec. 3307-64 3307.48. (A) As used in this section, 1523
"disability benefit recipient" means a recipient of a disability 1524
benefit under any of the following: 1525

(1) Section 3307.63 of the Revised Code; 1526

(2) Section 3307.631 of the Revised Code; 1527

(3) The STRS combined plan. 1528

(B) A disability benefit recipient, notwithstanding section 1529
3319.13 of the Revised Code, shall retain membership in the state 1530
teachers retirement system and shall be considered on leave of 1531
absence during the first five years following the effective date 1532
of a disability benefit. 1533

The state teachers retirement board shall require any 1534
disability benefit recipient to submit to an annual medical 1535
examination by a physician selected by the board, except that the 1536
board may ~~waive~~ forgo the medical examination if the board's 1537
physician ~~certifies~~ determines that the recipient's disability is 1538
ongoing or may require additional examinations if the board's 1539
physician determines that additional information should be 1540
obtained. If a disability benefit recipient refuses to submit to a 1541
medical examination, the recipient's disability benefit shall be 1542
suspended until the recipient withdraws the refusal. If the 1543
refusal continues for one year, all the recipient's rights under 1544
and to the disability benefit shall be terminated as of the 1545
effective date of the original suspension. 1546

After the examination, the examiner shall report and certify 1547
to the board whether the disability benefit recipient is no longer 1548
physically and mentally incapable of resuming the service from 1549
which the recipient was found disabled. If the board concurs in a 1550
report by the examining physician that the disability benefit 1551
recipient is no longer incapable, the board shall order 1552
termination of payment of a disability benefit ~~shall be terminated~~ 1553
not later than the following thirty-first day of August or upon 1554
employment as a teacher prior thereto. The board shall provide 1555
notice to the recipient of the board's order. At the request of 1556
the recipient, a hearing on the order shall be conducted in 1557
accordance with procedures established by the board. If the leave 1558
of absence has not expired, the board shall so certify to the 1559

disability benefit recipient's last employer before being found 1560
disabled that the recipient is no longer physically and mentally 1561
incapable of resuming service that is the same or similar to that 1562
from which the recipient was found disabled. If the recipient was 1563
under contract at the time the recipient was found disabled, the 1564
employer by the first day of the next succeeding year shall 1565
restore the recipient to the recipient's previous position and 1566
salary or to a position and salary similar thereto, unless the 1567
recipient was dismissed or resigned in lieu of dismissal for 1568
dishonesty, misfeasance, malfeasance, or conviction of a felony. 1569

~~A disability benefit shall terminate if the disability 1570
benefit recipient becomes employed as a teacher in any public or 1571
private school or institution in this state or elsewhere. An 1572
individual receiving a disability benefit from the system shall be 1573
ineligible ~~for to perform~~ any employment as a teacher and it shall 1574
be unlawful for any employer to employ the individual as a teacher 1575
teaching service, as defined by the board. A disability benefit 1576
shall immediately terminate if the disability benefit recipient 1577
performs any teaching service in this state or elsewhere. The 1578
board shall notify the recipient that the benefit is terminated. 1579
The recipient may submit, not later than thirty days after the 1580
date the notice is sent, to the board information specifying that 1581
the disability recipient did not perform teaching services while 1582
receiving disability benefits along with any supporting evidence 1583
available to the recipient. The board shall review the information 1584
and any accompanying evidence to determine whether the individual 1585
performed teaching services. The board may designate an individual 1586
to review the information and submit a recommendation to the 1587
board. The board shall determine whether the benefit was correctly 1588
terminated. If not, the benefit shall be reinstated and any missed 1589
payments paid to the recipient. The board's decision is final. If 1590~~

If any employer should employ or reemploy ~~the individual a~~ 1591

~~disability benefit recipient~~ prior to the termination of a 1592
disability benefit, the employer shall file notice of employment 1593
with the board designating the date of the employment. If the 1594
~~individual should be paid both~~ disability benefit recipient 1595
received a disability benefit and ~~also compensation for performed~~ 1596
teaching ~~service~~ services for all or any part of the same month, 1597
~~the secretary of the board shall certify to the employer or to the~~ 1598
~~superintendent of public instruction~~ recipient shall repay to the 1599
annuity and pension reserve fund the amount of the disability 1600
benefit received by the ~~individual during the employment, which~~ 1601
~~amount shall be deducted from any amount due the employing~~ 1602
~~district under Chapter 3317. of the Revised Code or shall be paid~~ 1603
~~by the employer to the annuity and pension reserve fund~~ recipient 1604
from the beginning of employment. 1605

Each disability benefit recipient shall file with the board 1606
an annual statement of earnings, current medical information on 1607
the recipient's condition, and any other information required in 1608
rules adopted by the board. The board may waive the requirement 1609
that a disability benefit recipient file an annual statement of 1610
earnings or current medical information if the board's physician 1611
certifies that the recipient's disability is ongoing. 1612

The board shall annually examine the information submitted by 1613
the recipient. If a disability benefit recipient refuses to file 1614
the statement or information, the disability benefit shall be 1615
suspended until the statement and information are filed. If the 1616
refusal continues for one year, the recipient's right to the 1617
disability benefit shall be terminated as of the effective date of 1618
the original suspension. 1619

A disability benefit also may be terminated by the board at 1620
the request of the disability benefit recipient. 1621

If disability retirement under section 3307.63 of the Revised 1622
Code is terminated for any reason, the annuity and pension 1623

reserves at that time in the annuity and pension reserve fund 1624
shall be transferred to the teachers' savings fund and the 1625
employers' trust fund, respectively. If the total disability 1626
benefit paid was less than the amount of the accumulated 1627
contributions of the member transferred to the annuity and pension 1628
reserve fund at the time of the member's disability retirement, 1629
then the difference shall be transferred from the annuity and 1630
pension reserve fund to another fund as required. In determining 1631
the amount of a member's account following the termination of 1632
disability retirement for any reason, the total amount paid shall 1633
be charged against the member's refundable account. 1634

If a disability allowance paid under section 3307.631 of the 1635
Revised Code is terminated for any reason, the reserve on the 1636
allowance at that time in the annuity and pension reserve fund 1637
shall be transferred from that fund to the employers' trust fund. 1638

If a former disability benefit recipient again becomes a 1639
contributor, other than as an other system retirant under section 1640
3307.35 of the Revised Code, to this retirement system, the school 1641
employees retirement system, or the public employees retirement 1642
system, and completes at least two additional years of service 1643
credit, the former disability benefit recipient shall receive 1644
credit for the period as a disability benefit recipient. Credit 1645
may be received for more than one period of leave as a disability 1646
benefit recipient, except that for credit received on or after 1647
July 1, 2013, the total number of years received shall not exceed 1648
the lesser of the years of contributing service following the 1649
termination of disability benefits or five years of total service 1650
credit. 1651

Sec. 3307.50. As used in sections 3307.50 to 3307.79 of the 1652
Revised Code: 1653

(A) "Prior service" means all service as a teacher before 1654

September 1, 1920, military service credit, all service prior to 1655
September 1, 1920, as an employee of any employer who comes within 1656
the public employees retirement system, the school employees 1657
retirement system, or any other state retirement system 1658
established under the laws of Ohio, and similar service in another 1659
state, credit for which was procured by a member under former 1660
section 3307.33 of the Revised Code, prior to June 25, 1945. Prior 1661
service credit shall not be granted to any member for service for 1662
which credit or benefits have been received in any other state 1663
retirement system in Ohio or for credit that was forfeited by 1664
withdrawal of contributions, unless the credit has been restored. 1665
If the teacher served as an employee in any two or all of the 1666
capacities, "prior service" means the total combined service in 1667
the capacities prior to September 1, 1920. 1668

If a teacher who has been granted prior service credit for 1669
service rendered prior to September 1, 1920, as an employee of an 1670
employer who comes within the public employees retirement system 1671
or the school employees retirement system, establishes, subsequent 1672
to September 16, 1957, and before retirement, three years of 1673
contributing service in the public employees retirement system, or 1674
one year in the school employees retirement system, the prior 1675
service credit granted shall become, at retirement, the liability 1676
of the other system if the prior service or employment was in a 1677
capacity covered by that system. 1678

(B) "Total service," "total service credit," except as 1679
provided in section 3307.57 of the Revised Code, or "Ohio service 1680
credit" means all service of a member of the state teachers 1681
retirement system since last becoming a member and, in addition 1682
thereto, restored service credit under section 3307.71 of the 1683
Revised Code, all prior service credit, all military service 1684
credit computed as provided in this chapter, and all other service 1685
credit established under sections 3307.26, 3307.53, ~~3307.54,~~ 1686

3307.72, 3307.73, 3307.74, 3307.76, 3307.761, 3307.763, 3307.77, 1687
3307.771, and 3307.78 and former sections 3307.513, 3307.514, and 1688
3307.52 of the Revised Code, and Section 3 of Amended Substitute 1689
Senate Bill No. 530 of the 114th general assembly. ~~All service 1690
credit purchased under section 3307.741 of the Revised Code shall 1691
be used exclusively for the purpose of qualifying for service 1692
retirement.~~ 1693

(C)(1) "Service retirement" means retirement as provided in 1694
section 3307.58 or 3307.59 of the Revised Code. 1695

(2) "Disability retirement" means retirement as provided in 1696
section 3307.63 of the Revised Code. 1697

(D) "Accumulated contributions" means the sum of all amounts 1698
credited to a contributor's individual account in the teachers' 1699
savings fund, together with interest credited thereon at the rates 1700
approved by the state teachers retirement board prior to 1701
retirement. 1702

(E) "Annuity" means payments for life derived from 1703
contributions made by a contributor and paid from the annuity and 1704
pension reserve fund. All annuities shall be paid in twelve equal 1705
monthly installments. 1706

(F) "Pensions" means annual payments for life derived from 1707
appropriations made by an employer and paid from the annuity and 1708
pension reserve fund. All pensions shall be paid in twelve equal 1709
monthly installments. 1710

(G)(1) "Allowance" means the pension plus the annuity, or any 1711
other payment under ~~sections 3307.50 to 3307.79 of the Revised 1712
Code~~ the STRS defined benefit plan, and includes a disability 1713
allowance or disability benefit. 1714

(2) "Disability allowance" means an allowance paid on account 1715
of disability under section 3307.631 of the Revised Code. 1716

(3) "Disability benefit" means a benefit paid as disability retirement under section 3307.63 of the Revised Code, as a disability allowance under section 3307.631 of the Revised Code, or as a disability benefit under section 3307.57 of the Revised Code.

(H) "Annuity reserve" means the present value, computed upon the basis of mortality tables adopted by the state teachers retirement board with interest, of all payments to be made on account of any annuity, or benefit in lieu of any annuity, granted to a member.

(I) "Pension reserve" means the present value, computed upon the basis of mortality tables adopted by the state teachers retirement board with interest, of all payments to be made on account of any pension, or benefit in lieu of any pension, granted to a member or to a beneficiary.

(J) "Retirant" means any former member who is granted age and service retirement as provided in sections 3307.57, 3307.58, 3307.59, and 3307.60 of the Revised Code.

(K) "Disability benefit recipient" means a member who is receiving a disability benefit.

Sec. 3307.501. (A) As used in this section, "percentage increase" means the percentage that an increase in compensation is of the compensation paid prior to the increase.

(B) Notwithstanding division (L) of section 3307.01 of the Revised Code, for the purpose of determining final average salary under this section, "compensation" has the same meaning as in that division, except that it does not include any amount resulting from a percentage increase paid to a member during the member's two highest years of compensation that exceeds the greater of the following:

(1) The highest percentage increase in compensation paid to the member during any of the three years immediately preceding the earlier of the member's two highest years of compensation and any subsequent partial year of compensation used in calculating the member's final average salary;

(2) A percentage increase paid to the member as part of an increase generally applicable to members employed by the employer. An increase shall be considered generally applicable if it is paid to members employed by a school district board of education in positions requiring a license issued under section 3319.22 of the Revised Code in accordance with uniform criteria applicable to all such members or if paid to members employed by an employer other than a school district board of education in accordance with uniform criteria applicable to all such members.

(C) The state teachers retirement board shall determine the final average salary of a member as follows:

(1) For benefits beginning before August 1, 2015, by dividing the sum of the member's annual compensation for the three highest years of compensation for which the member made contributions plus any amount determined under division (E) of this section by three, except that if the member has a partial year of contributing service in the year the member's employment terminates and the compensation for the partial year is at a rate higher than the rate of compensation for any one of the member's highest three years of compensation, the board shall substitute the compensation for the partial year for the compensation for the same portion of the lowest of the member's three highest years of compensation;

(2) For benefits beginning on or after August 1, 2015, by dividing the sum of the member's annual compensation for the five highest years of compensation for which the member made contributions plus any amount determined under division (E) of this section by five, except that if the member has a partial year

of contributing service in the year the member's employment 1779
terminates and the compensation for the partial year is at a rate 1780
higher than the rate of compensation for any one of the member's 1781
highest five years of compensation, the board shall substitute the 1782
compensation for the partial year for the compensation for the 1783
same portion of the lowest of the member's five highest years of 1784
compensation. ~~If~~ 1785

If a member has less than ~~three~~ the requisite years of 1786
contributing membership, the member's final average salary shall 1787
be the member's total compensation for the period of contributing 1788
membership plus any amount determined under division (E) of this 1789
section divided by the total years, including any portion of a 1790
year, of contributing service. 1791

For the purpose of calculating benefits payable to a member 1792
qualifying for service credit under division (I) of section 1793
3307.01 of the Revised Code, the board shall calculate the 1794
member's final average salary by dividing the member's total 1795
compensation as a teacher covered under this chapter plus any 1796
amount determined under division (E) of this section by the total 1797
number of years, including any portion of a year, of contributing 1798
membership during that period. If contributions were made for less 1799
than twelve months, the member's final average salary is the total 1800
amount of compensation paid to the member during all periods of 1801
contributions under this chapter. 1802

(D) Contributions made by a member and an employer on amounts 1803
that, pursuant to division (B) of this section, are not 1804
compensation or are not included, pursuant to division (E) of this 1805
section, for the purpose of determining final average salary shall 1806
be treated as additional deposits to the member's account under 1807
section 3307.26 of the Revised Code and used to provide additional 1808
annuity income. 1809

(E) The state teachers retirement board shall adopt rules 1810

establishing criteria and procedures for administering this 1811
division. 1812

The board shall notify each applicant for retirement of any 1813
amount excluded from the applicant's compensation in accordance 1814
with division (B) of this section and of the procedures 1815
established by the board for requesting a hearing on this 1816
exclusion. 1817

Any applicant for retirement who has had any amount excluded 1818
from the applicant's compensation in accordance with division (B) 1819
of this section may request a hearing on this exclusion. Upon 1820
receiving such a request, the board shall determine in accordance 1821
with its criteria and procedures whether, for good cause as 1822
determined by the board, all or any portion of any amount excluded 1823
from the applicant's compensation in accordance with division (B) 1824
of this section, up to a maximum of seventy-five hundred dollars, 1825
is to be included in the determination of final average salary 1826
under division (C) of this section. Any determination of the board 1827
under this division shall be final. 1828

Sec. 3307.51. (A) The state teachers retirement board shall 1829
have prepared annually by or under the supervision of an actuary 1830
an actuarial valuation of the pension assets, liabilities, and 1831
funding requirements of the STRS defined benefit plan ~~described in~~ 1832
~~sections 3307.50 to 3307.79 of the Revised Code.~~ The actuary shall 1833
complete the valuation in accordance with actuarial standards of 1834
practice promulgated by the actuarial standards board of the 1835
American academy of actuaries and prepare a report of the 1836
valuation. The report shall include all of the following: 1837

(1) A summary of the benefit provisions evaluated; 1838

(2) A summary of the census data and financial information 1839
used in the valuation; 1840

(3) A description of the actuarial assumptions, actuarial cost method, and asset valuation method used in the valuation, including a statement of the assumed rate of payroll growth and assumed rate of growth or decline in the number of members contributing to the retirement system;

(4) A summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities;

(5) A schedule showing the effect of any changes in the benefit provisions, actuarial assumptions, or cost methods since the last annual actuarial valuation;

(6) A statement of whether contributions to the retirement system are expected to be sufficient to satisfy the funding objectives established by the board.

The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the first day of January following the year for which the valuation was made.

(B) At such times as the state teachers retirement board determines, and at least once in each quinquennial period, the board shall have prepared by or under the supervision of an actuary an actuarial investigation of the mortality, service, and other experience of the members, retirants, and beneficiaries of the system, and other system retirants as defined in section 3307.35 of the Revised Code to update the actuarial assumptions used in the actuarial valuation required by division (A) of this section. The actuary shall prepare a report of the actuarial investigation. The report shall be prepared and any recommended changes in actuarial assumptions shall be made in accordance with the actuarial standards of practice promulgated by the actuarial

standards board of the American academy of actuaries. The report 1872
shall include all of the following: 1873

(1) A summary of relevant decrement and economic assumption 1874
experience observed over the period of the investigation; 1875

(2) Recommended changes in actuarial assumptions to be used 1876
in subsequent actuarial valuations required by division (A) of 1877
this section; 1878

(3) A measurement of the financial effect of the recommended 1879
changes in actuarial assumptions. 1880

The board shall submit the report to the Ohio retirement 1881
study council and the standing committees of the house of 1882
representatives and the senate with primary responsibility for 1883
retirement legislation not later than the first day of May 1884
following the last fiscal year of the period the report covers. 1885

(C) The board may at any time request the actuary to make any 1886
other studies or actuarial valuations to determine the adequacy of 1887
the normal and deficiency rates of contribution provided by 1888
section 3307.28 of the Revised Code, and those rates may be 1889
adjusted by the board, as recommended by the actuary, effective as 1890
of the first of any year thereafter. 1891

(D) The board shall have prepared by or under the supervision 1892
of an actuary an actuarial analysis of any introduced legislation 1893
expected to have a measurable financial impact on the retirement 1894
system. The actuarial analysis shall be completed in accordance 1895
with the actuarial standards of practice promulgated by the 1896
actuarial standards board of the American academy of actuaries. 1897
The actuary shall prepare a report of the actuarial analysis, 1898
which shall include all of the following: 1899

(1) A summary of the statutory changes that are being 1900
evaluated; 1901

(2) A description of or reference to the actuarial assumptions and actuarial cost method used in the report;	1902 1903
(3) A description of the participant group or groups included in the report;	1904 1905
(4) A statement of the financial impact of the legislation, including the resulting increase, if any, in the employer normal cost percentage; the increase, if any, in actuarial accrued liabilities; and the per cent of payroll that would be required to amortize the increase in actuarial accrued liabilities as a level per cent of covered payroll for all active members over a period not to exceed thirty years;	1906 1907 1908 1909 1910 1911 1912
(5) A statement of whether the scheduled contributions to the system after the proposed change is enacted are expected to be sufficient to satisfy the funding objectives established by the board.	1913 1914 1915 1916
Not later than sixty days from the date of introduction of the legislation, the board shall submit a copy of the actuarial analysis to the legislative service commission, the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation, and the Ohio retirement study council.	1917 1918 1919 1920 1921 1922
(E) The board shall have prepared annually a report giving a full accounting of the revenues and costs relating to the provision of benefits under sections <u>section</u> 3307.39 and 3307.61 of the Revised Code. The report shall be made as of June 30, 1997, and the thirtieth day of June of each year thereafter. The report shall include the following:	1923 1924 1925 1926 1927 1928
(1) A description of the statutory authority for the benefits provided;	1929 1930
(2) A summary of the benefits;	1931

(3) A summary of the eligibility requirements for the benefits;	1932 1933
(4) A statement of the number of participants eligible for the benefits;	1934 1935
(5) A description of the accounting, asset valuation, and funding method used to provide the benefits;	1936 1937
(6) A statement of the net assets available for the provisions of benefits as of the last day of the fiscal year;	1938 1939
(7) A statement of any changes in the net assets available for the provision of benefits, including participant and employer contributions, net investment income, administrative expenses, and benefits provided to participants, as of the last day of the fiscal year;	1940 1941 1942 1943 1944
(8) For the last six consecutive fiscal years, a schedule of the net assets available for the benefits, the annual cost of benefits, administrative expenses incurred, and annual employer contributions allocated for the provision of benefits;	1945 1946 1947 1948
(9) A description of any significant changes that affect the comparability of the report required under this division;	1949 1950
(10) A statement of the amount paid under division (B) of section 3307.39 of the Revised Code.	1951 1952
The board shall submit the report to the Ohio retirement study council and the standing committees of the house of representatives and the senate with primary responsibility for retirement legislation not later than the thirty-first day of December following the year for which the report was made.	1953 1954 1955 1956 1957
Sec. 3307.512. The state teachers retirement board shall establish a period of not more than thirty years to amortize the state teachers retirement system's unfunded actuarial accrued pension liabilities for benefits paid under sections 3307.50 to	1958 1959 1960 1961

~~3307.79 of the Revised Code~~ the STRS defined benefit plan. If in 1962
any year the period necessary to amortize the unfunded actuarial 1963
accrued pension liability exceeds thirty years, as determined by 1964
the annual actuarial valuation required by section 3307.51 of the 1965
Revised Code, the board, not later than ninety days after receipt 1966
of the valuation, shall prepare and submit to the Ohio retirement 1967
study council and the standing committees of the house of 1968
representatives and the senate with primary responsibility for 1969
retirement legislation a report that includes the following 1970
information: 1971

(A) The number of years needed to amortize the unfunded 1972
actuarial accrued pension liability as determined by the annual 1973
actuarial valuation; 1974

(B) A plan approved by the board that indicates how the board 1975
will reduce the amortization period of unfunded actuarial accrued 1976
pension liability to not more than thirty years. 1977

Sec. 3307.52. At the time of retirement under the STRS 1978
~~defined benefit plan described in sections 3307.50 to 3307.79 of~~ 1979
~~the Revised Code~~, the total service credited a teacher shall 1980
consist of all the teacher's service as a teacher since the 1981
teacher last became a member and, if the teacher has a prior 1982
service certificate which is in full force and effect, all service 1983
certified on such prior service certificate, ~~together with~~ 1984
~~purchased service credit as provided in section 3307.741 of the~~ 1985
~~Revised Code.~~ 1986

Sec. 3307.53. The state teachers retirement board shall 1987
credit a year of service to any teacher participating in the STRS 1988
~~defined benefit plan described in sections 3307.50 to 3307.79 of~~ 1989
~~the Revised Code~~ who is employed on a full-time basis in a school 1990
district for the number of months the regular day schools of such 1991

district are in session in said district within any year. The 1992
board shall adopt appropriate rules and regulations for the 1993
determination of credit for less than a complete year of service, 1994
and shall be the final authority in determining the number of 1995
years of service credit. The board shall credit not more than one 1996
year for all service rendered in any year. 1997

