

**As Reported by the Senate Insurance, Commerce and Labor  
Committee**

**129th General Assembly  
Regular Session  
2011-2012**

**Sub. S. B. No. 342**

**Senators Niehaus, Kearney**

**—**

**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.

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**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 board of regents under section 171.07 of 83  
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 3319.08 of the Revised Code in a position for which the 123  
person is required to have a license issued pursuant to sections 124  
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

<u>(5) The surviving spouse of a member or retirant if the</u>	177
<u>surviving spouse's only connection to the retirement system is an</u>	178
<u>account in an STRS defined contribution plan.</u>	179
(D) "Contributor" means any person who has an account in the	180
teachers' savings fund or defined contribution fund, <u>except that</u>	181
<u>"contributor" does not mean a member or retirant's surviving</u>	182
<u>spouse with an account in an STRS defined contribution plan.</u>	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 <del>the an</del> <u>an</u> actuarial <del>consultant to</del>	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 Code or a plan established by the employer;	233 234 235
(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	265
school district board of education in a position that requires a	266
license designated for being an administrator issued under section	267

3319.22 of the Revised Code that is paid in accordance with 268  
uniform criteria applicable to all members employed by the board 269  
in positions requiring the licenses; 270

(iii) A retroactive increase paid to a member employed by a 271  
school district board of education as a superintendent that is 272  
also paid as described in division (L)(2)(h)(i) of this section; 273

(iv) A retroactive increase paid to a member employed by an 274  
employer other than a school district board of education in 275  
accordance with uniform criteria applicable to all members 276  
employed by the employer. 277

(i) Payments made to or on behalf of a teacher that are in 278  
excess of the annual compensation that may be taken into account 279  
by the retirement system under division (a)(17) of section 401 of 280  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 281  
401(a)(17), as amended. For a teacher who first establishes 282  
membership before July 1, 1996, the annual compensation that may 283  
be taken into account by the retirement system shall be determined 284  
under division (d)(3) of section 13212 of the "Omnibus Budget 285  
Reconciliation Act of 1993," Pub. L. No. 103-66, 107 Stat. 472. 286

(j) Payments made under division (B), (C), or (E) of section 287  
5923.05 of the Revised Code, Section 4 of Substitute Senate Bill 288  
No. 3 of the 119th general assembly, Section 3 of Amended 289  
Substitute Senate Bill No. 164 of the 124th general assembly, or 290  
Amended Substitute House Bill No. 405 of the 124th general 291  
assembly; 292

(k) Anything of value received by the teacher that is based 293  
on or attributable to retirement or an agreement to retire; 294

(l) Any amount paid by the employer as a retroactive payment 295  
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 and 3307.28 of the Revised Code, plus interest compounded annually at a rate determined by the board, for each year or portion of a year for which amounts are paid under the order or agreement;

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

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

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

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

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

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

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

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

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 329  
which retirement system is paying the benefit. 330

(N) "STRS defined benefit plan" means the plan described in 331  
sections 3307.50 to 3307.79 of the Revised Code. 332

(O) "STRS defined contribution plan" means the plans 333  
established under section 3307.81 of the Revised Code and includes 334  
the STRS combined plan under that section. 335

**Sec. 3307.031.** The state teachers retirement system shall 336  
consist of the STRS defined benefit plan described in sections 337  
3307.50 to 3307.79 and the one or more plans established under 338  
section 3307.81 of the Revised Code STRS defined contribution 339  
plan. 340

**Sec. 3307.04.** The general administration and the management 341  
of the state teachers retirement system is hereby vested in the 342  
state teachers retirement board, which shall adopt rules necessary 343  
for the fulfillment of its duties and responsibilities under 344  
Chapter 3307. of the Revised Code. The board shall adopt policies 345  
for the operation of the system, and the investment of funds as 346  
provided by section 3307.15 of the Revised Code, and may authorize 347  
its administrative officers, or committees composed of board 348  
members, to act for the board in accord with such policies and 349  
subject to subsequent approval by the board. 350