If concurrent contributions are made to two or more 1998
retirement systems, except in the case of retirement as provided 1999
in section 3307.351 of the Revised Code, service credit shall be 2000
on the basis of the ratio that contributions to this system bear 2001
to the total contributions in all such systems. 2002

The board shall adopt rules for the purpose of determining 2003
the number of years or partial years of service credit to be 2004
granted to a member under section ~~3307.88~~ 3307.25 of the Revised 2005
Code. The amount of service credit shall be based on the member's 2006
length of participation in and contribution to ~~a~~ an STRS defined
contribution plan ~~established under section 3307.81 of the Revised~~ 2007
~~Code~~. The board shall be the final authority in determining the 2008
amount of service credit. 2009
2010

Sec. 3307.56. (A)(1) Subject to sections 3307.37 and 3307.561 2011
of the Revised Code and except as provided in division (B)(2) of 2012
this section, a member participating in the STRS defined benefit 2013
plan ~~described in sections 3307.50 to 3307.79 of the Revised Code~~ 2014
who ceases to be a teacher for any cause other than death, 2015
retirement, receipt of a disability benefit, or current employment 2016
in a position in which the member has elected to participate in an 2017
alternative retirement plan under section 3305.05 or 3305.051 of 2018
the Revised Code, upon application, shall be paid the accumulated 2019
contributions standing to the credit of the member's individual 2020
account in the teachers' savings fund plus an amount calculated in 2021
accordance with section 3307.563 of the Revised Code. If the 2022

member or the member's legal representative cannot be found within 2023
ten years after the member ceased making contributions pursuant to 2024
section 3307.26 of the Revised Code, the accumulated contributions 2025
may be transferred to the guarantee fund and thereafter paid to 2026
the member, to the member's beneficiaries, or to the member's 2027
estate, upon proper application. 2028

(2) A member described in division (A)(1) of this section who 2029
is married at the time of application for payment and is eligible 2030
for age and service retirement under section 3307.58 or 3307.59 of 2031
the Revised Code or would be eligible for age and service 2032
retirement under either of those sections but for a forfeiture 2033
ordered under division (A) or (B) of section 2929.192 of the 2034
Revised Code shall submit with the application a written statement 2035
by the member's spouse attesting that the spouse consents to the 2036
payment of the member's accumulated contributions. Consent shall 2037
be valid only if it is signed and witnessed by a notary public. If 2038
the statement is not submitted under this division, the 2039
application shall be considered an application for service 2040
retirement and shall be subject to division (G)(1) of section 2041
3307.60 of the Revised Code. 2042

The state teachers retirement board may waive the requirement 2043
of consent if the spouse is incapacitated or cannot be located, or 2044
for any other reason specified by the board. Consent or waiver is 2045
effective only with regard to the spouse who is the subject of the 2046
consent or waiver. 2047

(B) This division applies to any member who is employed in a 2048
position in which the member has elected under section 3305.05 or 2049
3305.051 of the Revised Code to participate in an alternative 2050
retirement plan and due to the election ceases to be a teacher for 2051
the purposes of that position. 2052

Subject to sections 3307.37 and 3307.561 of the Revised Code, 2053
the state teachers retirement system shall do the following: 2054

(1) On receipt of a certified copy of an election under 2055
section 3305.05 or 3305.051 of the Revised Code, pay, in 2056
accordance with section 3305.052 of the Revised Code, the amount 2057
described in that section to the appropriate provider; 2058

(2) If a member has accumulated contributions, in addition to 2059
those subject to division (B)(1) of this section, standing to the 2060
credit of a member's individual account and is not otherwise in a 2061
position in which the member is considered a teacher for the 2062
purposes of that position, pay, to the provider the member 2063
selected pursuant to section 3305.05 or 3305.051 of the Revised 2064
Code, the accumulated contributions standing to the credit of the 2065
member's individual account in the teachers' saving fund plus an 2066
amount calculated in accordance with section ~~3307.80~~ 3307.563 of 2067
the Revised Code. The payment shall be made on the member's 2068
application. 2069

(C) Payment of a member's accumulated contributions under 2070
division (B) of this section cancels the member's total service 2071
credit in the state teachers retirement system. A member whose 2072
accumulated contributions are paid to a provider pursuant to 2073
division (B) of this section is forever barred from claiming or 2074
purchasing service credit under the state teachers retirement 2075
system for the period of employment attributable to those 2076
contributions. 2077

Sec. 3307.561. (A) Except as provided in division (B) of this 2078
section, a member of the state teachers retirement system 2079
participating in the STRS defined benefit plan ~~described in~~ 2080
~~sections 3307.50 to 3307.79 of the Revised Code~~ who has ceased to 2081
be a teacher, and who is also a member of either the public 2082
employees retirement system or school employees retirement system, 2083
or both, may not withdraw the member's accumulated contributions. 2084

(B) On application, the state teachers retirement board shall 2085

pay a member described in division (A) of this section the 2086
member's accumulated contributions if either of the following 2087
applies: 2088

(1) The member also withdraws the member's contributions from 2089
the other systems. 2090

(2) The member is a participant in a PERS defined 2091
contribution plan or a plan established under section ~~145.81 or~~ 2092
3309.81 of the Revised Code and has withdrawn the member's 2093
contributions under ~~plans~~ the PERS defined benefit plan or the 2094
plan described in sections ~~145.201 to 145.79 and~~ 3309.18 to 2095
3309.70 of the Revised Code. 2096

Sec. 3307.562. (A) As used in this section and section 2097
3307.66 of the Revised Code: 2098

(1) "Child" means a biological or legally adopted child of a 2099
deceased member. If a court hearing for an interlocutory decree 2100
for adoption was held prior to the member's death, "child" 2101
includes the child who was the subject of the hearing if a final 2102
decree of adoption adjudging the member's spouse as the adoptive 2103
parent is made subsequent to the member's death. 2104

(2) "Parent" is a parent or legally adoptive parent of a 2105
deceased member. 2106

(3) "Dependent" means a beneficiary who receives one-half of 2107
the beneficiary's support from a member during the twelve months 2108
prior to the member's death. 2109

(4) "Surviving spouse" means an individual who establishes a 2110
valid marriage to a member at the time of the member's death by 2111
marriage certificate or pursuant to division (E) of this section. 2112

(5) "Survivor" means a spouse, child, or dependent parent. 2113

(B) Except as provided in division (B) of section 3307.563 or 2114
division (G)(1) of section 3307.66 of the Revised Code, should a 2115

member who is participating in the STRS defined benefit plan 2116
~~described in sections 3307.50 to 3307.79 of the Revised Code die~~ 2117
before service retirement, the member's accumulated contributions, 2118
plus an amount calculated in accordance with section 3307.563 of 2119
the Revised Code, and any amounts owed and unpaid to a disability 2120
benefit recipient shall be paid to such beneficiaries as the 2121
member has nominated by written designation signed by the member 2122
and ~~filed with~~ received by the state teachers retirement board 2123
prior to death. A member may designate two or more persons as 2124
beneficiaries to be paid the amount determined under this 2125
division. On and after July 1, 2013, and subject to rules adopted 2126
by the board, a member who designates two or more persons as 2127
beneficiaries shall specify the percentage of the amount that each 2128
beneficiary is to be paid. If the member has not specified the 2129
percentages, the amount shall be divided equally among the 2130
beneficiaries. If a designated beneficiary is deceased, the amount 2131
allocated to the deceased beneficiary shall be allocated to the 2132
remaining beneficiaries based on each remaining beneficiary's 2133
initial percentage. The nomination of beneficiary shall be on a 2134
form provided by the retirement board. The last nomination of any 2135
beneficiary revokes all previous nominations. The member's 2136
marriage, divorce, marriage dissolution, legal separation, or 2137
withdrawal of account, or the birth of the member's child, or the 2138
member's adoption of a child, shall constitute an automatic 2139
revocation of the member's previous designation. If a deceased 2140
member was also a member of the public employees retirement system 2141
or the school employees retirement system, the beneficiary last 2142
established among the systems shall be the sole beneficiary in all 2143
the systems. 2144

Any beneficiary ineligible for monthly survivor benefits as 2145
provided by section 3307.66 of the Revised Code may waive in 2146
writing all claim to any benefits and such waiver shall thereby 2147
put in effect the succession of beneficiaries under division (C) 2148

of this section, provided the beneficiary thereunder is 2149
immediately eligible and agrees in writing to accept survivor 2150
benefits as provided by section 3307.66 of the Revised Code. If 2151
the accumulated contributions of a deceased member are not claimed 2152
by a beneficiary, or by the estate of the deceased member, within 2153
ten years, they shall be transferred to the guarantee fund and 2154
thereafter paid to such beneficiary or to the member's estate upon 2155
application to the board. The board shall formulate and adopt 2156
rules governing all designations of beneficiaries. 2157

(C) Except as provided in division (G)(1) of section 3307.66 2158
of the Revised Code, if a member dies before service retirement 2159
and is not survived by a designated beneficiary, any beneficiaries 2160
shall qualify, in the following order of precedence, with all 2161
attendant rights and privileges: 2162

(1) Surviving spouse; 2163

(2) Children, share and share alike; 2164

(3) A dependent parent, if that parent elects to take 2165
survivor benefits under division (C)(2) of section 3307.66 of the 2166
Revised Code; 2167

(4) Parents, share and share alike; 2168

(5) Estate. 2169

If any survivor dies before payment is made under this 2170
section or is not located prior to the ninety-first day after the 2171
board receives notification of the member's death, the survivor 2172
next in order of precedence shall qualify as a beneficiary, 2173
provided that benefits under division (C)(2) of section 3307.66 of 2174
the Revised Code are elected. In the event that the beneficiary 2175
originally determined is subsequently located, the beneficiary may 2176
qualify for benefits under division (C)(2) of section 3307.66 of 2177
the Revised Code upon meeting the conditions of eligibility set 2178
forth in division (B) of that section, but in no case earlier than 2179

the first day of the month following application by such 2180
beneficiary. Any payment made to a beneficiary as determined by 2181
the board shall be a full discharge and release to the board from 2182
any future claims. 2183

(D)(1) Any amount due any person, as an annuitant, receiving 2184
a monthly benefit, and unpaid to the annuitant at death, shall be 2185
paid to the beneficiary named by written designation signed by the 2186
annuitant and ~~filed with~~ received by the state teachers retirement 2187
board prior to death. If no such designation has been filed, or if 2188
the beneficiary designated is deceased or is not located prior to 2189
the ninety-first day after the board receives notification of the 2190
annuitant's death, such amount shall be paid, in the following 2191
order of precedence to the annuitant's: 2192

~~1~~(a) Surviving spouse; 2193

~~2~~(b) Children, share and share alike; 2194

~~3~~(c) Parents, share and share alike; 2195

~~4~~(d) Estate. 2196

(2) If there is no beneficiary under division (D)(1) of this 2197
section, an amount not exceeding the cost of the annuitant's 2198
burial expenses may be paid to the person responsible for the 2199
burial expenses. 2200

For purposes of this division an "annuitant" is the last 2201
person who received a monthly benefit pursuant to the plan of 2202
payment selected by the former member. Such payment shall be a 2203
full discharge and release to the board from any future claim for 2204
such payment. 2205

(E) If the validity of marriage cannot be established to the 2206
satisfaction of the board for the purpose of disbursing any amount 2207
due under this section or section 3307.66 of the Revised Code, the 2208
board may accept a decision rendered by a court having 2209

jurisdiction in the state in which the member was domiciled at the 2210
time of death that the relationship constituted a valid marriage 2211
at the time of death, or the "spouse" would have the same status 2212
as a widow or widower for purposes of sharing the distribution of 2213
the member's intestate personal property. 2214

(F) As used in this division, "recipient" means an individual 2215
who is receiving or may be eligible to receive an allowance or 2216
benefit under this chapter based on the individual's service to an 2217
employer. 2218

If the death of a member, a recipient, or any individual who 2219
would be eligible to receive an allowance or benefit under this 2220
chapter by virtue of the death of a member or recipient is caused 2221
by one of the following beneficiaries, no amount due under this 2222
chapter to the beneficiary shall be paid to the beneficiary in the 2223
absence of a court order to the contrary filed with the board: 2224

(1) A beneficiary who is convicted of, pleads guilty to, or 2225
is found not guilty by reason of insanity of a violation of or 2226
complicity in the violation of either of the following: 2227

(a) Section 2903.01, 2903.02, or 2903.03 of the Revised Code; 2228

(b) An existing or former law of any other state, the United 2229
States, or a foreign nation that is substantially equivalent to 2230
section 2903.01, 2903.02, or 2903.03 of the Revised Code; 2231

(2) A beneficiary who is indicted for a violation of or 2232
complicity in the violation of the sections or laws described in 2233
division (F)(1)(a) or (b) of this section and is adjudicated 2234
incompetent to stand trial; 2235

(3) A beneficiary who is a juvenile found to be a delinquent 2236
child by reason of committing an act that, if committed by an 2237
adult, would be a violation of or complicity in the violation of 2238
the sections or laws described in division (F)(1)(a) or (b) of 2239
this section. 2240

Sec. 3307.563. For the purposes of this section, "service 2241
credit" includes only service credit obtained pursuant to sections 2242
3307.53, 3307.71, 3307.712, 3307.72, and 3307.77 of the Revised 2243
Code. 2244

(A) The state teachers retirement system shall add to a 2245
member's accumulated contributions to be paid under section 2246
3307.56 or 3307.562 of the Revised Code an amount paid from the 2247
employers' trust fund equal to one of the following: 2248

(1) If the member has less than three full years of service 2249
credit, an amount equal to interest on the member's accumulated 2250
contributions, compounded annually, at a rate not greater than 2251
four per cent established by the board; 2252

(2) If the member has three or more full years of service 2253
credit, but less than five full years, an amount equal to interest 2254
on the member's accumulated contributions, compounded annually, at 2255
a rate not greater than six per cent established by the board; 2256

(3) If the member has five or more full years of service 2257
credit, the sum of the following amounts: 2258

(a) An amount equal to interest on the member's accumulated 2259
contributions, compounded annually, at a rate not greater than six 2260
per cent established by the board; 2261

(b) An amount equal to fifty per cent of the sum of the 2262
member's contributions under section 3307.26, any contributions 2263
restored under section 3307.71 of the Revised Code to the extent 2264
that the amount paid to restore the credit included amounts 2265
received by the member under division (A)(3)(b) of this section, 2266
and contributions deducted under division (C) of section 3307.77 2267
of the Revised Code plus interest on that amount at a rate not 2268
greater than six per cent established by the board. 2269

Interest for each year included in the calculation under this 2270

section shall be calculated from the first day of the following 2271
year to the last day of the month preceding payment under section 2272
3307.56 or 3307.562 of the Revised Code. 2273

(B) Notwithstanding sections 3307.56 and 3307.562 of the 2274
Revised Code, neither a member who returned to contributing 2275
service after receiving disability benefits nor the beneficiaries, 2276
survivors, ~~nor~~ or estate of a deceased member who was granted 2277
disability benefits prior to death is eligible for the payment of 2278
any amount calculated under this section. 2279

Sec. 3307.57. To coordinate and integrate membership in the 2280
state retirement systems, the following provisions apply: 2281

(A) As used in this section: 2282

(1) "Retirement systems" means the public employees 2283
retirement system, state teachers retirement system, and school 2284
employees retirement system. 2285

(2) In addition to the meaning given in section 3307.50 of 2286
the Revised Code, "disability benefit" means "disability benefit" 2287
as defined in sections 145.01 and 3309.01 of the Revised Code; 2288

(3) "Actuarial assumption rate" means the investment rate of 2289
return assumed for projecting assets in the STRS defined benefit 2290
plan. 2291

(B) At the option of a member participating in the STRS 2292
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 2293
~~the Revised Code~~, total contributions and service credit in all 2294
retirement systems, including amounts paid to restore service 2295
credit under sections 145.311, 3307.711, and 3309.261 of the 2296
Revised Code, shall be used in determining the eligibility for 2297
benefits. If total contributions and service credit are combined, 2298
the following provisions apply: 2299

(1) Service retirement or a disability benefit is effective 2300

on the first day of the month next following the later of: 2301

(a) The last day for which compensation was paid; 2302

(b) The attainment of minimum age or service credit for 2303
benefits provided under this section. 2304

(2) "Total service credit" includes the total credit in all 2305
retirement systems except that such credit shall not exceed one 2306
year for any period of twelve months. 2307

(3) ~~In determining eligibility~~ Eligibility for a disability 2308
benefit, ~~the medical examiner's report to~~ shall be determined by 2309
the board of ~~any the state~~ retirement system, ~~showing that will~~ 2310
calculate and pay the member's disability ~~incapacitates the member~~ 2311
~~for the performance of duty, may~~ benefit, as provided in division 2312
(B)(4) of this section. The state retirement system calculating 2313
and paying the disability benefit shall certify the determination 2314
to the board of each other state retirement system in which the 2315
member has service credit and shall be accepted by that board as 2316
sufficient for granting a disability benefit. 2317

(4) The board of the state retirement system in which the 2318
member had the greatest service credit, without adjustment, shall 2319
~~determine~~ calculate and pay the total benefit. If the member's 2320
credit is equal in two or more retirement systems, the system 2321
having the member's largest total contributions shall ~~determine~~ 2322
calculate and pay the total benefit. 2323

(5) In determining the total credit to be used in calculating 2324
a benefit, credit shall not be reduced below that certified by the 2325
system or systems transferring credit, except that such total 2326
combined service credit shall not exceed one year of credit for 2327
any one "year" as defined in the statute governing the system 2328
making the calculation. 2329

(6)(a) The retirement system ~~determining~~ calculating and 2330
paying the benefit shall receive from the other system or systems 2331

~~the member's refundable account at retirement or the effective~~ 2332
~~date of a disability benefit plus an amount from the employers'~~ 2333
~~trust fund equal to the member's refundable account less interest~~ 2334
~~credited under section 145.471, 145.472, or 3307.563 of the~~ 2335
~~Revised Code. If applicable, the retirement system determining and~~ 2336
~~paying the benefit shall receive from the public employees~~ 2337
~~retirement system a portion of the amount paid on behalf of the~~ 2338
~~member by an employer under section 145.483 of the Revised Code.~~ 2339
~~The portion shall equal the product obtained by multiplying by two~~ 2340
~~the amount the member would have contributed during the period the~~ 2341
~~employer failed to deduct contributions, as described in section~~ 2342
~~145.483 of the Revised Code all of the following for each year of~~ 2343
~~service:~~ 2344

(i) The amount contributed by the member, or, in the case of 2345
service credit purchased by the member, paid by the member, that 2346
is attributable to the year of service; 2347

(ii) An amount equal to the lesser of the employer's 2348
contributions made on behalf of the member to the retirement 2349
system for that year of service or the amount that would have been 2350
contributed by the employer for the service had the member been a 2351
member of the state teachers retirement system at the time the 2352
credit was earned; 2353

(iii) If applicable, an amount equal to the amount paid on 2354
behalf of the member by an employer under section 145.483 of the 2355
Revised Code; 2356

(iv) Interest compounded annually on the amounts specified in 2357
divisions (B)(6)(a)(i), (ii), and (iii) of this section at the 2358
lesser of the actuarial assumption rate for that year of the state 2359
teachers retirement system or the other retirement system or 2360
systems transferring amounts under this section. 2361

~~(a)~~(b) The annuity rates and mortality tables of the 2362

retirement system making the calculation and paying the benefit 2363
shall be applicable. 2364

~~(b)~~(c) Deposits made for the purchase of additional income, 2365
with guaranteed interest, upon the member's request, shall be 2366
transferred to the retirement system paying the regular benefit. 2367
The return upon such deposits shall be that offered by the 2368
retirement system making the calculation and paying the regular 2369
benefit. 2370

(C) A person receiving a benefit under this section, who 2371
accepts employment amenable to coverage in any retirement system 2372
that participated in the person's combined benefit, shall be 2373
subject to the applicable provisions of law governing such 2374
re-employment. 2375

If a retirant should be paid any amount to which the retirant 2376
is not entitled under the applicable provisions of law governing 2377
such re-employment, such amount shall be recouped by the 2378
retirement system paying such benefit by utilizing any recovery 2379
procedure available under the law of the retirement system 2380
covering such re-employment. 2381

Sec. 3307.58. ~~Any~~ (A) As used in this section, "qualifying 2382
service credit" means credit earned under section 3307.53 or for 2383
which contributions were made under section 145.47 or 3309.47 of 2384
the Revised Code, credit restored under section 145.31, 3307.71, 2385
or 3309.26 of the Revised Code, and credit obtained under section 2386
3307.761, 3307.763, or 3307.765 of the Revised Code. 2387

~~(B) Any member participating in the STRS defined benefit plan~~ 2388
~~described in sections 3307.50 to 3307.79 of the Revised Code who~~ 2389
~~has five years of service credit and has attained the applicable~~ 2390
~~combination of age sixty, or who has twenty five years of and~~ 2391
~~service credit and has attained age fifty five, or who has thirty~~ 2392
~~years of service credit shall be granted service retirement after~~ 2393

filing with the state teachers retirement board a completed	2394
application on a form approved by the board.	2395
<u>(A)(1) Except as provided in division (B)(3) of this section,</u>	2396
<u>a member is eligible to retire under this division if either of</u>	2397
<u>the following is the case:</u>	2398
<u>(a) The member has five or more years of qualifying service</u>	2399
<u>credit and has attained age sixty-five;</u>	2400
<u>(b) The member meets one of the following requirements:</u>	2401
<u>(i) Before August 1, 2015, has thirty or more years of</u>	2402
<u>service credit at any age;</u>	2403
<u>(ii) On or after August 1, 2015, but before August 1, 2017,</u>	2404
<u>has thirty-one or more years of service credit at any age;</u>	2405
<u>(iii) On or after August 1, 2017, but before August 1, 2019,</u>	2406
<u>has thirty-two or more years of service credit at any age;</u>	2407
<u>(iv) On or after August 1, 2019, but before August 1, 2021,</u>	2408
<u>has thirty-three or more years of service credit at any age;</u>	2409
<u>(v) On or after August 1, 2021, but before August 1, 2023,</u>	2410
<u>has thirty-four or more years of service credit at any age;</u>	2411
<u>(vi) On or after August 1, 2023, but before August 1, 2026,</u>	2412
<u>has thirty-five or more years of service credit at any age;</u>	2413
<u>(vii) On or after August 1, 2026, has thirty-five or more</u>	2414
<u>years of service credit and has attained age sixty.</u>	2415
<u>(2) Except as provided in division (B)(3) of this section, a</u>	2416
<u>member is eligible to retire under this division if either of the</u>	2417
<u>following is the case:</u>	2418
<u>(a) The member has five or more years of qualifying service</u>	2419
<u>credit and has attained age sixty;</u>	2420
<u>(b) The member meets one of the following requirements:</u>	2421
<u>(i) Before August 1, 2015, has twenty-five or more years of</u>	2422