The board may take all appropriate action to avoid payment by 351  
the system or its members of federal or state income taxes on 352  
contributions to the system or amounts earned on such 353  
contributions and to comply with any plan qualification 354  
requirements, including those on distributions, established under 355  
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 member at least ten days before the hearing on the complaint. The court shall hold a public hearing not later than thirty days after the filing of the complaint. The court may subpoena witnesses and compel their attendance in the same manner as in civil cases. Process shall be served by the sheriff of the county in which the witness resides. Witness fees and other fees in connection with the proceedings shall be the same as in civil cases. The court may suspend the board member pending the hearing.

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

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

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

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

(A) The "teachers' savings fund" is the fund in which shall be accumulated the contributions deducted from the compensation of teachers participating in the STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code, as provided by section 3307.26 of the Revised Code, together with the interest credited thereon. Such accumulated contributions refunded upon withdrawal, or payable to an estate or beneficiary as provided in this chapter, shall be paid from this fund. Any accumulated contributions forfeited by the failure of a contributor, an



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 604  
care coverage at the time of the discontinuance of coverage, the 605  
board shall transfer any surplus in the health care fund 606  
established under division (H) of section 3307.14 of the Revised 607

Code in a fair and appropriate manner to the employers that have 608  
contributed to the fund. 609

**Sec. 3307.20.** (A) As used in this section: 610

(1) "Personal history record" means information maintained by 611  
the state teachers retirement board on an individual who is a 612  
member, former member, contributor, former contributor, retirant, 613  
or beneficiary that includes the address, electronic mail address, 614  
telephone number, social security number, record of contributions, 615  
correspondence with the state teachers retirement system, or other 616  
information the board determines to be confidential. 617

(2) "Retirant" has the same meaning as in section 3307.50 of 618  
the Revised Code and includes any former member receiving a 619  
benefit under an STRS defined contribution plan. 620

(B) The records of the board shall be open to public 621  
inspection, except for the following, which shall be excluded, 622  
except with the written authorization of the individual concerned: 623

(1) The individual's personal records provided for in section 624  
3307.23 of the Revised Code; 625

(2) The individual's personal history record; 626

(3) Any information identifying, by name and address, the 627  
amount of a monthly allowance or benefit paid to the individual. 628

(C)(1) All medical reports and recommendations received by 629  
the board from a member, member's physician, board-assigned 630  
physician, or other entity providing medical reports and 631  
recommendations to the board under sections 3307.48, 3307.62, 632  
3307.64, and 3307.66 of the Revised Code are privileged, except as 633  
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  
provide to the person a complete list of the names and addresses  
of members, ~~former members~~, retirants, contributors, ~~former~~  
~~contributors~~, or beneficiaries. The costs of compiling, copying,  
and mailing the list shall be paid by such person.

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

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

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

(6) At the request of any person, the board shall make  
available to the person copies of all documents, including  
resumes, in the board's possession regarding filling a vacancy of  
a contributing member or retired teacher member of the board. The  
person who made the request shall pay the cost of compiling,  
copying, and mailing the documents. The information described in  
this division is a public record.

(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 816  
rate determined by the board; 817

(2) Cancel all service credit and eligibility for any 818  
payment, benefit, or right under the STRS defined benefit plan 819  
~~described in sections 3307.50 to 3307.79 of the Revised Code.~~ 820

(D) An election under this section shall be irrevocable at 821  
the end of the election period described in division (A) of this 822  
section. 823

**Sec. 3307.252.** A member of the state teachers retirement 824  
system who elects to participate in ~~a~~ an STRS defined contribution 825  
~~plan established under section 3307.81 of the Revised Code~~ shall 826  
be ineligible for any benefit or payment under ~~sections 3307.50 to~~ 827  
~~3307.79 of the Revised Code~~ the STRS defined benefit plan and, 828  
except as provided in section ~~3307.88~~ 3307.25 of the Revised Code, 829  
shall be forever barred from claiming or purchasing service credit 830  
with the system or any other Ohio state retirement system, ~~as~~ 831  
~~defined in section 3307.741 of the Revised Code,~~ for service 832  
covered by the election. 833

**Sec. 3307.26.** (A) Each teacher shall contribute ~~eight~~ a 834  
certain per cent of the teacher's earned compensation, except that 835  
~~the state teachers retirement board may raise the contribution~~ 836  
~~rate to a rate not greater than ten per cent of the teacher's~~ 837  
~~earned compensation. For~~ the per cent shall be not greater than 838  
fourteen per cent of the teacher's compensation. The per cent 839  
shall be as follows: 840

(1) For compensation earned not later than June 30, 2013, ten 841  
per cent; 842

(2) For compensation earned on or after July 1, 2013, but not 843  
later than June 30, 2014, eleven per cent; 844

(3) For compensation earned on or after July 1, 2014, but not 845  
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  
of such earnable compensation, to be known as the "employer rate,"  
required annually to fund the liability for all benefits under  
~~sections 3307.50 to 3307.79 of the Revised Code~~ the STRS defined  
benefit plan, after deducting therefrom the benefits provided by  
the member's accumulated contributions, as defined in section  
3307.50 of the Revised Code, deposits, and other appropriations,  
and to fund any deficiencies in the funds described in divisions  
(A) to (F) of section 3307.14 of the Revised Code.

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

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

(1) A member or former member of the public employees  
retirement system, Ohio police and fire pension fund, school  
employees retirement system, state highway patrol retirement  
system, or Cincinnati retirement system who is receiving from a  
system of which the retirant is a member or former member age and  
service or commuted age and service retirement, a benefit,  
allowance, or distribution under a plan established under section  
145.81 or 3309.81 of the Revised Code, or a disability benefit  
~~from a system of which the retirant is a member or former member;~~



(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 retirement system, state teachers retirement system, or the school employees retirement system.

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

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

(3) A Subject to division (E) of this section, a member of the state teachers retirement system who holds two or more STRS positions and at least one other position covered by one of the other state retirement systems may retire under section 3307.57, 3307.58, or 3307.60 of the Revised Code or under an STRS defined contribution plan from one of the STRS positions and continue contributing to the state teachers retirement system and the other state retirement system if the annual compensation for the STRS position from which the member is retiring is, at the time of retirement, greater than the annual compensation or earnable salary for any of the positions for which the member is continuing to make contributions.

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

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

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

(C)(1) In determining retirement eligibility and the annual retirement allowance of a member who retires as provided in division (B)(1), (2), ~~or (3)~~, or (4) of this section, the following shall be used to the date of retirement:

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

(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) A member may continue to contribute to the retirement 1149  
system for another STRS position or other state retirement system 1150  
position under division (B)(1), (2), (3), or (4) of this section 1151  
only for those positions the member continuously held for at least 1152  
twelve consecutive months immediately prior to retirement under 1153  
section 3307.57, 3307.58, or 3307.60 of the Revised Code or an 1154  
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 application with the state teachers retirement system for a benefit consisting of a single life annuity. The annuity shall have a reserve equal to the amount of the superannuate's or retirant's accumulated contributions, as defined in section 3307.50 of the Revised Code, for the period of employment, other than the contributions excluded pursuant to division (F) of section 3307.35 of the Revised Code, and an amount determined by the state teachers retirement board from the employers' trust created by section 3307.14 of the Revised Code, plus interest credited to the date of retirement at a rate of interest determined by the board. The superannuate or other system retirant shall elect either to receive the benefit as a monthly annuity for life or a lump sum payment discounted to the present value using a rate of interest determined by the board, except that if the monthly annuity would be less than twenty-five dollars per month the superannuate or retirant shall receive a lump sum payment.