<u>service credit and has attained age fifty-five;</u>	2423
<u>(ii) On or after August 1, 2015, but before August 1, 2017,</u>	2424
<u>has twenty-six or more years of service credit and has attained</u>	2425
<u>age fifty-five or has thirty or more years of service credit at</u>	2426
<u>any age;</u>	2427
<u>(iii) On or after August 1, 2017, but before August 1, 2019,</u>	2428
<u>has twenty-seven or more years of service credit and has attained</u>	2429
<u>age fifty-five or has thirty or more years of service credit at</u>	2430
<u>any age;</u>	2431
<u>(iv) On or after after August 1, 2019, but before August 1,</u>	2432
<u>2021, has twenty-eight or more years of service credit and has</u>	2433
<u>attained age fifty-five or has thirty or more years of service</u>	2434
<u>credit at any age;</u>	2435
<u>(v) On or after August 1, 2021, but before August 1, 2023,</u>	2436
<u>has twenty-nine or more years of service credit and has attained</u>	2437
<u>age fifty-five or has thirty or more years of service credit at</u>	2438
<u>any age;</u>	2439
<u>(vi) On or after August 1, 2023, has thirty or more years of</u>	2440
<u>service credit at any age.</u>	2441
<u>(3) The board may adjust the retirement eligibility</u>	2442
<u>requirements of this section if the board's actuary, in its annual</u>	2443
<u>actuarial valuation required by section 3307.51 of the Revised</u>	2444
<u>Code or in other evaluations conducted under that section,</u>	2445
<u>determines that an adjustment does not materially impair the</u>	2446
<u>fiscal integrity of the retirement system or is necessary to</u>	2447
<u>preserve the fiscal integrity of the system.</u>	2448
<u>(C) Service retirement shall be effective on the first day of</u>	2449
<u>the month next following the later of:</u>	2450
<u>(1) The last day for which compensation was paid; or</u>	2451
<u>(2) The attainment of minimum age or service credit</u>	2452

eligibility for benefits provided under this section. 2453

~~Except as provided in division (E) of this section, the 2454
service retirement benefit shall be the greater of the benefits 2455
provided in divisions (B) and (D) of this section. 2456~~

~~(B) Subject to any adjustment made under (D)(1) Except as 2457
provided in division (C)(E) of this section, the annual single 2458
lifetime benefit of a member whose retirement effective date is 2459
before August 1, 2013, shall be the greater of the amounts 2460
determined by the member's Ohio service credit multiplied by one 2461
of the following: 2462~~

~~(1)(a) Eighty-six dollars; 2463~~

~~(2)(a)(b) The sum of the following amounts: 2464~~

~~(i) For each of the first thirty years of Ohio service 2465
credit, two and two-tenths per cent of the member's final average 2466
salary or, subject to the limitation described in division 2467
(B)(2)(b)(D)(1)(c) of this section, two and five-tenths per cent 2468
of the member's final average salary if the member has thirty-five 2469
or more years of service credit under section 3307.48, 3307.53, 2470
3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 2471
3307.765, 3307.77, or 3307.771 of the Revised Code, division 2472
(A)(2) or (B) of former section 3307.513 of the Revised Code, 2473
former section 3307.514 of the Revised Code, section 3307.72 of 2474
the Revised Code earned after July 1, 1978, or any combination of 2475
service credit under those sections; 2476~~

~~(ii) For each year or fraction of a year of Ohio service 2477
credit in excess of thirty years, two and two-tenths per cent of 2478
the member's final average salary or, subject to the limitation 2479
described in division (B)(2)(b)(D)(1)(c) of this section, if the 2480
member has more than thirty years service credit under section 2481
3307.48, 3307.53, 3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 2482
3307.763, 3307.765, 3307.77, or 3307.771 of the Revised Code, 2483~~

division (A)(2) or (B) of former section 3307.513 of the Revised Code, former section 3307.514 of the Revised Code, section 3307.72 of the Revised Code earned after July 1, 1978, or any combination of service credit under those sections, the per cent of final average salary shown in the following schedule for each corresponding year or fraction of a year of service credit under those sections that is in excess of thirty years:

Year	Per	Year	Per
of	Cent	of	Cent
Service	for that	Service	for that
Credit	Year	Credit	Year
30.01 - 31.00	2.5%	35.01 - 36.00	3.0%
31.01 - 32.00	2.6	36.01 - 37.00	3.1
32.01 - 33.00	2.7	37.01 - 38.00	3.2
33.01 - 34.00	2.8	38.01 - 39.00	3.3
34.01 - 35.00	2.9		

For purposes of this schedule, years of service credit shall be rounded to the nearest one-hundredth of a year.

~~(b)(c)~~ For purposes of division ~~(B)(2)(a)(D)(1)~~ of this section, a percentage of final average salary in excess of two and two-tenths per cent shall be applied to service credit under section 3307.57 of the Revised Code only if the service credit was established under section 145.30, 145.301, 145.302, 145.47, 145.483, 3309.02, 3309.021, 3309.022, or 3309.47 of the Revised Code or restored under section 145.31 or 3309.26 of the Revised Code.

~~(C)(2)(a)~~ Except as provided in division (E) of this section, the annual single lifetime benefit of a member whose retirement effective date is on or after August 1, 2013, but before August 1, 2015, shall be the amount determined by the member's Ohio service credit multiplied by the sum of the following amounts:

(i) For each of the first thirty years of Ohio service

credit, two and two-tenths per cent of the member's final average 2516
salary or, subject to the limitation described in division 2517
(D)(2)(b) of this section, two and five-tenths per cent of the 2518
member's final average salary if the member has thirty-five or 2519
more years of service credit under section 3307.53, 3307.57, 2520
3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 3307.77, or 2521
3307.771 of the Revised Code, division (A)(2) or (B) of former 2522
section 3307.513 of the Revised Code, former section 3307.514 of 2523
the Revised Code, section 3307.72 of the Revised Code earned after 2524
July 1, 1978, or any combination of service credit under those 2525
sections; 2526

(ii) For each year or fraction of a year of Ohio service 2527
credit in excess of thirty years, two and two-tenths per cent of 2528
the member's final average salary or, subject to the limitation 2529
described in division (D)(2)(b) of this section, if the member has 2530
more than thirty years service credit under section 3307.53, 2531
3307.57, 3307.75, 3307.751, 3307.752, 3307.761, 3307.763, 3307.77, 2532
or 3307.771 of the Revised Code, division (A)(2) or (B) of former 2533
section 3307.513 of the Revised Code, former section 3307.514 of 2534
the Revised Code, section 3307.72 of the Revised Code earned after 2535
July 1, 1978, or any combination of service credit under those 2536
sections, the per cent of final average salary shown in the 2537
following schedule for each corresponding year or fraction of a 2538
year of service credit under those sections that is in excess of 2539
thirty years: 2540

<u>Year</u>	<u>Per</u>	<u>Year</u>	<u>Per</u>	
<u>of</u>	<u>Cent</u>	<u>of</u>	<u>Cent</u>	
<u>Service</u>	<u>for that</u>	<u>Service</u>	<u>for that</u>	
<u>Credit</u>	<u>Year</u>	<u>Credit</u>	<u>Year</u>	
<u>30.01 - 31.00</u>	<u>2.5%</u>	<u>35.01 - 36.00</u>	<u>3.0%</u>	2541
<u>31.01 - 32.00</u>	<u>2.6</u>	<u>36.01 - 37.00</u>	<u>3.1</u>	2542
<u>32.01 - 33.00</u>	<u>2.7</u>	<u>37.01 - 38.00</u>	<u>3.2</u>	2543
				2544
				2545
				2546
				2547

<u>33.01 - 34.00</u>	<u>2.8</u>	<u>38.01 - 39.00</u>	<u>3.3</u>	2548
<u>34.01 - 35.00</u>	<u>2.9</u>			2549

For purposes of this schedule, years of service credit shall be rounded to the nearest one-hundredth of a year. 2550
2551

(b) For purposes of division (D)(2)(a)(ii) of this section, a percentage of final average salary in excess of two and two-tenths per cent shall be applied to service credit under section 3307.57 of the Revised Code only if the service credit was established under section 145.30, 145.301, 145.302, 145.47, 145.483, 3309.02, 3309.021, 3309.022, or 3309.47 of the Revised Code or restored under section 145.31 or 3309.26 of the Revised Code. 2552
2553
2554
2555
2556
2557
2558

(3) Except as provided in division (E) of this section, the annual single lifetime benefit of a member whose retirement effective date is on or after August 1, 2015, shall be the amount determined by the member's service credit multiplied by two and two-tenths of the member's final average salary. 2559
2560
2561
2562
2563

(E)(1) The annual single lifetime benefit of a member determined under described in division (B)(2) of this section whose service retirement is effective before August 1, 2015, shall be adjusted by the greater per cent shown in the following schedule opposite the member's attained age or Ohio service credit. 2564
2565
2566
2567
2568
2569

Attained	or	Years of Ohio Service Credit	Per Cent of Base Amount	
Age				2570
				2571
58		25	75%	2572
59		26	80	2573
60		27	85	2574
61			88	2575
		28	90	2576
62			91	2577
63			94	2578
				2579

	29	95	2580
64		97	2581
65	30 or more	100	2582

~~Members shall vest the right to a benefit in accordance with~~ 2583
~~the following schedule, based on the member's attained age by~~ 2584
~~September 1, 1976:~~ 2585

Attained	Per Cent	
Age	of Base	
Age	Amount	
66	102%	2589
67	104	2590
68	106	2591
69	108	2592
70 or more	110	2593

The (2) The annual single lifetime benefit of a member 2594
described in division (B)(2) of this section whose service 2595
retirement is effective on or after August 1, 2015, shall be 2596
reduced by a percentage determined by the board's actuary for each 2597
year the member retires before attaining the applicable age and 2598
service credit specified in division (B)(1) of this section. The 2599
board's actuary may use an actuarially based average percentage 2600
reduction for this purpose. 2601

(F) Notwithstanding any other provision of this section, on 2602
application, a member who, as of July 1, 2015, has five or more 2603
years of Ohio service credit and has attained age sixty, has 2604
twenty-five or more years of Ohio service credit and has attained 2605
age fifty-five, or has thirty or more years of Ohio service credit 2606
shall be granted service retirement according to former section 2607
3307.58 of the Revised Code as in effect immediately prior to the 2608
effective date of this amendment. The member's benefit shall be 2609
the greater of the amount the member would have been eligible for 2610
had the member retired effective July 1, 2015, or the amount 2611

determined under division (D)(3) of this section. 2612

(G) The annual single lifetime benefit determined under 2613
division ~~(D)~~(D) or (E) of this section shall not exceed the lesser 2614
of one hundred per cent of the final average salary or the limit 2615
established by section 415 of the "Internal Revenue Code of 1986," 2616
100 Stat. 2085, 26 U.S.C.A. 415, as amended. 2617

~~(D)~~(H) The annual single lifetime benefit of a member whose 2618
retirement effective date is before August 1, 2013, shall be the 2619
greater of the amounts determined under division (D)(1) or (E)(1) 2620
of this section as appropriate or under this division. The benefit 2621
shall not exceed the lesser of the sum of the following amounts or 2622
the limit established by section 415 of the "Internal Revenue Code 2623
of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended: 2624

(1) An annuity with a reserve equal to the member's 2625
accumulated contributions; 2626

(2) A pension equal to the amount in division ~~(D)~~(H)(1) of 2627
this section; 2628

(3) An additional pension of forty dollars annually 2629
multiplied by the number of years of prior and military service 2630
credit, except years of credit purchased under section 3307.751 or 2631
3307.752 of the Revised Code; 2632

~~(4) An additional basic annual pension of one hundred eighty~~ 2633
~~dollars, provided the member had ten or more years of Ohio service~~ 2634
~~credit as of October 1, 1956, except that the additional basic~~ 2635
~~annual pension shall not exceed the sum of the annual benefits~~ 2636
~~provided by divisions (D)(1), (2), and (3) of this section.~~ 2637

~~(E)~~(I) If a member's disability benefit was terminated under 2638
section 3307.48 of the Revised Code and the member's retirement 2639
under this section is effective on the first day of the month 2640
following the last day for which the disability benefit was paid, 2641
the member's annual single lifetime benefit determined under 2642

division (D) or (E) of this section shall be increased by a 2643
percentage equal to the total of any percentage increases the 2644
member received under section 3307.67 of the Revised Code, plus 2645
any additional amount the member received under this chapter while 2646
receiving the disability benefit. The increase shall be based on 2647
the plan of payment selected by the member under section 3307.60 2648
of the Revised Code. However, the benefit used to calculate any 2649
future increases under section 3307.67 of the Revised Code shall 2650
be based on the plan of payment selected by the member, plus any 2651
additional amount added to the benefit determined under this 2652
division that established a new base benefit to the member. 2653

(J) Benefits determined under this section shall be paid as 2654
provided in section 3307.60 of the Revised Code. 2655

Sec. 3307.59. (A) A recipient of a disability allowance under 2656
section 3307.631 of the Revised Code ~~who is subject to division~~ 2657
~~(C)(3) of~~ whose allowance will terminate under that section may 2658
make application for service retirement under this section. 2659
~~Retirement~~ The retirement shall be effective on the first day of 2660
the first month following the last day for which the disability 2661
allowance is paid. 2662

(B) The annual allowance payable under this section shall 2663
consist of the sum of the amounts determined under divisions 2664
(B)(1) and (2) of this section: 2665

(1) The greater of the following: 2666

(a) An allowance calculated as provided in section 3307.58 of 2667
the Revised Code, excluding any period during which the applicant 2668
received a disability benefit under section 3307.631 of the 2669
Revised Code; 2670

(b) An allowance calculated by multiplying the applicant's 2671
total service credit, including service credit for the last 2672

continuous period during which the applicant received a disability 2673
benefit under section 3307.631 of the Revised Code, by two and 2674
two-tenths per cent of the applicant's final average salary, 2675
except that the allowance shall be determined without application 2676
of division (B) of section 3307.501 of the Revised Code and shall 2677
not exceed forty-five per cent of the applicant's final average 2678
salary. 2679

(2) ~~An~~ Using the allowance calculated under division (B)(1) 2680
of this section adjusted for the plan of payment selected by the 2681
member under section 3307.60 of the Revised Code, an amount equal 2682
to the additional allowance the recipient would receive under 2683
section 3307.67 of the Revised Code, plus any other additional 2684
amount the recipient would receive under this chapter, ~~had the~~ 2685
~~recipient retired under section 3307.58 of the Revised Code~~ 2686
~~effective on the effective date of~~ for the recipient's most recent 2687
continuous period of receipt of a disability benefit under section 2688
3307.631 of the Revised Code. 2689

(C) The allowance calculated under division (B) of this 2690
section adjusted for the plan of payment selected by the member 2691
under section 3307.60 of the Revised Code, exclusive of any amount 2692
added under division (B)(2) of this section based on section 2693
3307.67 of the Revised Code, shall be the base for all future 2694
additional allowances under section 3307.67 of the Revised Code. 2695

The anniversary date for future additional allowances under 2696
section 3307.67 of the Revised Code shall be the effective date of 2697
the recipient's most recent continuous period of receipt of a 2698
disability benefit under section 3307.631 of the Revised Code. 2699

(D) The retirement allowance determined under this section 2700
shall be paid as provided in section 3307.58 of the Revised Code. 2701

Sec. 3307.60. (A) Upon application for retirement as provided 2702
in section 3307.58 or 3307.59 of the Revised Code, the retirant 2703

may elect a plan of payment under this division or, on and after 2704
the date specified in division (B) of this section, a plan of 2705
payment under that division. Under this division, the retirant may 2706
elect to receive a single lifetime benefit, or may elect to 2707
receive the actuarial equivalent of the retirant's benefit in a 2708
lesser amount, payable for life, and continuing after death to a 2709
beneficiary under one of the following optional plans: 2710

(1) Option 1. The retirant's lesser benefit shall be paid for 2711
life to the sole beneficiary named at retirement. 2712

(2) Option 2. Some other portion of the retirant's benefit 2713
shall be paid for life to the sole beneficiary named at 2714
retirement. The beneficiary's monthly amount shall not exceed the 2715
monthly amount payable to the retirant during the retirant's 2716
lifetime. 2717

(3) Option 3. The retirant's lesser benefit established as 2718
provided under option 1 or option 2 shall be paid for life to the 2719
sole beneficiary named at retirement, except that in the event of 2720
the death of the sole beneficiary or termination of a marital 2721
relationship between the retirant and the sole beneficiary the 2722
retirant may elect to return to a single lifetime benefit 2723
equivalent as determined by the state teachers retirement board, 2724
if, in the case of termination of a marital relationship, the 2725
election is made with the written consent of the beneficiary or 2726
pursuant to an order of the court with jurisdiction over 2727
termination of the marital relationship. 2728

(4) Option 4. The retirant's lesser benefit or a portion of 2729
the retirant's lesser benefit shall be paid for life to two, 2730
three, or four surviving beneficiaries named at retirement. The 2731
portion of the allowance that continues after the member's death 2732
shall be allocated among the beneficiaries at the time of the 2733
member's retirement. If the retirant elects this plan as required 2734
by a court order issued under section 3105.171 or 3105.65 of the 2735

Revised Code or the laws of another state regarding the division 2736
of marital property and compliance with the court order requires 2737
the allocation of a portion less than ten per cent to any person, 2738
the retirant shall allocate a portion less than ten per cent to 2739
that beneficiary in accordance with that order. In all other 2740
circumstances, no portion allocated under this plan of payment 2741
shall be less than ten per cent. The total of the portions 2742
allocated shall not exceed one hundred per cent of the retirant's 2743
lesser allowance. In the event of the death of a beneficiary or 2744
termination of a marital relationship between the retirant and a 2745
beneficiary, the retirant may elect to cancel the portion of the 2746
plan of payment providing continuing lifetime benefits to that 2747
beneficiary except that, in the case of termination of a marital 2748
relationship, the election may be made only with the written 2749
consent of the beneficiary or pursuant to an order of the court 2750
with jurisdiction over termination of the marital relationship. 2751
The retirant shall receive the actuarial equivalent of the 2752
remainder of the retirant's single lifetime benefit based on the 2753
number of remaining beneficiaries, with no change in the amount 2754
payable to any remaining beneficiary. 2755

(5) Option 5. Upon the retirant's death before the expiration 2756
of a certain period from the retirement date and elected by the 2757
retirant, and approved by the board, the retirant's benefit shall 2758
be continued for the remainder of such period to the beneficiary. 2759
Monthly benefits shall not be paid to joint beneficiaries, but 2760
they may receive the present value of any remaining payments in a 2761
lump sum settlement. If all beneficiaries die before the 2762
expiration of the certain period, the present value of all 2763
payments yet remaining in such period shall be paid to the estate 2764
of the beneficiary last receiving. 2765

(6) Option 6. A plan of payment established by the state 2766
teachers retirement board combining any of the features of options 2767

1, 2, and 5. 2768

(B) Beginning on a date selected by the state teachers 2769
retirement board, which shall be not later than July 1, 2004, a 2770
retirant may elect, in lieu of a plan of payment under division 2771
(A) of this section, a plan consisting of both of the following: 2772

(1) A lump sum in an amount the member designates that 2773
constitutes a portion of the member's single lifetime benefit; 2774

(2) Either of the following: 2775

(a) The remainder of the retirant's single lifetime benefit; 2776

(b) The actuarial equivalent of the remainder of the 2777
retirant's benefit in a lesser amount, payable for life, and 2778
continuing after death to a beneficiary under one of the options 2779
described in divisions (A)(1) to (6) of this section. 2780

~~In the event of the death of a beneficiary or termination of 2781
a marital relationship between the retirant and a beneficiary, the 2782
retirant may elect to cancel the portion of the plan of payment 2783
providing continuing lifetime benefits to that beneficiary. The 2784
retirant shall receive the actuarial equivalent of the remainder 2785
of the retirant's single lifetime benefit based on the number of 2786
remaining beneficiaries, with no change in the amount payable to 2787
any remaining beneficiary. In the case of termination of a marital 2788
relationship, the election may be made only with the written 2789
consent of the beneficiary or pursuant to an order of the court 2790
with jurisdiction over termination of the marital relationship. 2791~~

The amount designated by the member under division (B)(1) of 2792
this section shall be not less than six times and not more than 2793
thirty-six times the monthly amount that would be payable to the 2794
member as a single lifetime benefit and shall not result in a 2795
monthly allowance that is less than fifty per cent of that amount. 2796

(C) Until the first payment is made to a former member under 2797

section 3307.58 or 3307.59 of the Revised Code, the former member 2798
may change the selection of a plan of payment. 2799

(D)(1) If a deceased member was eligible for but had not yet 2800
been awarded a service retirement benefit under section 3307.58 or 2801
3307.59 of the Revised Code at the time of death, option 1 as 2802
provided for in division (A)(1) of this section shall be paid to 2803
the spouse or other sole dependent beneficiary. 2804

(2) Beginning on a date selected by the board, which shall be 2805
not later than July 1, 2004, the spouse or sole beneficiary may 2806
elect, in lieu of option 1, a plan of payment consisting of both 2807
of the following: 2808

(a) A lump sum in an amount the spouse or other sole 2809
dependent beneficiary designates that constitutes a portion of the 2810
retirant's single life annuity; 2811

(b) The actuarial equivalent of the remainder of the 2812
retirant's single life annuity paid ~~in a lesser amount~~ as a 2813
benefit under option 1 for life to the spouse or other sole 2814
dependent beneficiary. 2815

The amount designated by the spouse or other sole dependent 2816
beneficiary under division (D)(2)(a) of this section shall be not 2817
less than six times and not more than thirty-six times the monthly 2818
amount that would be payable as the retirant's single life annuity 2819
and shall not result in a monthly allowance that is less than 2820
fifty per cent of that monthly amount. 2821

(E) If the total benefit paid under this section is less than 2822
the balance in the teachers' savings fund, the difference shall be 2823
paid to the beneficiary provided under division (D)(1) of section 2824
3307.562 of the Revised Code. 2825

(F) In the case of a retirant who elected an optional plan 2826
prior to September 15, 1989: 2827

(1) The death of the spouse or other designated beneficiary 2828
following retirement shall, at the election of the retirant, 2829
cancel any optional plan selected at retirement to provide 2830
continuing lifetime benefits to the spouse or other beneficiary 2831
and return the retirant to a single lifetime benefit equivalent as 2832
determined by the board. 2833

(2) A divorce, annulment, or marriage dissolution shall, at 2834
the election of the retirant, cancel any optional plan selected at 2835
retirement to provide continuing lifetime benefits to the spouse 2836
as designated beneficiary and return the retirant to a single 2837
lifetime benefit equivalent as determined by the board if the 2838
election is made with the written consent of the beneficiary or 2839
pursuant to an order of a court of common pleas or the court of 2840
another state with jurisdiction over the termination of the 2841
marriage. 2842

(G)(1) Following marriage or remarriage, both of the 2843
following apply: 2844

(a) A retirant who elected to receive a single lifetime 2845
benefit or an optional plan of payment under division (A)(3) or 2846
(4) of this section may elect a new optional plan of payment based 2847
on the actuarial equivalent of the retirant's single lifetime 2848
benefit, as determined by the board, ~~except that if the.~~ The new 2849
plan must be a plan described in division (A)(1), (2), (3), (4), 2850
or (6) of this section under which only the retirant's new spouse 2851
is added as a beneficiary and the application for the new plan 2852
must be received by the board prior to the retirant's death. A 2853
spouse may not be added if there are four beneficiaries under 2854
division (A)(4) of this section that must be retained pursuant to 2855
a court order described under division (H)(1)(b) of this section 2856
or if the amount payable to any beneficiary pursuant to such court 2857
order would be reduced. A retirant who is receiving a retirement 2858
allowance under an optional plan that provides for continuation of 2859

benefits after death to a former spouse, ~~the retirant~~ may elect a 2860
new optional plan of payment only with the written consent of the 2861
former spouse or pursuant to an order of the court with 2862
jurisdiction over the termination of the marriage, except that 2863
consent of the former spouse is not required if the new optional 2864
plan of payment will not affect payments to the former spouse. 2865

(b) A retirant who is receiving a benefit pursuant to a plan 2866
of payment providing for payment to a former spouse pursuant to a 2867
court order described in division (H)(1)(b) of this section may 2868
elect a new plan of payment under "option 4" with the retirant's 2869
spouse as a beneficiary based on the actuarial equivalent of the 2870
retirant's single lifetime retirement allowance as determined by 2871
the board if the new plan of payment elected does not reduce the 2872
payment to the former spouse. 2873

(2) If the marriage or remarriage occurs on or after ~~the~~ 2874
~~effective date of this amendment~~ June 6, 2005, the election must 2875
be made not later than one year after the date of the marriage or 2876
remarriage. 2877

~~The plan elected~~ A valid election under division (G)(1) or 2878
(2) of this division section shall become effective on the date of 2879
receipt by the board of an application on a form approved by the 2880
board, ~~but any.~~ The election must be signed by the retirant and 2881
received by the board prior to the retirant's death. Any change in 2882
the amount of the benefit shall commence on the first day of the 2883
month following the effective date of the plan. 2884

(H)(1) Except as otherwise provided in this division and 2885
division (H)(2) of this section, an application for service 2886
retirement made pursuant to section 3307.58 or 3307.59 of the 2887
Revised Code by a married person shall be considered an election 2888
of a benefit under option ~~2~~ 3 as provided for in division 2889
(A)~~(2)~~(3) of this section under which one-half of the lesser 2890
benefit payable during the life of the retirant will be paid after 2891

death to the retirant's spouse for life as sole beneficiary. The 2892
exceptions are as follows: 2893

(a) The retirant selects an optional plan under division (A) 2894
of this section providing for payment after death to the 2895
retirant's spouse for life as sole beneficiary of more than 2896
one-half of the lesser benefit payable during the life of the 2897
retirant. 2898

(b) A plan of payment providing for payment in a specified 2899
amount continuing after the retirant's death to a former spouse is 2900
required by a court order issued prior to the effective date of 2901
retirement under section 3105.171 or 3105.65 of the Revised Code 2902
or the laws of another state regarding division of marital 2903
property. 2904

(c) The retirant submits to the retirement board a written 2905
statement signed by the spouse attesting that the spouse consents 2906
to the retirant's election to receive a single lifetime annuity or 2907
a payment under an optional benefit plan under which after the 2908
death of the retirant the surviving spouse will receive less than 2909
one-half of the lesser benefit payable during the life of the 2910
retirant. 2911

(d) Any other reason specified by the board. 2912

(2) If a retirant is subject to division (H)(1)(b) of this 2913
section and the board has received a copy of the order described 2914
in that division, the board shall accept the retirant's election 2915
of a plan of payment under this section only if the retirant 2916
complies with both of the following: 2917

~~(i)~~(a) The retirant elects a plan of payment that is in 2918
accordance with the order described in division (H)(1)(b) of this 2919
section. 2920

~~(ii)~~(b) If the retirant is married, the retirant elects 2921
"option 4" and designates the retirant's current spouse as a 2922

beneficiary under that plan unless that spouse consents in writing 2923
to not being designated a beneficiary under any plan of payment or 2924
the board waives the requirement that the current spouse consent. 2925

(3) An application for retirement shall include an 2926
explanation of all of the following: 2927

(a) That, if the member is married, unless the spouse 2928
consents to another plan of payment or there is a court order 2929
dividing marital property issued under section 3105.171 or 3105.65 2930
of the Revised Code or the laws of another state regarding the 2931
division of marital property that provides for payment in a 2932
specified amount, the member's retirement allowance will be paid 2933
under "option ~~2~~ 3" as provided for in division (A)~~(2)~~(3) of this 2934
section and consist of the actuarial equivalent of the member's 2935
retirement allowance in a lesser amount payable for life and 2936
one-half of the lesser allowance continuing after death to the 2937
surviving spouse for the life of the spouse; 2938

(b) A description of the alternative plans of payment 2939
available with the consent of the spouse; 2940

(c) That the spouse may consent to another plan of payment 2941
and the procedure for giving consent; 2942

(d) That consent is irrevocable once notice of consent is 2943
filed with the board. 2944

Consent shall be valid only if it is signed, in writing, and 2945
witnessed by a notary public. 2946

(4) If the retirant does not select an optional plan of 2947
payment as described in division (H)(1)(a) of this section, no 2948
court has ordered a plan of payment described in division 2949
(H)(1)(b) of this section, and the board does not receive the 2950
written statement provided for in division (H)(1)(c) of this 2951
section, the board shall determine and pay the retirement 2952
allowance in accordance with this division, except that the board 2953

may provide by rule for waiver by the board of the statement and 2954
payment of the benefits other than in accordance with this 2955
division or payment under section 3307.56 of the Revised Code if 2956
the retirant is unable to obtain the statement due to absence or 2957
incapacity of the spouse or other cause specified by the board. 2958

(I) For the purpose of determining actuarial equivalence 2959
under this section, on the advice of an actuary employed by the 2960
board, the board shall adopt mortality tables that may take into 2961
consideration the membership experience of the state teachers 2962
retirement system and may also include the membership experience 2963
of the public employees retirement system and the school employees 2964
retirement system. 2965

Sec. 3307.62. ~~(A)~~ As used in this section, "qualifying 2966
service credit" has the same meaning as in section 3307.58 of the 2967
Revised Code. 2968

(A) The state teachers retirement system shall provide 2969
disability coverage to each member participating in the STRS 2970
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 2971
~~the Revised Code~~ who meets either of the following: 2972

(1) If the member earned service credit before July 1, 2013, 2973
has at least five years of ~~total~~ qualifying service credit; 2974

(2) If the member did not earn any service credit before July 2975
1, 2013, has at least ten years of qualifying service credit. 2976

Not later than October 16, 1992, the state teachers 2977
retirement board shall give each person who is a member on July 2978
29, 1992, the opportunity to elect disability coverage either 2979
under former section 3307.43 of the Revised Code or under former 2980
section 3307.431 of the Revised Code. The board shall mail notice 2981
of the election, accompanied by an explanation of the coverage 2982
under each of the Revised Code sections and a form on which the 2983

election is to be made, to each member at the member's last known address. The board shall also provide the explanation and form to any member on the member's request.

Regardless of whether the member actually receives notice of the right to make an election, a member who fails to file a valid election under this section shall be considered to have elected disability coverage under section 3307.63 of the Revised Code. To be valid, an election must be made on the form provided by the board, signed by the member, and filed with the board not later than one hundred eighty days after the date the notice was mailed, or, in the case of a form provided at the request of a member, a date specified by rule of the board. Once made, an election is irrevocable, but if the member ceases to be a member of the system, the election is void. If a person who makes an election under this section also makes an election under section 145.35 or 3309.39 of the Revised Code, the election made for the system that pays a disability benefit to that person shall govern the benefit.

Disability coverage shall be provided under section 3307.631 of the Revised Code for persons who become members after July 29, 1992, and for members who elect under this division to be covered under section 3307.631 of the Revised Code.

The board may adopt rules governing elections made under this division.

(B) Application for a disability benefit may be made by a member, by a person acting in the member's behalf, or by the member's employer, and if the member is participating in the plan described in sections 3307.50 to 3307.79 of the Revised Code, has at least five years of total service credit, and has disability coverage under section 3307.63 or 3307.631 of the Revised Code division (A) of this section. The

The application for a disability benefit shall be made on a

form approved by the board. The benefit payable to any member 3015
whose application is approved shall become effective on the first 3016
day of the month next following the later of the following: 3017

(1) The last day for which compensation was paid; 3018

(2) The attainment of eligibility for a disability benefit. 3019

(C) Medical examination of the member shall be conducted by a 3020
competent, disinterested physician or physicians selected by the 3021
board to determine whether the member is mentally or physically 3022
incapacitated for the performance of duty by a disabling 3023
condition, either permanent or presumed to be permanent for twelve 3024
continuous months following the filing of an application. The 3025
disability must have occurred since last becoming a member, or it 3026
must have increased since last becoming a member to such an extent 3027
as to make the disability permanent or presumably permanent for 3028
twelve continuous months following the filing of an application. 3029

(D) Application for a disability benefit must be made within 3030
~~two years~~ a two-year period from the date the member's 3031
contributing service terminated, unless the board determines that 3032
the member's medical records demonstrate conclusively that at the 3033
time the ~~two-year~~ period expired, the member was physically or 3034
mentally incapacitated ~~for duty as a teacher~~ and unable to make 3035
application, except that if the member did not earn any service 3036
credit before July 1, 2013, application must be made within a 3037
one-year period from the date contributing service terminated. 3038

Application may not be made by any person receiving service 3039
retirement benefits under section 3307.58 or 3307.59 of the 3040
Revised Code or any person whose accumulated contributions 3041
standing to the credit of the person's individual account in the 3042
teachers' savings fund have been paid under section 3307.56 of the 3043
Revised Code. 3044

(E) If the physician or physicians determine that the member 3045

qualifies for a disability benefit, the board concurs with the 3046
determination, and the member agrees to medical treatment as 3047
specified in division (G) of this section, the member shall 3048
receive a disability benefit under section 3307.63 or 3307.631 of 3049
the Revised Code. If such physician or physicians determine that 3050
the member does not qualify for a disability benefit, the report 3051
of the examiner or examiners shall be evaluated by a board of 3052
medical review composed of at least three physicians appointed by 3053
the retirement board. 3054

(F) The state teachers retirement board shall render an order 3055
determining whether or not the applicant shall be granted a 3056
disability benefit. Notification to the applicant shall be issued, 3057
and upon the request of an applicant who is denied a disability 3058
benefit, a hearing or appeal relative to such order shall be 3059
conducted in accordance with procedures established by the 3060
retirement board. 3061

(G) The state teachers retirement board shall adopt rules 3062
requiring each disability benefit recipient, as a condition of 3063
continuing to receive a disability benefit, to agree in writing to 3064
obtain any medical treatment recommended by the board's physician 3065
and submit medical reports regarding the treatment. If the board 3066
determines that a disability benefit recipient is not obtaining 3067
the medical treatment or the board does not receive a required 3068
medical report, the disability benefit shall be suspended until 3069
the treatment is obtained, the report is received by the board, or 3070
the board's physician certifies that the treatment is no longer 3071
helpful or advisable. Should the recipient's failure to obtain 3072
treatment or submit a medical report continue for one year, the 3073
recipient's right to the disability benefit shall be terminated as 3074
of the effective date of the original suspension. 3075

(H) If an employer files an application for a disability 3076
benefit as a result of a member having been separated from service 3077

because the member is considered to be incapacitated for the 3078
performance of duty, and the board denies the disability benefit, 3079
the board shall so certify to the employer and the employer shall 3080
restore the member to the member's previous position and salary or 3081
to a similar position and salary. 3082

(I) The recipient of a disability allowance under section 3083
3307.631 of the Revised Code whose allowance terminates under 3084
division (C)(3) of that section due to age is not eligible to do 3085
either of the following: 3086

(1) Retire on disability under section 3307.63 of the Revised 3087
Code; 3088

(2) Receive a disability allowance under section 3307.631 of 3089
the Revised Code. 3090

Sec. 3307.63. A member participating in the STRS defined 3091
benefit plan described in sections 3307.50 to 3307.79 of the 3092
Revised Code who has elected disability coverage under this 3093
section, has not attained age sixty, and is determined by the 3094
state teachers retirement board under section 3307.62 of the 3095
Revised Code to qualify for a disability benefit shall be retired 3096
on disability under this section. 3097

Upon disability retirement, a member shall receive an annual 3098
amount that shall consist of: 3099

(A) An annuity having a reserve equal to the amount of the 3100
member's accumulated contributions at that time; 3101

(B) A pension that shall be the difference between the 3102
annuity and an annual amount determined by multiplying the number 3103
of years of Ohio service credit of such member, and in addition 3104
the number of years and fraction of a year between the effective 3105
date of the member's disability retirement and the date the member 3106
attained age sixty, assuming continuous service, by eighty-six 3107

dollars, or by two per cent of the member's final average salary, 3108
whichever is greater. Such disability retirement shall not be less 3109
than thirty per cent nor more than seventy-five per cent of the 3110
member's final average salary, except that it shall not exceed any 3111
limit to which the retirement system is subject under section 415 3112
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 3113
U.S.C.A. 415, as amended. 3114

If the member is not receiving a disability benefit under 3115
section 3307.57 of the Revised Code, but is receiving a disability 3116
benefit from either the public employees retirement system or the 3117
school employees retirement system, then such member shall not be 3118
eligible for service credit based upon the number of years and 3119
fractions thereof between the date of disability and the date the 3120
member attained age sixty as otherwise provided in this section. 3121

A disability retirant under this section whose disability 3122
retirement has been terminated, when eligible, may apply for 3123
service retirement provided by section 3307.58 of the Revised 3124
Code. 3125

Sec. 3307.631. (A) A member participating in the STRS defined 3126
benefit plan ~~described in sections 3307.50 to 3307.79 of the~~ 3127
~~Revised Code~~ who has disability coverage under this section and is 3128
determined by the state teachers retirement board under section 3129
3307.62 of the Revised Code to qualify for a disability benefit 3130
shall receive a disability allowance under this section. The 3131
allowance shall be an annual amount equal to the greater of the 3132
following: 3133

(1) Forty-five per cent of the member's final average salary; 3134

(2) The member's total service credit multiplied by two and 3135
two-tenths per cent of the member's final average salary, not 3136
exceeding sixty per cent of the member's final average salary. 3137

(B) Sufficient reserves for payment of the disability allowance shall be transferred to the annuity and pension reserve fund from the employers' trust fund. The accumulated contributions of the member shall remain in the teachers' savings fund. No part of the allowance paid under this section shall be charged against the member's accumulated contributions.

(C) A disability allowance paid under this section shall terminate at the earliest of the following:

(1) The effective date of service retirement under section 3307.57 or 3307.58 of the Revised Code;

(2) The date the allowance is terminated under section ~~3307.64~~ 3307.48 of the Revised Code;

(3) The later of the last day of the month in which the recipient attains age sixty-five, or the last day of the month in which the benefit period ends as follows:

Attained Age at Effective Date of Disability Allowance	Benefit Period	
60 or 61	60 months	3155
62 or 63	48 months	3156
64 or 65	36 months	3157
66, 67, or 68	24 months	3158
69 or older	12 months	3159

Sec. 3307.66. (A) As used in this section, ~~"physically:~~ 3160

(1) "Physically or mentally incompetent" means incapable of earning a living because of a physically or mentally disabling condition. Physical or mental incompetency may be determined by a court or by a doctor of medicine or osteopathic medicine appointed by the state teachers retirement board.

(2) "Qualifying service credit" has the same meaning as in section 3307.58 of the Revised Code.

(B) For the purposes of this section:	3168
(1) A qualified spouse is the surviving spouse of a deceased member of the state teachers retirement system participating in the <u>STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code</u> who is one of the following:	3169 3170 3171 3172
(a) Age sixty-two <u>Sixty-two years of age or older</u> or any age if the deceased member had ten or more years of Ohio service credit;	3173 3174 3175
(b) Caring for a qualified child;	3176
(c) Adjudged physically or mentally incompetent <u>at the time of the member's death and has remained continuously incompetent</u> ;	3177 3178
(d) Any age if the deceased member was eligible for a service retirement allowance as provided in section 3307.58 of the Revised Code and the surviving spouse elects to receive a benefit under division (C)(1) of this section.	3179 3180 3181 3182
(2) A qualified child <u>is a person who</u> is the child of a deceased member participating in the <u>STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code</u> who <u>is to whom</u> both of the following <u>apply</u> :	3183 3184 3185 3186
(a) Unmarried <u>Never married</u> ;	3187
(b) Under <u>Meets one of the following age-related requirements</u> :	3188 3189
(i) <u>Is under</u> age eighteen, or under ;	3190
(ii) <u>Is under</u> age twenty-two if attending an institution of learning or training pursuant to a program designed to complete in each school year the equivalent of at least two-thirds of the full-time curriculum requirements of such institution and as further determined by board policy, or any ;	3191 3192 3193 3194 3195
(iii) <u>Is any</u> age if adjudged physically or mentally incompetent, <u>if the person became incompetent prior to attainment</u>	3196 3197

of age eighteen or prior to age twenty-two if attending an 3198
institution of learning or training described in division 3199
(B)(2)(b)(ii) of this section, and has remained continuously 3200
incompetent. 3201

(3) A qualified parent is a dependent parent of a deceased 3202
member participating in the STRS defined benefit plan described in 3203
sections 3307.50 to 3307.79 of the Revised Code who is age 3204
sixty-five or older. 3205

(4) A person is a "qualified survivor" if the person 3206
qualifies as a surviving spouse, child, or dependent parent. 3207

(C) Except as provided in division (G)(1) of this section, in 3208
lieu of accepting the payment of the accumulated account of a 3209
member participating in the STRS defined benefit plan described in 3210
sections 3307.50 to 3307.79 of the Revised Code who dies before 3211
service retirement, a beneficiary, as determined in section 3212
3307.562 of the Revised Code, may elect to forfeit the accumulated 3213
account and to substitute benefits under this division. 3214

(1) If a deceased member was eligible for a service 3215
retirement allowance as provided in section 3307.58 or 3307.59 of 3216
the Revised Code, a surviving spouse or an individual designated 3217
as the member's sole beneficiary pursuant to division (B) of 3218
section 3307.562 of the Revised Code who was a qualified child or 3219
dependent parent of the member or received one-half or more of 3220
support from the member during the twelve-month period preceding 3221
the member's death may elect to receive a monthly benefit computed 3222
as the joint-survivor allowance designated as option 1 in section 3223
3307.60 of the Revised Code, which the member would have received 3224
had the member retired on the last day of the month of death and 3225
had the member at that time selected such joint-survivor plan. 3226
~~Payment shall begin with the month subsequent to the member's~~ 3227
~~death.~~ 3228

(2) ~~If a~~ (a) A surviving spouse or other qualified survivor 3229
may elect to receive monthly benefits under division (C)(2) of 3230
this section if any of the following apply: 3231

(i) The deceased member earned service credit before July 1, 3232
2013, and had completed at least one and one-half years of credit 3233
for Ohio qualifying service credit, with at least one-quarter year 3234
of Ohio contributing qualifying service credit within the two and 3235
one-half years prior to the date of death, or, if the member had 3236
not earned service credit before July 1, 2013, had completed at 3237
least five years of qualifying service credit and died not later 3238
than one year after the date contributing service terminated. 3239

(ii) The member was receiving at the time of death a 3240
disability benefit as provided in section 3307.63 or 3307.631 of 3241
the Revised Code, a surviving spouse or other qualified survivor 3242
may elect to receive monthly benefits as provided in division 3243
(C)(2) of this section. 3244

(iii) The member was receiving, within twelve months prior to 3245
the date of death, a disability benefit as provided in section 3246
3307.63 or 3307.631 of the Revised Code and was contributing under 3247
this chapter or Chapter 145. or 3309. of the Revised Code at the 3248
time of death. The 3249

(b) The surviving spouse or other qualified survivor shall 3250
elect one of the following methods of calculating benefits elected 3251
under division (C)(2) of this section, which shall, except as 3252
provided in division (G)(1) of this section, remain in effect 3253
without regard to any change in the number of qualified survivors: 3254

Or 3255

~~(a)~~(i) Number Annual benefit as a Monthly benefit 3256
of qualified per cent of member's shall not be 3257
survivors final average salary less than 3258

1 25% \$ 96 3259

2	40	186	3260
3	50	236	3261
4	55	236	3262
5 or more	60	236	3263
		Annual benefit as a	3264
		per cent of member's	3265
(b) (ii) Years of service		final average salary	3266
20		29%	3267
21		33	3268
22		37	3269
23		41	3270
24		45	3271
25		48	3272
26		51	3273
27		54	3274
28		57	3275
29 <u>or more</u>		60	3276

(3)(a) If at the time of death the deceased member was receiving a disability benefit under section 3307.63 or 3307.631 of the Revised Code, the benefit elected under division (C)(1) or (2) of this section shall be increased by a percentage equal to the total of any percentage increases the member received under section 3307.67 of the Revised Code, plus any additional amount the member received under this chapter while receiving the disability benefit. The increase shall be based on the benefit determined under division (C)(1) or (2) of this section. However, the benefit used to calculate any future increases under section 3307.67 of the Revised Code shall be the benefit determined under division (C)(1) or (2) of this section.