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

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

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

(3) If the superannuate or other system retirant was previously employed under section 3307.35 or 3307.351 of the Revised Code and previously received or is receiving a benefit under this division, completion of a period of twelve months since the effective date of the last benefit under this division.

(B)(1) A superannuate or other system retirant under age sixty-five who has made contributions under section 3307.35 or

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~~ 1342  
~~Code~~ 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 1717  
retirement under section 3307.63 of the Revised Code, as a 1718  
disability allowance under section 3307.631 of the Revised Code, 1719  
or as a disability benefit under section 3307.57 of the Revised 1720



Code. 1721

(H) "Annuity reserve" means the present value, computed upon 1722  
the basis of mortality tables adopted by the state teachers 1723  
retirement board with interest, of all payments to be made on 1724  
account of any annuity, or benefit in lieu of any annuity, granted 1725  
to a member. 1726

(I) "Pension reserve" means the present value, computed upon 1727  
the basis of mortality tables adopted by the state teachers 1728  
retirement board with interest, of all payments to be made on 1729  
account of any pension, or benefit in lieu of any pension, granted 1730  
to a member or to a beneficiary. 1731

(J) "Retirant" means any former member who is granted age and 1732  
service retirement as provided in sections 3307.57, 3307.58, 1733  
3307.59, and 3307.60 of the Revised Code. 1734

(K) "Disability benefit recipient" means a member who is 1735  
receiving a disability benefit. 1736

**Sec. 3307.501.** (A) As used in this section, "percentage 1737  
increase" means the percentage that an increase in compensation is 1738  
of the compensation paid prior to the increase. 1739

(B) Notwithstanding division (L) of section 3307.01 of the 1740  
Revised Code, for the purpose of determining final average salary 1741  
under this section, "compensation" has the same meaning as in that 1742  
division, except that it does not include any amount resulting 1743  
from a percentage increase paid to a member during the member's 1744  
two highest years of compensation that exceeds the greater of the 1745  
following: 1746

(1) The highest percentage increase in compensation paid to 1747  
the member during any of the three years immediately preceding the 1748  
earlier of the member's two highest years of compensation and any 1749  
subsequent partial year of compensation used in calculating the 1750

member's final average salary; 1751

(2) A percentage increase paid to the member as part of an 1752  
increase generally applicable to members employed by the employer. 1753  
An increase shall be considered generally applicable if it is paid 1754  
to members employed by a school district board of education in 1755  
positions requiring a license issued under section 3319.22 of the 1756  
Revised Code in accordance with uniform criteria applicable to all 1757  
such members or if paid to members employed by an employer other 1758  
than a school district board of education in accordance with 1759  
uniform criteria applicable to all such members. 1760

(C) The state teachers retirement board shall determine the 1761  
final average salary of a member as follows: 1762

(1) For benefits beginning before August 1, 2015, by dividing 1763  
the sum of the member's annual compensation for the three highest 1764  
years of compensation for which the member made contributions plus 1765  
any amount determined under division (E) of this section by three, 1766  
except that if the member has a partial year of contributing 1767  
service in the year the member's employment terminates and the 1768  
compensation for the partial year is at a rate higher than the 1769  
rate of compensation for any one of the member's highest three 1770  
years of compensation, the board shall substitute the compensation 1771  
for the partial year for the compensation for the same portion of 1772  
the lowest of the member's three highest years of compensation; 1773

(2) For benefits beginning on or after August 1, 2015, by 1774  
dividing the sum of the member's annual compensation for the five 1775  
highest years of compensation for which the member made 1776  
contributions plus any amount determined under division (E) of 1777  
this section by five, except that if the member has a partial year 1778  
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 1841  
cost method, and asset valuation method used in the valuation, 1842  
including a statement of the assumed rate of payroll growth and 1843  
assumed rate of growth or decline in the number of members 1844

contributing to the retirement system; 1845

(4) A summary of findings that includes a statement of the 1846  
actuarial accrued pension liabilities and unfunded actuarial 1847  
accrued pension liabilities; 1848