(b) If eligibility for a benefit under division (C)(1) or (2) of this section is not established until more than one year after the member's death, the annual benefit shall be increased by a percentage equal to the total of the percentage increases that

would have been made under section 3307.67 of the Revised Code, 3293
plus any additional amount that would have been paid under this 3294
chapter had the benefit begun in the year in which the member 3295
died. However, the benefit used to calculate any future increases 3296
under section 3307.67 of the Revised Code shall be the benefit 3297
determined under division (C)(1) or (2) of this section, plus any 3298
additional amounts added to the benefit determined under this 3299
division that established a new base benefit to the deceased 3300
member. 3301

(D) If a benefit is calculated pursuant to division 3302
(C)(2)~~(a)~~(b)(i) of this section, benefits to a surviving spouse 3303
shall be paid in the amount determined for the first qualifying 3304
survivor in division (C)(2)~~(a)~~(b)(i) of this section, but shall 3305
not be less than one hundred six dollars per month if the deceased 3306
member had ten or more years of ~~the~~ qualifying service credit. 3307
All other qualifying survivors shall share equally in the benefit 3308
or remaining portion thereof. 3309

If a benefit is calculated pursuant to division (C)(2)(b)(ii) 3310
of this section and is payable to more than one qualified 3311
survivor, the benefit shall be apportioned equally among the 3312
qualified survivors, except that if there is a surviving spouse, 3313
the portion of the benefit allocated to the surviving spouse shall 3314
be as follows: 3315

Number of			
survivors		Spouse's share of total benefit	
2		62.5%	3318
3		50.0%	3319
4		45.45%	3320
5 or more		41.67%	3321

(E) ~~Benefits~~ A qualified survivor shall file with the board 3322
an application for benefits payable under division (C)(2) of this 3323
section. Payments shall begin ~~or resume~~ on whichever of the first 3324

~~day of the month following the day a person becomes a qualified survivor and terminate or be suspended on the first day of the month following the day the person ceases to be a qualified survivor applies:~~

(1) If application is received not later than one year after the date of the member's death, benefits shall begin on the first day of the month following the date of death.

(2) If application is received later than one year from the date of death, benefits shall begin on the first day of the month immediately following receipt of application by the board.

Benefits to a qualified survivor shall terminate upon a first marriage, abandonment, or adoption, ~~or during active military service.~~ The termination of benefits is effective on the first day of the month following the day the person ceases to be a qualified survivor. Benefits to a deceased member's surviving spouse that were terminated under a former version of this section that required termination due to remarriage and were not resumed prior to the effective date of this amendment shall resume on the first day of the month immediately following receipt by the board of an application on a form provided by the board.

Upon the death of any subsequent spouse who was a member of the public employees retirement system, state teachers retirement system, or school employees retirement system, the surviving spouse of such member may elect to continue receiving benefits under this division, or to receive survivor's benefits, based upon the subsequent spouse's membership in one or more of the systems, for which such surviving spouse is eligible under this section or section 145.45 or 3309.45 of the Revised Code. If the surviving spouse elects to continue receiving benefits under this division, such election shall not preclude the payment of benefits under this division to any other qualified survivor.

(F) The beneficiary of a member who is also a member of the public employees retirement system, or the school employees retirement system, must forfeit the member's accumulated contributions in those systems, if the beneficiary elects to receive a benefit under division (C) of this section. Such benefit shall be exclusively governed by section 3307.57 of the Revised Code.

(G)(1) Regardless of whether the member is survived by a spouse or designated beneficiary, if the state teachers retirement system receives notice that a deceased member described in division (C)(1) or (2) of this section has one or more qualified children, all persons who are qualified survivors under division (C)(2) of this section shall receive monthly benefits as provided in division (C)(2) of this section.

If, after determining the monthly benefits to be paid under division (C)(2) of this section, the system receives notice that there is a qualified survivor who was not considered when the determination was made, the system shall, notwithstanding section 3307.42 of the Revised Code, recalculate the monthly benefits with that qualified survivor included, even if the benefits to qualified survivors already receiving benefits are reduced as a result. The benefits shall be calculated as if the qualified survivor who is the subject of the notice became eligible on the date the notice was received and shall be paid to qualified survivors effective on the first day of the first month following the system's receipt of the notice.

If the system did not receive notice that a deceased member has one or more qualified children prior to making payment under section 3307.562 of the Revised Code to a beneficiary as determined by the system, the payment is a full discharge and release of the system from any future claims under this section or section 3307.562 of the Revised Code.

(2) If benefits under division (C)(2) of this section to all persons, or to all persons other than a surviving spouse or sole beneficiary, terminate, there are no children under the age of twenty-two years, and the surviving spouse or beneficiary qualifies for benefits under division (C)(1) of this section, the surviving spouse or beneficiary may elect to receive benefits under division (C)(1) of this section. The benefit shall be calculated based on the age of the spouse or beneficiary at the time of the member's death and is effective on the first day of the month following receipt by the board of an application for benefits under division (C)(1) of this section.

(H) If the benefits due and paid under division (C) of this section are in a total amount less than the member's accumulated account that was transferred from the teachers' savings fund, school employees retirement fund, and public employees retirement fund, to the survivors' benefit fund, then the difference between the total amount of the benefits paid shall be paid to the beneficiary under section 3307.562 of the Revised Code.

Sec. 3307.661. On the death of a retirant or disability benefit recipient who at the time of death is receiving, under the STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code, a service retirement allowance or disability benefit, the state teachers retirement system shall make a lump-sum payment of one thousand dollars to any designated or qualified beneficiary under division (D)(1) of section 3307.562 of the Revised Code. If there is no beneficiary, the state teachers retirement board may approve payment to either the person responsible for the burial expenses or to the decedent's estate following the completion of an application on a form approved by the board.

A benefit paid under this section shall be treated as life

insurance for purposes of this chapter and shall be funded solely 3419
from contributions made under section 3307.28 of the Revised Code 3420
on behalf of members participating in the STRS defined benefit 3421
~~plan described in sections 3307.50 to 3307.79 of the Revised Code,~~ 3422
and any earnings attributable to those contributions. 3423

Sec. 3307.67. (A) The Except as provided in divisions (D) and 3424
(E) of this section, the state teachers retirement board shall 3425
annually increase each allowance or benefit payable under ~~sections~~ 3426
~~3307.50 to 3307.79 of the Revised Code by three per cent, except~~ 3427
~~that no~~ the STRS defined benefit plan. Through July 31, 2013, the 3428
increase shall be three per cent. On and after August 1, 2013, the 3429
increase shall be two per cent. No allowance or benefit shall 3430
exceed the limit ~~established by~~ as annually determined pursuant to 3431
section 415 of the "Internal Revenue Code of 1986," 100 Stat. 3432
2085, 26 U.S.C.A. 415, as amended, and regulations adopted 3433
pursuant thereto but before August 1, 2013. The limit may be 3434
adjusted in accordance with rules adopted by the board. 3435

(B) The first increase is payable to all persons becoming 3436
eligible for an allowance or benefit after June 30, 1971, upon 3437
such persons receiving an allowance or benefit for twelve months. 3438
The For an allowance or benefit beginning on or after August 1, 3439
2013, except for an allowance or benefit that was immediately 3440
preceded by a disability benefit granted prior to that date that 3441
has been terminated, the first increase is payable upon such 3442
persons receiving an allowance or benefit for sixty months. 3443

The increased amount is payable for the ensuing twelve-month 3444
period or until the next increase is granted under this section, 3445
whichever is later. Subsequent increases shall be determined from 3446
the date of the first increase paid to the former member in the 3447
case of an allowance being paid a beneficiary under an option, or 3448
from the date of the first increase to the survivor first 3449

receiving an allowance or benefit in the case of an allowance or 3450
benefit being paid to the subsequent survivors of the former 3451
member. 3452

The date of the first increase under this section becomes the 3453
anniversary date for any future increases. 3454

The allowance or benefit used in the first calculation of an 3455
increase under this section shall remain as the base for all 3456
future increases, unless a new base is established. 3457

~~(B)~~(C) If payment of a portion of a benefit is made to an 3458
alternate payee under section 3307.371 of the Revised Code, 3459
increases under this section granted while the order is in effect 3460
shall be apportioned between the alternate payee and the benefit 3461
recipient in the same proportion that the amount being paid to the 3462
alternate payee bears to the amount paid to the benefit recipient. 3463

If payment of a portion of a benefit is made to one or more 3464
beneficiaries under "option 4" under division (A)(4) of section 3465
3307.60 of the Revised Code, each increase under this section 3466
granted while the plan of payment is in effect shall be divided 3467
among the designated beneficiaries in accordance with the portion 3468
each beneficiary has been allocated. 3469

The apportioned increases under this section shall begin with 3470
increases granted on or after October 27, 2006. 3471

~~(C)~~(D) The board shall not make the increases it would 3472
otherwise make during the period July 1, 2013, through June 30, 3473
2014, to persons granted an allowance or benefit prior to July 1, 3474
2013. The board shall not increase any allowance or benefit 3475
granted on July 1, 2013, until July 1, 2015. 3476

(E) The board may adjust the increase payable under this 3477
section if the board's actuary, in its annual actuarial valuation 3478
required by section 3307.51 of the Revised Code or in other 3479
evaluations conducted under that section, determines that an 3480

adjustment does not materially impair the fiscal integrity of the 3481
retirement system or is necessary to preserve the fiscal integrity 3482
of the system. 3483

(F) The board shall make all rules necessary to carry out 3484
this section. 3485

Sec. 3307.671. In December 1980, and in December of each year 3486
thereafter, the state teachers retirement board may allocate an 3487
amount from the guarantee fund created in division (E) of section 3488
3307.14 of the Revised Code to establish a temporary supplemental 3489
benefit fund for the purpose of making a lump sum benefit payment 3490
to all persons receiving an allowance, pension, or benefit under 3491
~~sections 3307.50 to 3307.79 of the Revised Code~~ the STRS defined 3492
benefit plan for each of the twelve months preceding the first day 3493
of the following January. 3494

On or after July 1, 1980, and on or after the first day of 3495
July of each year thereafter, the board may determine the amount 3496
to be placed in a temporary supplemental benefit fund. Such 3497
amount, if placed, shall be not more than twenty-five per cent of 3498
the income from investments for the twelve months preceding the 3499
first day of July not otherwise required to be credited to the 3500
several funds set forth in section 3307.14 of the Revised Code. 3501

The board shall adopt rules to administer this supplemental 3502
benefit. The rules shall recognize the effective date of the 3503
allowance, pension, or benefit and the years of Ohio service 3504
credit for each recipient as an equitable basis for allocating the 3505
amount payable to each recipient. 3506

If the board determines that a supplemental benefit shall be 3507
paid under this section, it shall pay such amount within sixty 3508
calendar days following its allocation to the supplemental benefit 3509
fund. 3510

Amounts paid pursuant to this section shall not be included 3511
in the base for increasing an allowance, pension, or benefit 3512
provided in section 3307.67 of the Revised Code and shall not 3513
incur any obligation or liability for future payments under this 3514
section. 3515

Sec. 3307.694. On and after July 1, 1968, all allowances, 3516
pensions, or other benefits which were payable before July 1, 3517
1968, pursuant to the provisions of former sections 3307.26, 3518
3307.38, 3307.41, 3307.43, 3307.49, and 3307.50 of the Revised 3519
Code, shall be increased by the percentages determined by the 3520
effective date of the allowance, pension, or benefit, as follows: 3521

Effective Date of Benefit			3522
Calendar Year		Percentage of Increase	3523
1920 through 1955		24.3	3524
1956		22.5	3525
1957		18.4	3526
1958		15.2	3527
1959		14.3	3528
1960		12.5	3529
1961		11.3	3530
1962		10.1	3531
1963		8.7	3532
1964		7.3	3533
1965		5.6	3534
1966		2.6	3535
1967		2.0	3536
January 1, 1968, through		2.0	3537
June 30, 1968			

All increases determined by applying the percentages in the 3538
preceding table shall be reduced by the dollar amount of the 3539
increases granted in 1965 pursuant to divisions (D), (E), and (F) 3540
of former section 3307.401 of the Revised Code, except that no 3541

allowance, pension, or benefit shall be reduced below the amount 3542
due on June 30, 1968, and no allowance granted under this section 3543
shall be less than a total annual sum of thirty-six dollars. 3544

The allowances increased by this section shall exclude any 3545
monthly amount payable by reason of any voluntary deposits made 3546
under the provisions of ~~sections~~ section 3307.26 and ~~3307.741~~ of 3547
the Revised Code, except for prior service purchased before June 3548
25, 1945. 3549

The increases provided by this section shall be granted 3550
notwithstanding the final average salary limitation in former 3551
sections 3307.38 and 3307.43 of the Revised Code. 3552

The cost of the increases provided by this section shall be 3553
included in the employer's contribution rate provided by sections 3554
3307.28, 3307.30, and 3307.31 of the Revised Code. Such employer's 3555
contribution rate shall not be increased until July 1, 1969, or 3556
later to reflect the increased costs created by this section. 3557

Sec. 3307.70. (A) A member of the state teachers retirement 3558
system who elects to purchase service credit described in section 3559
3307.73, 3307.74, 3307.751, 3307.76, 3307.771, or 3307.78 of the 3560
Revised Code shall do both of the following: 3561

(1) Submit an application to the state teachers retirement 3562
board in a manner or form approved by the board; 3563

(2)(a) If the purchase will be completed not later than 3564
December 31, 2013, for each year, or portion of a year, of credit 3565
purchased, pay to the employees' savings fund the amount specified 3566
by former section 3307.73, 3307.74, 3307.751, 3307.76, 3307.771, 3567
or 3307.78 of the Revised Code as the appropriate section existed 3568
immediately before the effective date of this section. 3569

(b) If the purchase will not be completed until on or after 3570
January 1, 2014, for each year, or portion of a year, of credit 3571

purchased, pay to the employees' savings fund an amount specified 3572
by the board that is equal to one hundred per cent of the 3573
actuarial liability resulting from the purchase of that year or 3574
portion of a year of credit as determined by an actuary employed 3575
by the board. 3576

(c) If, on the effective date of this amendment, the purchase 3577
is being made through a payroll deduction plan under section 3578
3307.701 of the Revised Code and at least one deduction has been 3579
made, pay to the employees' savings fund the amount specified by 3580
former section 3307.73, 3307.74, 3307.751, 3307.76, 3307.771, or 3581
3307.78 of the Revised Code as the appropriate section existed 3582
immediately before the effective date of this section. 3583

(B)(1) A purchase shall be considered completed for purposes 3584
of division (A)(2)(a) of this section only if the member's 3585
application is received by the retirement system as completed not 3586
later than December 31, 2013, and all payments are received by the 3587
retirement system not later than June 30, 2014. 3588

(2) A member purchasing credit through a payroll deduction 3589
plan under division (A)(1)(c) of this section may pay in a single 3590
payment the balance of the cost of the credit. 3591

(C) Subject to board rules, a member may choose to purchase 3592
only part of any eligible service credit in any one payment. 3593

(D) The board shall adopt rules establishing criteria for 3594
determining eligibility for purchases of service credit and 3595
procedures for purchases of credit under this section. 3596

Any determination of the board under this section shall be 3597
final. 3598

(E) Service credit purchased under this section shall be 3599
included in the member's total service credit. 3600

If a member dies or withdraws from service, any payment made 3601

by the member under this section shall be considered as 3602
accumulated contributions of the member. 3603

Sec. ~~3307.70~~ 3307.701. (A) The state teachers retirement 3604
board may establish by rule payroll deduction plans for payment of 3605
the following: 3606

(1) The cost of restoring service credit under section 3607
3307.71 or 3307.711 of the Revised Code or purchasing any service 3608
credit members of the state teachers retirement system are 3609
eligible to purchase under this chapter; 3610

(2) Charges for participation in programs established under 3611
section 3307.391 of the Revised Code; 3612

(3) Deposits under section 3307.393 of the Revised Code and 3613
any charges for participating in the program established under 3614
that section. 3615

(B) In addition to any other matter considered relevant by 3616
the board, the rules adopted under this section shall specify all 3617
of the following: 3618

(1) The types of service credit that may be paid for through 3619
payroll deduction, including the section of the Revised Code that 3620
authorizes the purchase of each type of service credit for which 3621
payment may be made by payroll deduction; 3622

(2) The procedure for informing the member's employer and the 3623
system that the member wishes to use payroll deduction to purchase 3624
service credit or pay for participation in programs established 3625
under section 3307.391 of the Revised Code; 3626

(3) The procedure to be followed by the system and employers 3627
to determine for each request the amount to be deducted, the 3628
number of deductions to be made, and the interval at which 3629
deductions will be made. The rules may provide for a minimum 3630
amount for each deduction. They may also provide for a maximum 3631

number of deductions for the purchase of any type of service 3632
credit. 3633

(4) The procedure to be followed by employers in transmitting 3634
amounts deducted from the compensation of their employees to the 3635
system; 3636

(5) The procedure to be followed by the system in crediting 3637
service credit to members who choose to purchase it through 3638
payroll deduction; 3639

(6) The time period within which employers are required to 3640
transmit amounts deducted from payrolls to the system; 3641

(7) Procedures to be followed by the system and the member's 3642
employer for the member to pay in a single payment the balance of 3643
the cost of the credit when a member separates from service from 3644
the employer administering the member's payroll deduction plan. 3645

(C)(1) If the board establishes a payroll deduction plan 3646
under this section, it shall certify to the member's employer, for 3647
each member for whom deductions are to be made, the amount of each 3648
deduction and the payrolls from which deductions are to be made. 3649
The employer shall make the deductions as certified and transmit 3650
the amounts deducted in accordance with the rules established by 3651
the board under this section. 3652

(2) If an employer does not transmit amounts deducted from 3653
the compensation of an employee to the system within the time 3654
period specified in rules adopted under division (B)(6) of this 3655
section, the employer shall pay interest on the deducted amount 3656
compounded annually at a rate to be determined by the board from 3657
the date the amount is deducted to the date it is transmitted to 3658
the system. 3659

(D) Rules adopted under this section shall not affect any 3660
right to purchase service credit conferred by any other section of 3661
the Revised Code, including the right of a member under any such 3662

section to purchase only part of the service credit the member is 3663
eligible to purchase. 3664

(E) No payroll deduction made pursuant to this section may 3665
exceed the amount of a member's net compensation after all other 3666
deductions and withholdings required by law. 3667

(F) No payments made to the system under this section shall 3668
affect any contribution required by section 3307.26 or 3307.28 of 3669
the Revised Code. 3670

Sec. 3307.71. Except as provided in this section, section 3671
3305.05, or section 3305.051 of the Revised Code, a member or 3672
former member of the state teachers retirement system 3673
participating in the STRS defined benefit plan ~~described in~~ 3674
~~sections 3307.50 to 3307.79 of the Revised Code~~ who has at least 3675
one and one-half years of contributing service credit in this 3676
system, the public employees retirement system, the school 3677
employees retirement system, the Ohio police and fire pension 3678
fund, or the state highway patrol retirement system after the 3679
withdrawal and cancellation of service credit in this system may 3680
restore all or part of such service credit by repayment of the 3681
amount withdrawn. To this amount shall be added interest at a rate 3682
per annum, compounded annually, to be determined by the state 3683
teachers retirement board. Interest shall be payable from the 3684
first of the month of withdrawal through the month of repayment. A 3685
member may choose to purchase only part of such credit in any one 3686
payment. The cost for restoring partial service shall be 3687
calculated as the proportion that it bears to the total cost at 3688
the time of purchase and is subject to the rules established by 3689
the board. If a former member is eligible to buy the service 3690
credit as a member of the Ohio police and fire pension fund, the 3691
state highway patrol retirement system, or the city of Cincinnati 3692
Retirement System, the former member is ineligible to restore that 3693

service credit under this section. 3694

The total payment to restore canceled service credit shall be 3695
credited as follows: 3696

(A) The amount that equals contributions made pursuant to 3697
section 3307.26 of the Revised Code, plus any interest on the 3698
contributions paid by the member pursuant to this section, to the 3699
member's account in the teachers' savings fund; 3700

(B) The amount that equals the amount paid under section 3701
3307.563 of the Revised Code, to the employers trust fund; 3702

(C) The remainder of the payment to restore canceled service 3703
credit, to the guarantee fund. 3704

Sec. 3307.711. (A) A member of the state teachers retirement 3705
system who has at least eighteen months of contributing service 3706
credit in the system, the police and firemen's disability and 3707
pension fund, public employees retirement system, school employees 3708
retirement system, or state highway patrol retirement system, and 3709
is a former member of or no longer contributing to the public 3710
employees retirement system or school employees retirement system 3711
may restore service credit under section 145.31 or 3309.26 of the 3712
Revised Code by making payments pursuant to this section through a 3713
payroll deduction plan established under section ~~3307.70~~ 3307.701 3714
of the Revised Code. A member seeking to restore this service 3715
credit shall notify the state teachers retirement system on a form 3716
approved by the state teachers retirement board. After receiving 3717
the notice, the state teachers retirement system shall request 3718
that the former retirement system calculate under section 145.312 3719
or 3309.262 of the Revised Code the cost to the member to restore 3720
service credit for each year or portion of a year of service for 3721
which the member seeks to restore the service credit. The amount 3722
the former retirement system certifies as the cost of restoring 3723
the service credit, plus interest described in division (B) of 3724

this section, is the cost to the member of restoring the service credit. On receiving the certification from the former retirement system, the state teachers retirement system shall notify the member of the cost.

(B) For each year or portion of a year of service credit restored under section 145.31 or 3309.26 of the Revised Code, a member shall pay to the state teachers retirement system the amount certified by the former retirement system plus interest at a rate specified by the former retirement system under section 145.312 or 3309.262 of the Revised Code for the period during which deductions are made under section ~~3307.70~~ 3307.701 of the Revised Code.

(C) The state teachers retirement board shall annually notify the former retirement system that a payment to restore service credit under section 145.31 or 3309.26 of the Revised Code has been made. At the time the payment is transferred under division (D) of this section, the former retirement system shall restore the service credit for the year or portion of a year for which the payment was made.

(D) On application for a payment of accumulated contributions or an age and service retirement, disability, or survivor benefit under Chapter 145., 3307., or 3309. of the Revised Code by a member who made payments under this section to restore service credit in a former retirement system, the state teachers retirement system shall pay to the former retirement system an amount equal to the total amount paid by the member under this section.

(E) The board shall adopt rules to implement this section.

Sec. 3307.712. After receiving a request from the public employees retirement system under division (A) of section 145.311 or the school employees retirement system under division (A) of

section 3309.261 of the Revised Code, the state teachers 3756
retirement system shall do both of the following: 3757

(A) Calculate and certify to the requesting retirement system 3758
the cost to a former member to restore service credit under 3759
section 3307.71 of the Revised Code for each year or portion of a 3760
year for which the former member seeks to restore service credit 3761
under that section. 3762

(B) Inform the requesting retirement system of the rate of 3763
interest charged to a member under a payroll deduction plan 3764
authorized under section ~~3307.70~~ 3307.701 of the Revised Code. 3765

Sec. 3307.72. The state teachers retirement board shall 3766
credit years of service to a member participating in the STRS 3767
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 3768
~~the Revised Code~~ who was employed for teaching service by an 3769
employer who failed to make retirement contributions to the state 3770
teachers retirement system during any year or years beginning on 3771
or after September 1, 1920, if the member deposits in the 3772
teachers' savings fund a per cent of the member's annual 3773
compensation for such service, at the rate of contribution then in 3774
effect, plus interest compounded annually at a rate established by 3775
the board. The member may choose to purchase only part of such 3776
credit in any one payment, subject to board rules. 3777

The employer shall, upon the request of such member, certify 3778
the amount of compensation by years of employment to the secretary 3779
of the board. For teaching service on or after July 1, 1978, the 3780
employer shall pay an amount equal to the employer contributions 3781
due at the time the service occurred, plus compound interest at a 3782
rate determined by the board from the date the service began to 3783
the date of payment. 3784

Sec. 3307.73. (A)(1) Except as provided in division (A)(2) of 3785

this section, a member of the state teachers retirement system 3786
participating in the STRS defined benefit plan described in 3787
~~sections 3307.50 to 3307.79 of the Revised Code~~ who has at least 3788
eighteen months of contributing service in the system, the public 3789
employees retirement system, or school employees retirement system 3790
who chose to be exempted from membership in one or more of the 3791
systems pursuant to section 145.03, or 3309.23 of the Revised 3792
Code, or former section 3307.25 or 3309.25 of the Revised Code, or 3793
was exempt under section 3307.24 of the Revised Code, may purchase 3794
credit under section 3307.70 of the Revised Code for each year or 3795
portion of a year of service for which the member was exempted. 3796

(2) A member may not purchase credit ~~under this section~~ for 3797
service that was exempted from contribution under section 3307.24 3798
of the Revised Code and subject to the tax on wages imposed by the 3799
"Federal Insurance Contributions Act," 68A Stat. 415 (1954), 26 3800
U.S.C.A. 3101, as amended. 3801

(B) ~~For each year or portion of a year of credit purchased~~ 3802
~~under this section, a member shall pay to the state teachers~~ 3803
~~retirement system an amount determined by multiplying the member's~~ 3804
~~compensation for the twelve months of contributing service~~ 3805
~~preceding the month in which the member applies to purchase the~~ 3806
~~credit by a percentage rate established by rule of the state~~ 3807
~~teachers retirement board adopted under division (F) of this~~ 3808
~~section.~~ 3809

(C) ~~Subject to board rules, a member may purchase all or part~~ 3810
~~of the credit the member is eligible to purchase under this~~ 3811
~~section in one or more payments. If the member purchases the~~ 3812
~~credit in more than one payment, compound interest at a rate~~ 3813
~~specified by rule of the board shall be charged on the balance~~ 3814
~~remaining after the first payment is made.~~ 3815

(D) ~~Credit purchasable under~~ described in this section shall 3816
not exceed one year of service for any twelve-month period. If the 3817

period of service for which credit is purchasable ~~under this~~ 3818
~~section~~ is concurrent with a period of service that will be used 3819
to calculate a retirement benefit from this system, the public 3820
employees retirement system, or school employees retirement 3821
system, the amount of the credit shall be adjusted in accordance 3822
with rules adopted by the board. 3823

(C) A member who is also a member of the public employees 3824
retirement system or school employees retirement system shall 3825
purchase credit for any service for which the member exempted the 3826
member's self under section 145.03 or 3309.23 of the Revised Code, 3827
or former section 3307.25 or 3309.25 of the Revised Code, or was 3828
exempt under section 3307.24 of the Revised Code, from the 3829
retirement system in which the member has the greatest number of 3830
years of service credit. If the member receives benefits under 3831
section 3307.57 of the Revised Code, the state retirement system 3832
that determines and pays the retirement benefit shall receive from 3833
the other system or systems the amounts paid by the member for 3834
purchase of credit for exempt service plus interest at the 3835
actuarial assumption rate of the system paying that amount. The 3836
interest shall be for the period beginning on the date of the 3837
member's last payment for purchase of the credit and ending on the 3838
date of the member's retirement. 3839

~~(E) If a member dies or withdraws from service, any payment~~ 3840
~~made by the member under this section shall be considered as~~ 3841
~~accumulated contributions of the member.~~ 3842

~~(F) The retirement board shall adopt rules to implement this~~ 3843
~~section.~~ 3844

Sec. 3307.74. (A) Service credit ~~purchased under this section~~ 3845
~~shall be included in the member's total service credit. Credit may~~ 3846
be purchased under section 3307.70 of the Revised Code by a member 3847
participating in the STRS defined benefit plan described in 3848

~~sections 3307.50 to 3307.79 of the Revised Code for the following:~~ 3849

3850

(1) Teaching service in a public or private school, college, 3851
or university of this or another state, and for teaching service 3852
in any school or entity operated ~~by or~~ primarily for the United 3853
States ~~government~~ citizens. Teaching credit ~~purchased under this~~ 3854
~~section~~ shall be limited to service rendered in schools, colleges, 3855
or universities chartered or accredited by the appropriate 3856
governmental agency. 3857

(2) Public service with another state or the United States 3858
government, provided that such credit shall be limited to service 3859
that would have been covered by the state teachers retirement 3860
system, school employees retirement system, Ohio police and fire 3861
pension fund, state highway patrol retirement system, or public 3862
employees retirement system if served in a comparable public 3863
position in this state. 3864

(3) Service for which contributions were made by the member 3865
or on the member's behalf to a municipal retirement system in this 3866
state, except that if the conditions specified in section 3307.762 3867
of the Revised Code are met, service credit for this service may 3868
be purchased only in accordance with section 3307.763 of the 3869
Revised Code. 3870

The number of years of service ~~purchased under~~ credit for 3871
service described in this section shall not exceed the lesser of 3872
five years or the member's total accumulated number of years of 3873
Ohio service. 3874

~~(B)(1) Except as otherwise provided in division (B)(2) of~~ 3875
~~this section, for each year of service purchased under this~~ 3876
~~section, a member shall pay to the state teachers retirement~~ 3877
~~system for credit to the member's accumulated account an amount~~ 3878
~~equal to the member's retirement contribution for full-time~~ 3879

~~employment for the first year of Ohio service following 3880
termination of the service to be purchased. To this amount shall 3881
be added an amount equal to compound interest at a rate 3882
established by the state teachers retirement board from the date 3883
of membership in the state teachers retirement system to the date 3884
of payment. 3885~~

~~(2) For each year of service described in division (A) of 3886
this section that commenced on or after July 1, 1989, and, without 3887
regard to when the service commenced, for each year of service 3888
purchased under division (A) of this section by a member who first 3889
established membership in the retirement system on or after July 3890
1, 1989, the member shall pay to the retirement system for credit 3891
to the member's individual account an amount specified by the 3892
state teachers retirement board that shall be not less than fifty 3893
per cent of the additional liability resulting from the purchase 3894
of that year of service as determined by an actuary employed by 3895
the board. 3896~~

~~(3) A member may choose to purchase only part of the credit 3897
the member is eligible to purchase under this section in any one 3898
payment, subject to board rules Credit shall be purchased under 3899
this section in accordance with section 3307.70 of the Revised 3900
Code. 3901~~

~~(C) With the exception of social security, a member is 3902
ineligible to purchase under credit for service described in this 3903
section service that is used in the calculation of any retirement 3904
benefit that has been paid, is currently being paid, or is payable 3905
in the future to such member under any other retirement program, 3906
except social security or service for five or more years for which 3907
contributions were made to a defined contribution plan if the 3908
member has been paid all contributions standing to the member's 3909
credit or is not entitled to be paid any such contributions. At 3910
the time the credit is purchased, the member shall certify on a 3911~~

form furnished by the board that the member does and will conform 3912
to this requirement. 3913

(D) Credit ~~purchased under~~ for service described in this 3914
section may be combined pursuant to section 3307.57 of the Revised 3915
Code with credit purchased under sections 145.293 and 3309.31 of 3916
the Revised Code, except that not more than a total of five years' 3917
~~service credit purchased under~~ for service described in this 3918
section and sections 145.293 and 3309.31 of the Revised Code shall 3919
be used in determining retirement eligibility or calculating 3920
benefits under section 3307.57 of the Revised Code. 3921

~~(E) The retirement board shall establish a policy to 3922
determine eligibility to purchase credit under this section, and 3923
its decision shall be final. 3924~~

Sec. 3307.75. (A) As used in this section, "armed forces" of 3925
the United States includes both: 3926

(1) Army, navy, air force, marine corps, coast guard, 3927
auxiliary corps as established by congress, army nurse corps, navy 3928
nurse corps, red cross nurse serving with the army, navy, air 3929
force, or hospital service of the United States, full-time service 3930
with the American red cross in a combat zone, and such other 3931
service as is designated by the congress as included therein; 3932

(2) Personnel of the Ohio national guard, the Ohio military 3933
reserve, the Ohio naval militia, and the reserve components of the 3934
armed forces enumerated in division (A)(1) of this section who are 3935
called to active duty pursuant to an executive order issued by the 3936
president of the United States or an act of congress. 3937

(B) Upon presentation of an honorable discharge or 3938
certificate of service, and subject to rules adopted by the state 3939
teachers retirement board, any member of the state teachers 3940
retirement system participating in the STRS defined benefit plan 3941

~~described in sections 3307.50 to 3307.79 of the Revised Code who~~ 3942
was or is out of active service as a teacher by reason of having 3943
become a member of the armed forces of the United States on active 3944
duty or service shall be considered as on indefinite leave of 3945
absence and shall have such service not in excess of ten years 3946
considered as the equivalent of prior service, provided the member 3947
returns to service as a teacher within two years after the 3948
effective date of discharge and establishes one year of service 3949
credit, or becomes a member of either the public employees 3950
retirement system or the school employees retirement system within 3951
such two-year period and establishes at least one year of service 3952
credit. The retirement board shall extend such two-year period an 3953
additional year if failure to return is due to continuous 3954
professional training as determined by said board. If such member, 3955
otherwise qualified for such credit, canceled membership by the 3956
withdrawal of the member's accumulated account, such military 3957
service credit shall be granted following the restoration of the 3958
member's canceled service credit as provided by section 3307.71 of 3959
the Revised Code. Any member of the state teachers retirement 3960
system or anyone who becomes a new entrant who is assigned or 3961
called to take charge of special training for essential national 3962
defense work or veterans' training courses in any of the public 3963
schools or universities of the state may make regular 3964
contributions to the state teachers retirement system even though 3965
the member's or new entrant's salary is paid from federal funds, 3966
provided the member's or new entrant's salary is disbursed by an 3967
employer. 3968

(C) A member of the state teachers retirement system is 3969
ineligible to receive service credit under this section for any 3970
year of military service credit used in the calculation of any 3971
retirement benefit currently being paid to the member or payable 3972
in the future under any other retirement program, except social 3973
security, or used to obtain service credit pursuant to section 3974

3307.751 or 3307.752 of the Revised Code. At the time such credit 3975
is requested, the member shall certify on a form supplied by the 3976
board that the member does and will conform to this requirement. 3977
This division does not cancel any military service credit earned 3978
prior to March 15, 1979. 3979

Sec. 3307.751. (A)(1) A member participating in the STRS 3980
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 3981
~~the Revised Code~~ may purchase service credit ~~that shall be~~ 3982
~~considered as the equivalent of Ohio service~~ under section 3307.70 3983
of the Revised Code for each year or portion of a year of service 3984
incurred by reason of having been on active duty as a member of 3985
the armed forces of the United States, as defined in section 3986
3307.75 of the Revised Code. 3987

(2) As used in division (A)(2) of this section, "reserves" 3988
means a reserve component of any of the armed forces of the United 3989
States enumerated in division (A)(1) of section 3307.75 of the 3990
Revised Code. 3991

On presentation of documentation of the service and subject 3992
to state teachers retirement board rules, a member participating 3993
in the STRS defined benefit plan ~~described in sections 3307.50 to~~ 3994
~~3307.79 of the Revised Code~~ may purchase service credit ~~that shall~~ 3995
~~be considered as the equivalent of Ohio service~~ under section 3996
3307.70 of the Revised Code for each year or portion of a year of 3997
service incurred by reason of having been on active duty as a 3998
member of the Ohio national guard or reserves for which the member 3999
is not eligible to purchase credit under division (A)(1) of this 4000
section. For purposes of division (A)(2) of this section, active 4001
duty in the reserves or the Ohio national guard includes assembly 4002
for drill and instruction; training at encampments, maneuvers, 4003
outdoor target practice, or other exercises; and any training or 4004
duty in this state ordered by the governor. 4005

(3) Credit shall not be granted for any period of duty during 4006
which the member was contributing to the retirement system. 4007

The credit may be purchased at any time prior to the 4008
effective date of a benefit. The number of years purchased under 4009
this division shall not exceed five. 4010

(B) For the purposes of this division, "prisoner of war" 4011
means any regularly appointed, enrolled, enlisted, or inducted 4012
member of the armed forces of the United States who was captured, 4013
separated, and incarcerated by an enemy of the United States. 4014

A member participating in the STRS defined benefit plan 4015
~~described in sections 3307.50 to 3307.79 of the Revised Code~~ may 4016
purchase service credit ~~that shall be considered as the equivalent~~ 4017
~~of Ohio service~~ under section 3307.70 of the Revised Code for each 4018
year of service such member was a prisoner of war. The number of 4019
years purchased ~~under this division~~ shall not exceed five. Service 4020
credit may be purchased ~~under this division~~ for the same years of 4021
service used to purchase service credit ~~under~~ described in 4022
division (A) of this section. 4023

(C) The total number of years described in this section that 4024
may be purchased under this section shall not exceed the member's 4025
total accumulated number of years of Ohio service. 4026

(D)(1) ~~Except as otherwise provided in division (D)(2) or (3)~~ 4027
~~of this section, for each year or portion of a year of service~~ 4028
~~purchased under division (A) or (B) of this section, the member~~ 4029
~~shall pay to the state teachers retirement system for credit to~~ 4030
~~the member's accumulated account an amount determined by the~~ 4031
~~member rate of contribution in effect at the time the military~~ 4032
~~service began multiplied by the member's annual compensation for~~ 4033
~~full time employment during the first year of service in Ohio~~ 4034
~~following termination of military service. If, however, a limit on~~ 4035
~~maximum salary or maximum contribution was in effect at the time~~ 4036

~~the military service began, the limit shall be applied to the salary received during the first year of service in Ohio to calculate the amount of payment. To this amount shall be added an amount equal to compound interest at a rate established by the state teachers retirement board from the date active military service terminated to date of payment.~~

~~(2) For each year of service purchased under division (A)(1) or (B) of this section for military service that commenced on or after July 1, 1989, and, without regard to when the military service commenced, for each year of service purchased under division (A) or (B) of this section by a member who first established membership in the retirement system on or after July 1, 1989, the member shall pay to the retirement system for credit to the member's individual account an amount specified by the state teachers retirement board that shall be not less than fifty per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board.~~

~~(3) For each year or portion of a year of service in the reserves or Ohio national guard purchased under division (A)(2) of this section, the member shall pay to the retirement system for credit to the member's individual account an amount equal to one hundred per cent of the additional liability resulting from the purchase of that year of service as determined by an actuary employed by the board. The retirement system shall calculate the number of years or portions of a year of credit the member is eligible to purchase under division (A)(2) of this section by dividing the number of days actually served by three hundred sixty-five.~~

~~(4) A member may choose to purchase only part of the credit the member is eligible to purchase under this section in any one payment, subject to board rules.~~

~~(E)~~ A member of the state teachers retirement system is 4069
ineligible to purchase service credit ~~under~~ described in this 4070
section for any year of military service that was: 4071

(1) Used in the calculation of any retirement benefit 4072
currently being paid to such member or payable in the future under 4073
any other retirement program, except for retired pay for 4074
non-regular service under Chapter 1223 of Section 1662 of Title 4075
XVI of the "National Defense Authorization Act for Fiscal Year 4076
1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or 4077
social security; 4078

(2) Used to obtain service credit pursuant to section 3307.75 4079
or 3307.752 of the Revised Code. 4080

At the time the credit is purchased, the member shall certify 4081
on a form furnished by the board that the member does and will 4082
conform to this requirement. 4083

~~(F)~~(E) Credit ~~purchased under~~ described in this section may 4084
be combined pursuant to section 3307.57 of the Revised Code with 4085
credit for military service purchased under sections 145.301 ~~and~~, 4086
742.52, 3309.021, and 5505.25 of the Revised Code or military 4087
service credit purchased in the Cincinnati retirement system, 4088
except that not more than a total of five years of credit 4089
~~purchased under~~ described in division (A) of this section, 4090
division (B) of section 145.301, ~~and~~ division (A) of section 4091
742.52, division (A) of section 3309.021, and division (A) of 4092
section 5505.25 of the Revised Code and not more than a total of 4093
five years of credit ~~purchased under~~ described in division (B) of 4094
this section, division (C) of section 145.301, ~~and~~ division (B) of 4095
section 742.52, division (B) of section 3309.021 and division (B) 4096
of section 5505.25 of the Revised Code or military service credit 4097
purchased in the Cincinnati retirement system shall be used in 4098
determining retirement eligibility or calculating benefits under 4099
section 3307.57 of the Revised Code. 4100

Sec. 3307.752. (A) As used in this section: 4101

(1) "Service in the uniformed services" means the performance 4102
of duty on a voluntary or involuntary basis in a uniformed service 4103
under competent authority and includes active duty, active duty 4104
for training, initial active duty for training, inactive duty 4105
training, full-time national guard duty, and a period for which a 4106
person is absent from a position of employment for the purpose of 4107
an examination to determine the fitness of the person to perform 4108
any such duty. 4109

(2) "Uniformed services" means the army, navy, air force, 4110
marine corps, coast guard, or any reserve components of such 4111
services; national guard; the commissioned corps of the United 4112
States public health service; service as a red cross nurse with 4113
the army, navy, air force, or hospital service of the United 4114
States, army nurse corps, navy nurse corps, or serving full-time 4115
with the American red cross in a combat zone; and any other 4116
category of persons designated by the president in time of war or 4117
emergency. 4118

(B) On the re-employment of a member participating in the 4119
~~STRS defined benefit plan described in sections 3307.50 to 3307.79~~ 4120
~~of the Revised Code~~ as a teacher by the same public employer that 4121
employed the member prior to the member's service in the uniformed 4122
services, the member may apply to the state teachers retirement 4123
system on a form provided by the system to purchase service credit 4124
for service in the uniformed services that shall be considered the 4125
equivalent of Ohio service credit. On receipt of the application, 4126
the system shall request from the employer that employed the 4127
member as a teacher prior to the military service a certification 4128
that the member was employed by the employer prior to, and 4129
returned to employment with the employer within three months of 4130
honorable discharge or release from, service in the uniformed 4131

services. If the employer can so certify, it shall do so and shall 4132
pay to the system the employer's contribution required by this 4133
section. The service credit shall be granted the member if all of 4134
the following requirements are met: 4135

(1) The member was a member of and maintained membership in 4136
the state teachers retirement system throughout service in the 4137
uniformed services; 4138

(2) The member was out of active service as a teacher by 4139
reason of service in the uniformed services; 4140

(3) The member was honorably discharged or released from 4141
service in the uniformed services; 4142

(4) The member pays contributions to the system in accordance 4143
with this section. 4144

(C) Credit may be purchased pursuant to this section at any 4145
time prior to receipt of a benefit. The member may choose to 4146
purchase only part of the credit in any one payment, subject to 4147
board rules. The system shall grant service credit under this 4148
section, not to exceed five years, for ~~each period of~~ service in 4149
the uniformed services for which contributions have been received. 4150

(D) For service purchased under this section, the member and 4151
the member's employer, subject to board rules, shall pay to the 4152
system for credit to the member's accumulated account an amount 4153
equal to the contributions that would have been paid pursuant to 4154
sections 3307.26 and 3307.28 of the Revised Code if the member had 4155
not been out of active service as a teacher by reason of service 4156
in the uniformed services. 4157

If a member pays all or any portion of the contributions 4158
required by section 3307.26 of the Revised Code later than the 4159
lesser of five years or a period that is three times the member's 4160
period of service in the uniformed services beginning from the 4161
later of the member's date of re-employment as a teacher or 4162

October 29, 1996, an amount equal to compound interest at a rate 4163
established by the board from the later of the member's date of 4164
re-employment as a teacher or October 29, 1996, to the date of 4165
payment shall be added to the remaining amount to be paid by the 4166
member to purchase service credit under this section. 4167

(E) This section does not cancel any military service credit 4168
or service in the uniformed services earned or granted under this 4169
chapter prior to October 29, 1996. 4170

(F) If a member purchased service credit under section 4171
3307.751 of the Revised Code prior to October 29, 1996, is not 4172
receiving a benefit, and would have been eligible to obtain 4173
service credit pursuant to this section had it been in effect at 4174
the time of purchase, the system shall refund the amounts paid by 4175
the member for the purchase if both of the following requirements 4176
are met: 4177

(1) The member makes a written request for a refund on a form 4178
provided by the system; 4179

(2) The member pays to the system the contributions required 4180
by this section. 4181

(G) If the member meets the requirements of division (F) of 4182
this section, the employer shall pay to the system the employer's 4183
contributions required by this section. 4184

Sec. 3307.76. ~~(A)~~ A member of the state teachers retirement 4185
system participating in the STRS defined benefit plan ~~described in~~ 4186
~~sections 3307.50 to 3307.79 of the Revised Code~~ shall, in 4187
computing years of total service, be given full credit for time 4188
served in the public employees retirement system under Chapter 4189
145. of the Revised Code or in the school employees retirement 4190
system under Chapter 3309. of the Revised Code, ~~provided that the~~ 4191
~~member pays to the state teachers retirement system the amount~~ 4192

~~specified in division (B) of this section.~~ 4193

~~(B) For each year of service described in division (A) of
this section, a member shall pay an amount specified by the state
teachers retirement board, which shall be not less than fifty per
cent of the additional liability resulting from the purchase of
that year of service as determined by an actuary employed by the
board.~~ 4194
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~~(C) A member may choose to purchase only part of the credit
the member is eligible to purchase under this section in any one
payment, subject to board rules if the member purchases the credit
in accordance with section 3307.70 of the Revised Code.~~ 4200
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A member is ineligible to purchase credit ~~under~~ described in
this section if credit for the service may be obtained from the
public employees retirement system or school employees retirement
system or if the credit is for service that is used in the
calculation of any retirement benefit that has been paid, is
currently being paid, or is payable in the future to the member. 4204
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Sec. 3307.761. (A) As used in this section and section 4210
3307.765 of the Revised Code: 4211

(1) "Uniform retirement system" or "uniform system" means the 4212
Ohio police and fire pension fund or state highway patrol 4213
retirement system. 4214

(2) "Military service credit" means credit purchased or 4215
obtained under this chapter or Chapter 742. or 5505. of the 4216
Revised Code for service in the armed forces of the United States. 4217

(B) A member of the state teachers retirement system 4218
participating in the STRS defined benefit plan described in 4219
~~sections 3307.50 to 3307.79 of the Revised Code~~ who has 4220
contributions on deposit with a uniform retirement system shall, 4221
in computing years of total service, be given full credit for 4222

service credit earned under Chapter 742. or 5505. of the Revised Code or for military service credit if a transfer to the state teachers retirement system is made under this division. At the request of the member, the uniform system shall transfer to the state teachers retirement system, for each year of service, the sum of the following:

(1) An amount equal to the member's accumulated contributions to the uniform system and any payments by the member for military service credit;

(2) An amount equal to the lesser of the employer's contributions to the uniform system or the amount that would have been contributed by the employer for the service had the member been a member of the state teachers retirement system at the time the credit was earned;

(3) Interest, determined as provided in division (F) of this section, on the amounts specified in divisions (B)(1) and (2) of this section from the last day of the year for which the service credit in the uniform system was earned or in which payment was made for military service credit was purchased or obtained to the date the transfer is made.