(5) A schedule showing the effect of any changes in the 1849  
benefit provisions, actuarial assumptions, or cost methods since 1850  
the last annual actuarial valuation; 1851

(6) A statement of whether contributions to the retirement 1852  
system are expected to be sufficient to satisfy the funding 1853  
objectives established by the board. 1854

The board shall submit the report to the Ohio retirement 1855  
study council and the standing committees of the house of 1856  
representatives and the senate with primary responsibility for 1857  
retirement legislation not later than the first day of January 1858  
following the year for which the valuation was made. 1859

(B) At such times as the state teachers retirement board 1860  
determines, and at least once in each quinquennial period, the 1861  
board shall have prepared by or under the supervision of an 1862  
actuary an actuarial investigation of the mortality, service, and 1863  
other experience of the members, retirants, and beneficiaries of 1864  
the system, and other system retirants as defined in section 1865  
3307.35 of the Revised Code to update the actuarial assumptions 1866  
used in the actuarial valuation required by division (A) of this 1867  
section. The actuary shall prepare a report of the actuarial 1868  
investigation. The report shall be prepared and any recommended 1869  
changes in actuarial assumptions shall be made in accordance with 1870  
the actuarial standards of practice promulgated by the actuarial 1871  
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	1902
assumptions and actuarial cost method used in the report;	1903
(3) A description of the participant group or groups included	1904
in the report;	1905

(4) A statement of the financial impact of the legislation, 1906  
including the resulting increase, if any, in the employer normal 1907  
cost percentage; the increase, if any, in actuarial accrued 1908  
liabilities; and the per cent of payroll that would be required to 1909  
amortize the increase in actuarial accrued liabilities as a level 1910  
per cent of covered payroll for all active members over a period 1911  
not to exceed thirty years; 1912

(5) A statement of whether the scheduled contributions to the 1913  
system after the proposed change is enacted are expected to be 1914  
sufficient to satisfy the funding objectives established by the 1915  
board. 1916

Not later than sixty days from the date of introduction of 1917  
the legislation, the board shall submit a copy of the actuarial 1918  
analysis to the legislative service commission, the standing 1919  
committees of the house of representatives and the senate with 1920  
primary responsibility for retirement legislation, and the Ohio 1921  
retirement study council. 1922

(E) The board shall have prepared annually a report giving a 1923  
full accounting of the revenues and costs relating to the 1924  
provision of benefits under ~~sections~~ section 3307.39 and ~~3307.61~~ 1925  
of the Revised Code. The report shall be made as of June 30, 1997, 1926  
and the thirtieth day of June of each year thereafter. The report 1927  
shall include the following: 1928

(1) A description of the statutory authority for the benefits 1929  
provided; 1930

(2) A summary of the benefits; 1931

(3) A summary of the eligibility requirements for the 1932  
benefits; 1933

(4) A statement of the number of participants eligible for 1934  
the benefits; 1935

(5) A description of the accounting, asset valuation, and 1936  
funding method used to provide the benefits; 1937

(6) A statement of the net assets available for the 1938  
provisions of benefits as of the last day of the fiscal year; 1939

(7) A statement of any changes in the net assets available 1940  
for the provision of benefits, including participant and employer 1941  
contributions, net investment income, administrative expenses, and 1942  
benefits provided to participants, as of the last day of the 1943  
fiscal year; 1944

(8) For the last six consecutive fiscal years, a schedule of 1945  
the net assets available for the benefits, the annual cost of 1946  
benefits, administrative expenses incurred, and annual employer 1947  
contributions allocated for the provision of benefits; 1948

(9) A description of any significant changes that affect the 1949  
comparability of the report required under this division; 1950

(10) A statement of the amount paid under division (B) of 1951  
section 3307.39 of the Revised Code. 1952

The board shall submit the report to the Ohio retirement 1953  
study council and the standing committees of the house of 1954  
representatives and the senate with primary responsibility for 1955  
retirement legislation not later than the thirty-first day of 1956  
December following the year for which the report was made. 1957