(C) A member participating in the STRS defined benefit plan ~~described in sections 3307.50 to 3307.79 of the Revised Code~~ who has at least one and one-half years of contributing service with the state teachers retirement system, is a former member of a uniform retirement system, and has received a refund of contributions to that uniform system shall, in computing years of total service, be given full credit for service credit earned under Chapter 742. or 5505. of the Revised Code or for military service credit if, for each year of service, the state teachers retirement system receives the sum of the following:

(1) An amount, which shall be paid by the member, equal to

the amount refunded by the uniform system to the member for that 4254
year for accumulated contributions and payments for military 4255
service credit, with interest at a rate established by the state 4256
teachers retirement board on that amount from the date of the 4257
refund to the date of the payment; 4258

(2) Interest, which shall be transferred by the uniform 4259
system, on the amount refunded to the member that is attributable 4260
to the year of service from the last day of the year for which the 4261
service credit was earned or in which payment was made for 4262
military service credit to the date the refund was made; 4263

(3) An amount, which shall be transferred by the uniform 4264
system, equal to the lesser of the employer's contributions to the 4265
uniform system or the amount that would have been contributed by 4266
the employer for the service had the member been a member of the 4267
state teachers retirement system at the time the credit was 4268
earned, with interest on that amount from the last day of the year 4269
for which the service credit was earned or in which payment was 4270
made for military service to the date of the transfer. 4271

On receipt of payment from the member, the state teachers 4272
retirement system shall notify the uniform system, which, on 4273
receipt of the notice, shall make the transfer required by this 4274
division. Interest shall be determined as provided in division (F) 4275
of this section. 4276

A member may choose to purchase only part of the credit the 4277
member is eligible to purchase under this division in any one 4278
payment, subject to rules of the state teachers retirement board. 4279

(D) A member is ineligible to obtain credit under this 4280
section for service that is used in the calculation of any 4281
retirement benefit currently being paid or payable in the future 4282
under any other retirement program or for service credit that may 4283
be transferred under section 3307.765 of the Revised Code. 4284

(E) If a member of the state teachers retirement system who 4285
is not a current contributor elects to obtain credit under section 4286
742.21 or 5505.40 of the Revised Code for service for which the 4287
member contributed to the system or purchased for military service 4288
credit, the system shall transfer to the uniform retirement 4289
system, as applicable, the amount specified in division (D) of 4290
section 742.21 or division (B)(2) of section 5505.40 of the 4291
Revised Code. 4292

(F) Interest charged under this section shall be calculated 4293
separately for each year of service credit. Unless otherwise 4294
specified in this section it shall be calculated at the lesser of 4295
the actuarial assumption rate for that year of the state teachers 4296
retirement system or of the uniform retirement system in which the 4297
credit was earned. The interest shall be compounded annually. 4298

(G) The state teachers retirement board shall credit to a 4299
member's account in the teachers' savings fund the amounts 4300
described in divisions (B)(1) and (C)(1) of this section, except 4301
that the interest paid by the member under division (C)(1) of this 4302
section shall be credited to the employers' trust fund. The board 4303
shall credit to the employers' trust fund the amounts described in 4304
divisions (B)(2) and (3) and (C)(2) and (3) of this section. 4305

(H) At the request of the state teachers retirement system, 4306
the Ohio police and fire pension fund or state highway patrol 4307
retirement system shall certify to the state teachers retirement 4308
system a copy of the records of the service and contributions of a 4309
state teachers retirement system member who seeks service credit 4310
under this section. 4311

Sec. 3307.763. (A) If the conditions described in division 4312
(B) of section 3307.762 of the Revised Code are met, a member of 4313
the state teachers retirement system who is not receiving a 4314
pension or benefit from the state teachers retirement system is 4315

eligible to obtain credit for service as a member of the 4316
Cincinnati retirement system under this section. 4317

(B) A member of the state teachers retirement system 4318
participating in the STRS defined benefit plan ~~described in~~ 4319
~~sections 3307.50 to 3307.79 of the Revised Code~~ who has 4320
contributions on deposit with, but is no longer contributing to, 4321
the Cincinnati retirement system shall, in computing years of 4322
service credit, be given credit for service credit earned under 4323
the Cincinnati retirement system or purchased or obtained as 4324
military service credit if, for each year of service, the 4325
Cincinnati retirement system transfers to the state teachers 4326
retirement system the sum of the following: 4327

(1) The amount contributed by the member, or, in the case of 4328
military service credit, paid by the member, that is attributable 4329
to the year of service; 4330

(2) An amount equal to the lesser of the employer's 4331
contributions to the Cincinnati retirement system or the amount 4332
that would have been contributed by the employer for the service 4333
had the member been a member of the state teachers retirement 4334
system at the time the credit was earned; 4335

(3) Interest on the amounts specified in divisions (B)(1) and 4336
(2) of this section from the last day of the year for which 4337
service credit was earned or in which payment was made for 4338
military service credit to the date the transfer is made. 4339

(C) A member of the state teachers retirement system with at 4340
least one and one-half years of contributing service credit with 4341
the state teachers retirement system who has received a refund of 4342
the member's contributions to the Cincinnati retirement system 4343
shall, in computing years of service, be given credit for service 4344
credit earned under the Cincinnati retirement system or purchased 4345
or obtained as military service credit if, for each year of 4346

service, the state teachers retirement system receives the sum of 4347
the following: 4348

(1) An amount, paid by the member, equal to the sum of the 4349
following: 4350

(a) The amount refunded by the Cincinnati retirement system 4351
to the member for that year for contributions and payments for 4352
military service credit, with interest at a rate established by 4353
the state teachers retirement board on that amount from the date 4354
of the refund to the date of payment; 4355

(b) The amount of interest, if any, the member received when 4356
the refund was made that is attributable to the year of service. 4357

(2) An amount, transferred by the Cincinnati retirement 4358
system to the state teachers retirement system, equal to the sum 4359
of the following: 4360

(a) Interest on the amount refunded to the member that is 4361
attributable to the year of service from the last day of the year 4362
for which the service credit was earned or in which payment was 4363
made for military service credit to the date the refund was made; 4364

(b) An amount equal to the lesser of the employer's 4365
contributions to the Cincinnati retirement system or the amount 4366
that would have been contributed by the employer for the service 4367
had the member been a member of the state teachers retirement 4368
system at the time the credit was earned, with interest on that 4369
amount from the last day of the year for which the service credit 4370
was earned to the date of the transfer. 4371

(D) The amount transferred under division (C)(2)(a) of this 4372
section shall not include any amount of interest the Cincinnati 4373
retirement system paid to the person when it made the refund. 4374

(E) On receipt of payment from the member under division 4375
(C)(1) of this section, the state teachers retirement system shall 4376

notify the Cincinnati retirement system. On receipt of the notice, 4377
the Cincinnati retirement system shall transfer the amount 4378
described in division (C)(2) of this section. 4379

(F) Interest charged under this section shall be calculated 4380
separately for each year of service credit. Unless otherwise 4381
specified in this section, it shall be calculated at the lesser of 4382
the actuarial assumption rate for that year of the state teachers 4383
retirement system or the Cincinnati retirement system. The 4384
interest shall be compounded annually. 4385

(G) At the request of the state teachers retirement system, 4386
the Cincinnati retirement system shall certify to the state 4387
teachers retirement system a copy of the records of the service 4388
and contributions of a state teachers retirement system member who 4389
seeks service credit under this section. 4390

(H) A member may choose to purchase only part of the credit 4391
the member is eligible to purchase under division (C) of this 4392
section in any one payment, subject to rules of the state teachers 4393
retirement board. 4394

(I) A member is ineligible to obtain credit under this 4395
section for service that is used in the calculation of any 4396
retirement benefit currently being paid or payable in the future. 4397

(J) The state teachers retirement board shall credit to the 4398
member's account in the teachers' savings fund the amounts 4399
described in divisions (B)(1) and (C)(1)(a) of this section, 4400
except that interest paid by the member under division (C)(1)(a) 4401
of this section shall be credited to the employers' trust fund. 4402
The board shall credit to the employers' trust fund the amounts 4403
described in divisions (B)(2), (B)(3), (C)(1)(b), and (C)(2) of 4404
this section. 4405

Sec. 3307.764. (A) If the conditions described in division 4406

(B) of section 3307.762 of the Revised Code are met and a person 4407
who is a member or former member of the state teachers retirement 4408
system through participation in the STRS defined benefit plan 4409
~~described in sections 3307.50 to 3307.79 of the Revised Code~~, but 4410
is not a current contributor and who is not receiving a pension or 4411
benefit from the state teachers retirement system elects to 4412
receive credit under the Cincinnati retirement system for service 4413
for which the person contributed to the state teachers retirement 4414
system or purchased or obtained as military service credit, the 4415
state teachers retirement system shall transfer the amounts 4416
specified in division (B) or (C) of this section to the Cincinnati 4417
retirement system. 4418

(B) If the person has contributions on deposit with the state 4419
teachers retirement system, the retirement system shall, for each 4420
year of service credit, transfer to the Cincinnati retirement 4421
system the sum of the following: 4422

(1) An amount equal to the person's contributions to the 4423
state teachers retirement system and payments made by the member 4424
for military service credit; 4425

(2) An amount equal to the lesser of the employer's 4426
contributions to the state teachers retirement system or the 4427
amount that would have been contributed by the employer for the 4428
service had the person been a member of the Cincinnati retirement 4429
system at the time the credit was earned; 4430

(3) Interest on the amounts specified in divisions (B)(1) and 4431
(2) of this section for the period from the last day of the year 4432
for which the service credit was earned or in which payment was 4433
made for military service credit to the date the transfer was 4434
made. 4435

(C)(1) If the person has received a refund of accumulated 4436
contributions to the state teachers retirement system, the state 4437

teachers retirement system shall, for each year of service credit, 4438
transfer to the Cincinnati retirement system the sum of the 4439
following: 4440

(a) Interest on the amount refunded to the former member that 4441
is attributable to the year of service from the last day of the 4442
year for which the service credit was earned or in which payment 4443
was made for military service credit to the date the refund was 4444
made; 4445

(b) An amount equal to the lesser of the employer's 4446
contributions to the state teachers retirement system or the 4447
amount that would have been contributed by the employer for the 4448
service had the person been a member of the Cincinnati retirement 4449
system at the time the credit was earned, with interest on that 4450
amount from the last day of the year for which the service credit 4451
was earned to the date of the transfer. 4452

(2) The amount transferred under division (C)(1) of this 4453
section shall not include any amount added to the member's 4454
accumulated contributions under section 3307.563 of the Revised 4455
Code and paid under section 3307.56 or 3307.562 of the Revised 4456
Code. 4457

(3) On receipt of notice from the Cincinnati retirement 4458
system that the Cincinnati retirement system has received payment 4459
from a person described in division (C)(1) of this section, the 4460
state teachers retirement system shall transfer the amount 4461
described in that division. 4462

(D) Interest charged under this section shall be calculated 4463
separately for each year of service credit. Unless otherwise 4464
specified in this section, it shall be calculated at the lesser of 4465
the actuarial assumption rate for that year of the state teachers 4466
retirement system or the Cincinnati retirement system. The 4467
interest shall be compounded annually. 4468

(E) The transfer of any amount under this section cancels an 4469
equivalent amount of service credit. 4470

(F) At the request of the Cincinnati retirement system, the 4471
state teachers retirement system shall certify to the Cincinnati 4472
retirement system a copy of the records of the service and 4473
contributions of a member or former member of the state teachers 4474
retirement system who elects to receive service credit under the 4475
Cincinnati retirement system. 4476

Sec. 3307.77. (A) As used in this section, "employer" means 4477
the employer employing a member of the state teachers retirement 4478
system at the time the member commences an absence, or is granted 4479
a leave described in this section. 4480

(B) Any member of the state teachers retirement system 4481
participating in the STRS defined benefit plan ~~described in~~ 4482
~~sections 3307.50 to 3307.79 of the Revised Code or the STRS~~ 4483
combined plan who is, or has been, prevented from making 4484
contributions under section 3307.26 of the Revised Code because of 4485
an absence due to the member's own illness or injury, or who is, 4486
or has been, granted a leave for educational, professional, or 4487
other purposes pursuant to section 3319.13, 3319.131, or 3345.28 4488
of the Revised Code or for any other reason approved by the state 4489
teachers retirement board, may purchase service credit, not to 4490
exceed two years for each such period of absence or leave, either 4491
by having deductions made in accordance with division (C) of this 4492
section or by making the payment required by division (D) ~~or (E)~~ 4493
of this section. 4494

(C) If the absence or leave begins and ends in the same year, 4495
the member may purchase credit for the absence or leave by having 4496
the employer deduct and transmit to the system from payrolls in 4497
that year employee contributions on the amount certified by the 4498
employer as the compensation the member would have received had 4499

the member remained employed in the position held when the absence 4500
or leave commenced. The deductions may be made even though the 4501
minimum compensation provided by law for the member is reduced 4502
thereby, unless the amount to be deducted exceeds the compensation 4503
to be paid the member from the time deductions begin until the end 4504
of the year, in which case credit may not be purchased under this 4505
division. The employer shall pay the system the employer 4506
contributions on the compensation amount certified under this 4507
division. Employee and employer contributions shall be made at the 4508
rates in effect at the time the absence or leave occurred. If the 4509
employee or employer rates in effect change during the absence or 4510
leave, the contributions for each month of the absence or leave 4511
shall be made at the rate in effect for that month. 4512

~~(D) During or following the absence or leave, but no later 4513
than two years following the last day of the year in which the 4514
absence or leave terminates, a member may purchase credit for the 4515
absence or leave by paying to the employer, and the employer 4516
transmitting to the system, employee contributions on the amount 4517
certified by the employer as the compensation the member would 4518
have received had the member remained employed in the position 4519
held when the absence or leave commenced. The employer shall pay 4520
the system the employer contributions on the compensation amount 4521
certified under this division. Employee and employer contributions 4522
shall be made at the rates in effect at the time the absence or 4523
leave occurred. If the employee or employer rates in effect change 4524
during the absence or leave, the contributions for each month of 4525
an absence or leave shall be made at the rate in effect for that 4526
month. 4527~~

~~(E) After two years following the last day of the year in 4528
which an absence or leave terminated If the absence or leave does 4529
not begin and end in the same year or the member does not purchase 4530
the credit under division (C) of this section, a member may 4531~~

purchase credit for the absence or leave by paying the employer, 4532
and the employer transmitting to the system, the sum of the 4533
following for each year of credit purchased: 4534

(1) An amount determined by multiplying the employee rate of 4535
contribution in effect at the time the absence or leave commenced 4536
by the member's annual compensation for the member's last full 4537
year of service prior to the commencement of the absence or leave, 4538
or, if the member has not had a full year of service, the 4539
compensation the member would have received for the year the 4540
absence or leave commenced had the member continued in service for 4541
a full year; 4542

(2) Interest compounded annually, at a rate determined by the 4543
board, on the amount determined under division ~~(F)~~(D)(1) of this 4544
section ~~for the period commencing two years~~ from the day following 4545
the last day of the year in which the absence or leave terminated 4546
~~and ending on~~ to the date of payment; 4547

(3) Interest compounded annually, at a rate determined by the 4548
board, on an amount equal to the employer's contribution required 4549
by this division ~~for the period commencing two years~~ from the day 4550
following the last day of the year in which the absence or leave 4551
terminated ~~and ending on~~ to the date of payment. 4552

The employer shall pay to the system for each year of credit 4553
purchased under this division an amount determined by multiplying 4554
the employer contribution rate in effect at the time the absence 4555
or leave commenced by the member's annual compensation for the 4556
member's last full year of service prior to the commencement of 4557
the absence or leave, or, if the member has not had a full year of 4558
service, the compensation the member would have received for the 4559
year the absence or leave commenced had the member continued in 4560
service for a full year. 4561

~~(F)~~(E) A member who chooses to purchase service credit under 4562

division (D) ~~or (E)~~ of this section may choose to purchase only 4563
part of the credit for which the member is eligible in any one 4564
payment, ~~but payments made more than two years following the last~~ 4565
~~day of the year in which the absence or leave terminated shall be~~ 4566
~~made in accordance with division (E) of this section.~~ 4567

~~(G)~~(F) The state teachers retirement board may adopt rules to 4568
implement this section. 4569

Sec. 3307.771. As used in this section, "regular employment" 4570
means a consistent pattern of employment for twelve or more 4571
consecutive weeks by the same employer during the year. 4572

A member of the state teachers retirement system 4573
participating in the STRS defined benefit plan ~~described in~~ 4574
~~sections 3307.50 to 3307.79 of the Revised Code~~ who prior to July 4575
1, 1982, was granted a leave of absence for pregnancy or resigned 4576
due to pregnancy or adoption of a child may purchase service 4577
credit under section 3307.70 of the Revised Code for a period for 4578
which the member did not make contributions under section 3307.26 4579
of the Revised Code. ~~Service~~ The service credit ~~purchased under~~ 4580
~~this section~~ shall not exceed the lesser of two years or the 4581
period from the day the leave commenced or the effective date of 4582
resignation to the date of the member's return to regular 4583
employment as a contributor to the retirement system. A member may 4584
purchase credit for more than one period of absence due to 4585
pregnancy or adoption, but the total service credit and credit 4586
purchased under ~~this section~~, former section 3307.513, and former 4587
section 3307.514 of the Revised Code shall not exceed two years. 4588
The member shall submit evidence satisfactory to the retirement 4589
board documenting that the leave or resignation was due to 4590
pregnancy or adoption of a child. 4591

~~For each year of service credit purchased under this section,~~ 4592
~~the member shall pay to the system for credit to the member's~~ 4593

~~accumulated account an amount determined by multiplying the~~ 4594
~~employee rate of contribution in effect at the time the leave or~~ 4595
~~absence commenced by the member's annual compensation for~~ 4596
~~full-time employment during the first year of service in Ohio~~ 4597
~~following termination of the absence or leave and adding to that~~ 4598
~~amount interest compounded annually, at a rate established by the~~ 4599
~~board, from the date the absence or leave terminated to the date~~ 4600
~~of payment.~~ 4601

~~A member may purchase all or part of the credit for which the~~ 4602
~~member is eligible in one or more payments.~~ A member who purchases 4603
service credit for an absence or leave under described in this 4604
section may not purchase credit for that absence or leave under 4605
section 3307.77 of the Revised Code. A member who has purchased 4606
service credit for an absence or leave under former section 4607
3307.513 or 3307.514 or section 3307.77 of the Revised Code may 4608
not purchase credit under described in this section for the same 4609
period of absence or leave. 4610

~~The state teachers retirement board may adopt rules to~~ 4611
~~implement this section.~~ 4612

Sec. 3307.78. (A) As used in this section, "school board 4613
member" means a member of a city, local, exempted village, or 4614
joint vocational school district board of education and "governing 4615
board member" means a member of an educational service center 4616
governing board. 4617

(B) A member of the state teachers retirement system 4618
participating in the STRS defined benefit plan described in 4619
~~sections 3307.50 to 3307.79 of the Revised Code~~ who does both of 4620
the following may purchase credit under section 3307.70 of the 4621
Revised Code for service as a school board or governing board 4622
member, other than service subject to the tax on wages imposed by 4623
the "Federal Insurance Contributions Act," 68A Stat. 415 (1954), 4624

26 U.S.C.A. 3101, as amended, if the member is eligible to retire 4625
under this chapter or will become eligible to retire as a result 4626
of purchasing the credit: 4627

(1) Agrees to retire within ninety days after receiving 4628
notice of the additional liability under division (C) of this 4629
section; 4630

(2) Provides evidence satisfactory to the state teachers 4631
retirement board of service as a school board or governing board 4632
member during the years for which the member wishes to purchase 4633
credit. 4634

Credit may be purchased for service as a school board or 4635
governing board member between September 1, 1920, and the first 4636
day of January of the year in which the credit is purchased. A 4637
member is eligible to purchase one-quarter of a year's credit for 4638
each year of service as a school board or governing board member. 4639

~~Credit purchased under this section shall be included in the 4640
member's total service credit for the purposes of section 3307.52 4641
of the Revised Code. 4642~~

(C) On receipt of a request from a member eligible to 4643
purchase credit ~~under~~ described in this section, the system shall 4644
obtain from its actuary certification of the additional liability 4645
to the system for each quarter year of credit the member is 4646
eligible to purchase and shall notify the member of such 4647
additional liability. Within ninety days after receiving notice of 4648
the additional liability, the member may purchase in quarter-year 4649
increments any portion of the credit the member is eligible to 4650
purchase. ~~For each quarter year of credit purchased, the member 4651
shall pay to the system an amount equal to the additional 4652
liability resulting from the purchase.~~ Payment shall be made in 4653
full at the time of purchase. 4654

~~(D) The board shall adopt rules in accordance with section 4655~~

~~111.15 of the Revised Code concerning the purchase of credit under 4656
this section. In addition to any other matters considered relevant 4657
by the board, the rules shall specify the procedure to be followed 4658
to inform the system that a member wishes to purchase credit for 4659
service as a school board or governing board member. 4660~~

~~(E) If the member does not retire within ninety days after 4661
purchasing credit ~~under~~ described in this section, the system 4662
shall withdraw the credit and refund the amount paid by the 4663
member. 4664~~