**Sec. 3307.512.** The state teachers retirement board shall 1958  
establish a period of not more than thirty years to amortize the 1959  
state teachers retirement system's unfunded actuarial accrued 1960  
pension liabilities for benefits paid under ~~sections 3307.50 to~~ 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  
of the valuation, shall prepare and submit to the Ohio retirement  
study council and the standing committees of the house of  
representatives and the senate with primary responsibility for  
retirement legislation a report that includes the following  
information:

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

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

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

**Sec. 3307.53.** The state teachers retirement board shall  
credit a year of service to any teacher participating in the STRS  
~~defined benefit plan described in sections 3307.50 to 3307.79 of~~  
~~the Revised Code~~ who is employed on a full-time basis in a school  
district for the number of months the regular day schools of such  
district are in session in said district within any year. The  
board shall adopt appropriate rules and regulations for the  
determination of credit for less than a complete year of service,  
and shall be the final authority in determining the number of

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 2007  
contribution ~~plan established under section 3307.81 of the Revised~~ 2008  
~~Code~~. The board shall be the final authority in determining the 2009  
amount of service credit. 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 Code. 2243  
2244

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

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

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

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

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

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

Interest for each year included in the calculation under this section shall be calculated from the first day of the following year to the last day of the month preceding payment under section 3307.56 or 3307.562 of the Revised Code. 2270  
2271  
2272  
2273

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

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

(A) As used in this section:

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

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

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

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

(1) Service retirement or a disability benefit is effective on the first day of the month next following the later of:

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

(b) The attainment of minimum age or service credit for

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

~~(A)(1)~~ Except as provided in division (B)(3) of this section, 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

age fifty-five or has thirty or more years of service credit at 2426  
any age; 2427

(iii) On or after August 1, 2017, but before August 1, 2019, 2428  
has twenty-seven or more years of service credit and has attained 2429  
age fifty-five or has thirty or more years of service credit at 2430  
any age; 2431

(iv) On or after after August 1, 2019, but before August 1, 2432  
2021, has twenty-eight or more years of service credit and has 2433  
attained age fifty-five or has thirty or more years of service 2434  
credit at any age; 2435

(v) On or after August 1, 2021, but before August 1, 2023, 2436  
has twenty-nine or more years of service credit and has attained 2437  
age fifty-five or has thirty or more years of service credit at 2438  
any age; 2439

(vi) On or after August 1, 2023, has thirty or more years of 2440  
service credit at any age. 2441

(3) The board may adjust the retirement eligibility 2442  
requirements of this section if the board's actuary, in its annual 2443  
actuarial valuation required by section 3307.51 of the Revised 2444  
Code or in other evaluations conducted under that section, 2445  
determines that an adjustment does not materially impair the 2446  
fiscal integrity of the retirement system or is necessary to 2447  
preserve the fiscal integrity of the system. 2448

(C) Service retirement shall be effective on the first day of 2449  
the month next following the later of: 2450

(1) The last day for which compensation was paid; or 2451

(2) The attainment of minimum age or service credit 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)~~ (a) Eighty-six dollars; 2463

~~(2)(a)(b)~~ (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 2484  
Code, former section 3307.514 of the Revised Code, section 3307.72 2485  
of the Revised Code earned after July 1, 1978, or any combination 2486

of service credit under those sections, the per cent of final 2487  
average salary shown in the following schedule for each 2488  
corresponding year or fraction of a year of service credit under 2489  
those sections that is in excess of thirty years: 2490

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%	2495
31.01 - 32.00	2.6	36.01 - 37.00	3.1	2496
32.01 - 33.00	2.7	37.01 - 38.00	3.2	2497
33.01 - 34.00	2.8	38.01 - 39.00	3.3	2498
34.01 - 35.00	2.9			2499