Sec. 3307.79. (A) A member whose death occurred prior to July 4665
1, 1973, who at the time of death had more than thirty-four but 4666
less than thirty-five years of service credit shall be presumed to 4667
have completed thirty-five years of such credit. Any member whose 4668
death occurred on or after July 1, 1973, but prior to August 20, 4669
1976, and who at the time of death had more than thirty-one but 4670
less than thirty-two years of service credit shall be presumed to 4671
have completed thirty-two years of such credit. Any member 4672
participating in the STRS defined benefit plan ~~described in~~ 4673
~~sections 3307.50 to 3307.79 of the Revised Code~~ whose death occurs 4674
on or after August 20, 1976, but prior to July 1, 2015, and who at 4675
the time of death has more than twenty-nine but less than thirty 4676
years of service credit shall be presumed to have completed thirty 4677
years of such credit. 4678

(B) On the death of a member who is participating in the STRS 4679
defined benefit plan ~~described in sections 3307.50 to 3307.79 of~~ 4680
~~the Revised Code~~ prior to service retirement, the surviving spouse 4681
or dependents of the deceased member shall have the right to 4682
~~purchase~~ obtain any service credit the member, had the member not 4683
died, would have been eligible to ~~purchase~~ obtain pursuant to 4684
sections ~~3307.71, 3307.72, 3307.73, 3307.74, 3307.741, 3307.751,~~ 4685
~~3307.752, 3307.76, 3307.761, and 3307.763, 3307.77, and 3307.771~~ 4686

of the Revised Code upon the same terms and conditions which the 4687
deceased member could have ~~purchased~~ obtained such service credit 4688
had the deceased member not died. Any service credit ~~purchased~~ 4689
obtained under this section shall be applied under the provisions 4690
of this chapter in the same manner as it would have been applied 4691
had it been ~~purchased~~ obtained by the deceased member during the 4692
deceased member's lifetime. 4693

Sec. 3307.80. The state teachers retirement board shall adopt 4694
rules to implement ~~the plans~~ any STRS defined contribution plan 4695
established under section 3307.81 of the Revised Code. 4696

Sec. 3307.81. The state teachers retirement board shall 4697
establish one or more defined contribution plans consisting of 4698
benefit options that provide for an individual account for each 4699
participating member and under which benefits are based solely on 4700
the amounts that have accumulated in the account. The plans may 4701
include options under which a member participating in a plan may 4702
receive definitely determinable benefits. 4703

~~Each~~ An STRS defined contribution plan established under this 4704
section shall meet the requirements of sections 3307.81 to 3307.89 4705
of the Revised Code. It may include life insurance, annuities, 4706
variable annuities, regulated investment trusts, pooled investment 4707
funds, or other forms of investment. 4708

The board may administer the plans, enter into contracts with 4709
other entities to administer the plans, or both. The board may 4710
contract with another entity to administer the plans if the entity 4711
agrees to meet all requirements of this chapter applicable to the 4712
plans. 4713

Sec. 3307.811. ~~Each~~ An STRS defined contribution plan 4714
~~established under section 3307.81 of the Revised Code~~ shall meet 4715
the requirements necessary to qualify as a retirement system 4716

maintained by a state or local government entity under division 4717
(b)(7)(F) of section 3121 of the "Internal Revenue Code of 1986," 4718
100 Stat. 2085, 26 U.S.C.A. 3121(b)(7)(F), as amended. Each 4719
participant in a plan shall qualify as a member of that system. 4720

Sec. 3307.812. In establishing a an STRS defined contribution 4721
plan ~~under section 3307.81 of the Revised Code~~, the state teachers 4722
retirement board may do all things necessary to avoid the system 4723
being required to pay federal or state income taxes on 4724
contributions to the plan or amounts earned under the plan and, to 4725
the extent permitted under federal or state law, to allow members 4726
participating in the plan to make tax deferred contributions for 4727
periods of interrupted or prior service. 4728

Sec. 3307.83. The right of each member participating in a an 4729
STRS defined contribution plan ~~established under section 3307.81~~ 4730
~~of the Revised Code~~ to a retirement, disability, or survivor 4731
benefit, to health care insurance coverage, or to a withdrawal of 4732
contributions shall be governed by the plan selected by the member 4733
under section 3307.25 or 3307.251 of the Revised Code. 4734

Sec. 3307.84. For each member participating in a an STRS 4735
defined contribution plan ~~established under section 3307.81 of the~~ 4736
~~Revised Code~~, the state teachers retirement system ~~shall~~ may 4737
transfer to the employers' trust fund a portion of the employer 4738
contribution required under section 3307.28 of the Revised Code 4739
~~that is equal to~~. If the state teachers retirement board elects to 4740
make a transfer under this section, the portion transferred shall 4741
not exceed the percentage of compensation of members described in 4742
this section for whom the contributions are being made that is 4743
determined by the board's actuary to be necessary to mitigate any 4744
negative financial impact on the state teachers retirement system 4745
of the participation of members in a an STRS defined contribution 4746

plan established under section 3307.81 of the Revised Code. The 4747
remainder shall be credited as provided in section 3307.28 of the 4748
Revised Code. 4749

The state teachers retirement board ~~shall~~ may have prepared 4750
~~annually, at intervals determined by the board,~~ an actuarial study 4751
to determine whether ~~the percentage transferred~~ a transfer under 4752
this section ~~should be changed~~ is necessary to reflect a change in 4753
the level of the negative financial impact resulting from 4754
participation of members in ~~a~~ an STRS defined contribution plan 4755
~~established under section 3307.81 of the Revised Code.~~ The board 4756
shall increase or decrease the percentage transferred, if any, 4757
under this section to reflect the amount needed to mitigate the 4758
negative financial impact, if any, on the system based on the 4759
actuarial study. An increase or decrease in the percentage 4760
transferred shall take effect on ~~the first day of the month~~ 4761
~~following the date the conclusions of the actuarial study are~~ 4762
~~reported to~~ a date determined by the board. 4763

~~The~~ If a transfer under this section is made, the system 4764
shall make the transfer ~~required under this section~~ until the 4765
unfunded actuarial accrued liability for all benefits, except 4766
health care benefits provided under section 3307.39 ~~or 3307.61~~ of 4767
the Revised Code and benefit increases provided to members and 4768
former members participating in the STRS defined benefit plan 4769
~~described in sections 3307.50 to 3307.79 of the Revised Code~~ after 4770
July 13, 2000, is fully amortized, as determined by the annual 4771
actuarial valuation prepared under section 3307.51 of the Revised 4772
Code. 4773

Sec. 3307.86. The state teachers retirement system may 4774
require members participating in ~~a~~ an STRS defined contribution 4775
plan ~~established under section 3307.81 of the Revised Code~~ and 4776
their employers to furnish the contributions and information 4777

required under this chapter at more frequent intervals than those 4778
required for members participating in the STRS defined benefit 4779
plan ~~described in sections 3307.50 to 3307.79 of the Revised Code.~~ 4780
The system has no duty to accept contributions by or on behalf of 4781
a member if a contribution or information is not furnished at such 4782
intervals. 4783

Sec. 3307.87. (A)(1) If a member participating in a an STRS 4784
defined contribution plan ~~established under section 3307.81 of the~~ 4785
~~Revised Code~~ is married at the time any benefits under the plan 4786
commence, benefits shall be paid in accordance with division 4787
(A)(2) of this section, unless the spouse has consented under 4788
division (C) of this section to a different form of payment or the 4789
spouse's consent is waived under that division. 4790

(2) The benefits described in division (A)(1) of this section 4791
shall be paid in the form of an annuity, which shall consist of 4792
the actuarial equivalent of the member's benefits, in an amount 4793
that is payable for the life of the member and one-half of the 4794
amount continuing after the member's death to the spouse for the 4795
life of the spouse. 4796

(B) If a member participating in a an STRS defined 4797
contribution plan ~~established under section 3307.81 of the Revised~~ 4798
~~Code~~ is married at the time of the member's death, any benefits 4799
that are payable to the member shall be paid to the member's 4800
spouse, unless the spouse has consented under division (C) of this 4801
section to the designation of a different beneficiary or the 4802
spouse's consent is waived under that division. 4803

(C) Consent is valid only if it is evidenced by a signed 4804
statement that is witnessed by a notary public. Each plan may 4805
waive the requirement of consent if the spouse is incapacitated or 4806
cannot be located or for any other reason specified by the plan or 4807
in rules adopted by the state teachers retirement board. A plan 4808

shall waive the requirement of consent if a plan of payment that 4809
provides for payment in a specified amount continuing after the 4810
member's death to a former spouse is required by a court order 4811
issued prior to the effective date of the member's retirement 4812
under section 3105.171 or 3105.65 of the Revised Code or laws of 4813
another state regarding division of marital property. 4814

Consent or waiver is effective only with regard to the spouse 4815
who is the subject of the consent or waiver. 4816

Sec. 3307.89. The state teachers retirement board may offer 4817
to members participating in the STRS defined benefit plan 4818
~~described in sections 3307.50 to 3307.79 of the Revised Code~~ the 4819
opportunity to also participate in one or more of the benefit 4820
options available under a an STRS defined contribution plan 4821
~~established under section 3307.81 of the Revised Code.~~ A member's 4822
contributions to an option shall be credited to an individual 4823
account established for the member in the defined contribution 4824
fund. 4825

Sec. 3307.98. The increasing contribution determined as 4826
provided in sections 3307.96 and 3307.97 of the Revised Code by 4827
the actuary shall be paid by the employer. In the event of merger, 4828
the moneys and securities to the credit of the local district 4829
pension system, not exceeding an aggregate amount equal to the 4830
present value of the payments to be made on account of all 4831
pensions to the pensioners on the rolls of the local district 4832
pension system, shall be transferred to the employers' 4833
accumulation fund and the pensions then payable by the local 4834
district pension system shall thereafter be paid from the 4835
employers' accumulation fund until the reserves on these pensions 4836
with the other pensions payable from the employers' accumulation 4837
fund have been accumulated and shall be transferred to the annuity 4838
and pension reserve fund, from which fund they shall thereafter be 4839

payable. The pensions of the active members of the local district 4840
pension system and of the new entrants shall thereafter be payable 4841
as are the pensions of other members of the state teachers 4842
retirement system. The amount of the excess of the moneys and 4843
securities of the local district pension system over and above the 4844
present value of the payments to be made on account of all 4845
pensions to the pensioners ~~of~~ on the rolls of the local district 4846
pension system shall be transferred to the teachers' savings fund 4847
and shall be credited pro rata to the active teachers of such 4848
local district pension system on the basis of the amounts of their 4849
previous contributions to the local district pension system. In 4850
case such method of distribution is not found practicable by the 4851
state teachers retirement board, the board may use such other 4852
method of apportionment as seems fair and equitable to such board. 4853
The amount so credited in any case shall be considered as a part 4854
of the teacher's accumulated contributions, as defined in section 4855
3307.50 of the Revised Code, for all purposes except in the case 4856
of retirement under the STRS defined benefit plan ~~described in~~ 4857
~~sections 3307.50 to 3307.79 of the Revised Code~~ in which it shall 4858
be considered as an amount in excess of the teacher's accumulated 4859
contributions and shall be used in purchasing from the annuity and 4860
pension reserve fund an annuity, in addition to any other annuity 4861
or pension benefit otherwise provided by this chapter. 4862

After the moneys and securities of any local district pension 4863
system have been transferred to the employers' accumulation fund 4864
or to the teachers' savings fund, such local district pension 4865
system shall cease to exist. 4866

Sec. 3313.975. As used in this section and in sections 4867
3313.976 to 3313.979 of the Revised Code, "the pilot project 4868
school district" or "the district" means any school district 4869
included in the pilot project scholarship program pursuant to this 4870
section. 4871

(A) The superintendent of public instruction shall establish 4872
a pilot project scholarship program and shall include in such 4873
program any school districts that are or have ever been under 4874
federal court order requiring supervision and operational 4875
management of the district by the state superintendent. The 4876
program shall provide for a number of students residing in any 4877
such district to receive scholarships to attend alternative 4878
schools, and for an equal number of students to receive tutorial 4879
assistance grants while attending public school in any such 4880
district. 4881

(B) The state superintendent shall establish an application 4882
process and deadline for accepting applications from students 4883
residing in the district to participate in the scholarship 4884
program. In the initial year of the program students may only use 4885
a scholarship to attend school in grades kindergarten through 4886
third. 4887

The state superintendent shall award as many scholarships and 4888
tutorial assistance grants as can be funded given the amount 4889
appropriated for the program. In no case, however, shall more than 4890
fifty per cent of all scholarships awarded be used by students who 4891
were enrolled in a nonpublic school during the school year of 4892
application for a scholarship. 4893

(C)(1) The pilot project program shall continue in effect 4894
each year that the general assembly has appropriated sufficient 4895
money to fund scholarships and tutorial assistance grants. In each 4896
year the program continues, new students may receive scholarships 4897
in grades kindergarten to twelve. A student who has received a 4898
scholarship may continue to receive one until the student has 4899
completed grade twelve. 4900

(2) If the general assembly discontinues the scholarship 4901
program, all students who are attending an alternative school 4902
under the pilot project shall be entitled to continued admittance 4903

to that specific school through all grades that are provided in 4904
such school, under the same conditions as when they were 4905
participating in the pilot project. The state superintendent shall 4906
continue to make scholarship payments in accordance with division 4907
(A) or (B) of section 3313.979 of the Revised Code for students 4908
who remain enrolled in an alternative school under this provision 4909
in any year that funds have been appropriated for this purpose. 4910

If funds are not appropriated, the tuition charged to the 4911
parents of a student who remains enrolled in an alternative school 4912
under this provision shall not be increased beyond the amount 4913
equal to the amount of the scholarship plus any additional amount 4914
charged that student's parent in the most recent year of 4915
attendance as a participant in the pilot project, except that 4916
tuition for all the students enrolled in such school may be 4917
increased by the same percentage. 4918

(D) Notwithstanding sections 124.39, ~~3307.54~~, and 3311.83 of 4919
the Revised Code, if the pilot project school district experiences 4920
a decrease in enrollment due to participation in a state-sponsored 4921
scholarship program pursuant to sections 3313.974 to 3313.979 of 4922
the Revised Code, the district board of education may enter into 4923
an agreement with any teacher it employs to provide to that 4924
teacher severance pay or early retirement incentives, or both, if 4925
the teacher agrees to terminate the employment contract with the 4926
district board, provided any collective bargaining agreement in 4927
force pursuant to Chapter 4117. of the Revised Code does not 4928
prohibit such an agreement for termination of a teacher's 4929
employment contract. 4930

Section 2. That existing sections 3305.06, 3307.01, 3307.031, 4931
3307.04, 3307.044, 3307.061, 3307.14, 3307.142, 3307.20, 3307.214, 4932
3307.25, 3307.251, 3307.252, 3307.26, 3307.28, 3307.33, 3307.35, 4933
3307.351, 3307.352, 3307.371, 3307.39, 3307.391, 3307.42, 3307.46, 4934

3307.47, 3307.50, 3307.501, 3307.51, 3307.512, 3307.52, 3307.53, 4935
3307.56, 3307.561, 3307.562, 3307.563, 3307.57, 3307.58, 3307.59, 4936
3307.60, 3307.62, 3307.63, 3307.631, 3307.64, 3307.66, 3307.661, 4937
3307.67, 3307.671, 3307.694, 3307.71, 3307.711, 3307.712, 3307.72, 4938
3307.73, 3307.74, 3307.75, 3307.751, 3307.752, 3307.76, 3307.761, 4939
3307.763, 3307.764, 3307.77, 3307.771, 3307.78, 3307.79, 3307.80, 4940
3307.81, 3307.811, 3307.812, 3307.83, 3307.84, 3307.86, 3307.87, 4941
3307.89, 3307.98, and 3313.975 and sections 3307.54, 3307.61, 4942
3307.741, 3307.88, 3307.881, and 3307.882 of the Revised Code are 4943
hereby repealed. 4944

Section 3. Sections 1, 2, and 6 of this act, except for the 4945
amendments to division (A)(6) of section 3307.26, division (B)(3) 4946
of section 3307.58, and division (E) of section 3307.67 of the 4947
Revised Code, and the repeal of section 3307.54 of the Revised 4948
Code, take effect January 7, 2013. 4949

Section 4. The amendments by this act to division (A)(6) of 4950
section 3307.26, division (B)(3) of section 3307.58, and division 4951
(E) of section 3307.67 of the Revised Code take effect one hundred 4952
eighty days after the effective date of this act. 4953

Section 5. The repeal by this act of section 3307.54 of the 4954
Revised Code takes effect July 31, 2014. 4955

Section 6. (A) The Ohio Retirement Study Council shall study 4956
and make recommendations on the State Teachers Retirement Board's 4957
authority to do the following: 4958

(1) For compensation earned on or after July 1, 2017, reduce 4959
the employee contribution rate to less than fourteen per cent in 4960
accordance with division (A)(6) of section 3307.26 of the Revised 4961
Code; 4962

(2) Adjust eligibility requirements for retirement in accordance with division (B)(3) of section 3307.58 of the Revised Code;

(3) Adjust the cost-of-living adjustment in accordance with division (E) of section 3307.67 of the Revised Code.

(B) Not later than ninety days after the effective date of this section, the Council shall prepare and submit to the President of the Senate and the Speaker of the House of Representatives a report of its findings and recommendations.

Section 7. The General Assembly makes the following statement of findings and intent:

The General Assembly finds the following:

Current funding for the STRS defined benefit plan in the State Teachers Retirement System is inadequate to pay benefits over the long term and, if no changes are made to the plan, the retirement system will eventually be unable to pay benefits. The General Assembly bases this finding on the following:

Section 3307.512 of the Revised Code requires the State Teachers Retirement Board to establish a period of not more than thirty years to amortize its unfunded pension liabilities for benefits paid under the STRS defined benefit plan.

A five-year actuarial experience study conducted in 2008 showed an amortization period of 41.2 years as of June 30, 2008, exceeding the thirty-year amortization period. This increase in the amortization period was caused by a variety of economic and demographic factors, including an increase in the life expectancy of retirement system members and prior increases in the retirement benefit formula.

Due to the historic decline in the global investment markets and accompanying recession that followed, the amortization period

for the retirement system's unfunded pension liabilities under the 4993
STRS defined benefit plan became infinite. 4994

There is a legitimate and important state interest in 4995
maintaining the solvency of the STRS defined benefit plan, 4996
maintaining public confidence in the plan, and ensuring that 4997
funding is available to pay the monthly pensions of future 4998
retirees under the plan. 4999

The General Assembly finds that certain changes to the STRS 5000
defined benefit plan, including changes to member contribution 5001
rates, retirement eligibility, benefit formulas, the number of 5002
years used to calculate final average salary, and future 5003
cost-of-living adjustments, are reasonable and necessary to 5004
further these legitimate and important state interests. The 5005
General Assembly bases this finding on all of the following: 5006

In March 2009, the State Teachers Retirement Board began a 5007
long-term contingency planning process. As part of that process, 5008
the Board conducted an asset allocation study showing that the 5009
retirement system could not eliminate the shortfall in funding 5010
through increased returns on investments. 5011

In May 2009, the Ohio Retirement Study Council directed each 5012
public retirement system, including the State Teachers Retirement 5013
System, to prepare, for presentation to the Council in September 5014
2009, board-approved plans for achieving or maintaining the 5015
30-year funding period. 5016

In preparing the September 2009 plan, the State Teachers 5017
Retirement Board and its actuary evaluated potential changes to 5018
numerous plan components designed to improve the long-term 5019
solvency of the STRS defined benefit plan. 5020

The September 2009 plan adopted by the State Teachers 5021
Retirement Board included proposed changes to member contribution 5022
rates, eligibility for retirement, the benefit formula for future 5023

retirees, the number of years used to calculate final average 5024
salary, and cost-of-living adjustments for current and future 5025
retirees. 5026

Over time, the State Teachers Retirement Board modified its 5027
long-term pension reform plan. With each modification, the plan 5028
adopted by the Board included proposed changes to member 5029
contribution rates, retirement eligibility, benefit formulas for 5030
future retirees, the number of years used to calculate final 5031
average salary, and cost-of-living adjustments for both current 5032
and future retirees. 5033

In April 2012, the State Teachers Retirement Board 5034
unanimously approved a new long-term pension reform plan following 5035
the results of a three-year actuarial experience study. That study 5036
resulted in changes to certain actuarial assumptions, including 5037
lowering the expected long-term rate of return on investment 5038
assets. 5039

The April 2012 plan, like prior pension reform plans adopted 5040
by the State Teachers Retirement Board, includes proposed changes 5041
to member contribution rates, retirement eligibility, benefit 5042
formulas for future retirees, the number of years used to 5043
calculate final average salary, and cost-of-living adjustments for 5044
current and future retirees. 5045

The General Assembly finds that the changes proposed by the 5046
State Teachers Retirement Board in its April 2012 plan are 5047
reasonable and necessary to maintain the solvency of the STRS 5048
defined benefit plan, maintain public confidence in the plan, and 5049
help ensure that funds will be available to pay the monthly 5050
pensions of current and future retirees. 5051

In amending section 3307.67 of the Revised Code, it is the 5052
intent of the General Assembly to do all of the following: 5053

To recognize that no member has a legitimate expectation of 5054

any particular future cost-of-living adjustment, or payment of 5055
future cost-of-living adjustments at any particular time, under 5056
Ohio law; 5057

To declare that the modifications to future cost-of-living 5058
adjustments under section 3307.67 of the Revised Code are 5059
reasonable; 5060

To recognize that the funding crisis exacerbated by the 5061
historic decline in the global investment markets and accompanying 5062
recession was unforeseen; 5063

To recognize that cost-of-living adjustments under the STRS 5064
defined benefit plan were never intended to undermine the solvency 5065
of the STRS defined benefit plan, or to put at risk the monthly 5066
pensions of current and future retirees under the plan; 5067

To declare that the modifications to future cost-of-living 5068
adjustments under the STRS defined benefit plan under section 5069
3307.67 of the Revised Code, strike a reasonable balance between 5070
current and future retirees; 5071

To declare that the modifications to future cost-of-living 5072
adjustments under section 3307.67 of the Revised Code are 5073
necessary; 5074

To recognize that the retirement system cannot eliminate its 5075
funding crisis through increased returns on investments; 5076

To declare that modifying future cost-of-living adjustments 5077
is the most effective means for restoring the long-term solvency 5078
of the STRS defined benefit plan; 5079

To declare that modifications to future cost-of-living 5080
adjustments under section 3307.67 of the Revised Code are 5081
necessary to improve the long-term solvency and actuarial 5082
soundness of the STRS defined benefit plan. 5083