For purposes of this schedule, years of service credit shall be 2500  
rounded to the nearest one-hundredth of a year. 2501

~~(b)(c)~~ For purposes of division ~~(B)(2)(a)(D)(1)~~ of this 2502  
section, a percentage of final average salary in excess of two and 2503  
two-tenths per cent shall be applied to service credit under 2504  
section 3307.57 of the Revised Code only if the service credit was 2505  
established under section 145.30, 145.301, 145.302, 145.47, 2506  
145.483, 3309.02, 3309.021, 3309.022, or 3309.47 of the Revised 2507  
Code or restored under section 145.31 or 3309.26 of the Revised 2508  
Code. 2509

~~(C)(2)(a)~~ Except as provided in division (E) of this section, 2510  
the annual single lifetime benefit of a member whose retirement 2511  
effective date is on or after August 1, 2013, but before August 1, 2512  
2015, shall be the amount determined by the member's Ohio service 2513  
credit multiplied by the sum of the following amounts: 2514

(i) For each of the first thirty years of Ohio service 2515  
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>	2545
<u>31.01 - 32.00</u>	<u>2.6</u>	<u>36.01 - 37.00</u>	<u>3.1</u>	2546
<u>32.01 - 33.00</u>	<u>2.7</u>	<u>37.01 - 38.00</u>	<u>3.2</u>	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 2550

rounded to the nearest one-hundredth of a year. 2551

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

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

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

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

	<del>Per Cent</del>	2586
<del>Attained</del>	<del>of Base</del>	2587
<del>Age</del>	<del>Amount</del>	2588
<del>66</del>	<del>102%</del>	2589
<del>67</del>	<del>104</del>	2590
<del>68</del>	<del>106</del>	2591
<del>69</del>	<del>108</del>	2592
<del>70 or more</del>	<del>110</del>	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 (B)(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 2984  
address. The board shall also provide the explanation and form to 2985  
any member on the member's request. 2986

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  
whose application is approved shall become effective on the first  
day of the month next following the later of the following:

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

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

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

**Sec. 3307.63.** A member participating in the STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code who has elected disability coverage under this section, has not attained age sixty, and is determined by the state teachers retirement board under section 3307.62 of the Revised Code to qualify for a disability benefit shall be retired on disability under this section. 3091  
3092  
3093  
3094  
3095  
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Upon disability retirement, a member shall receive an annual amount that shall consist of: 3098  
3099

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

(B) A pension that shall be the difference between the annuity and an annual amount determined by multiplying the number of years of Ohio service credit of such member, and in addition the number of years and fraction of a year between the effective date of the member's disability retirement and the date the member attained age sixty, assuming continuous service, by eighty-six dollars, or by two per cent of the member's final average salary, whichever is greater. Such disability retirement shall not be less than thirty per cent nor more than seventy-five per cent of the member's final average salary, except that it shall not exceed any 3102  
3103  
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3109  
3110  
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 3138  
allowance shall be transferred to the annuity and pension reserve 3139  
fund from the employers' trust fund. The accumulated contributions 3140  
of the member shall remain in the teachers' savings fund. No part 3141

of the allowance paid under this section shall be charged against 3142  
the member's accumulated contributions. 3143

(C) A disability allowance paid under this section shall 3144  
terminate at the earliest of the following: 3145

(1) The effective date of service retirement under section 3146  
3307.57 or 3307.58 of the Revised Code; 3147

(2) The date the allowance is terminated under section 3148  
~~3307.64~~ 3307.48 of the Revised Code; 3149

(3) The later of the last day of the month in which the 3150  
recipient attains age sixty-five, or the last day of the month in 3151  
which the benefit period ends as follows: 3152

Attained Age at Effective Date		3153
of Disability Allowance	Benefit Period	3154
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 3161  
earning a living because of a physically or mentally disabling 3162  
condition. Physical or mental incompetency may be determined by a 3163  
court or by a doctor of medicine or osteopathic medicine appointed 3164  
by the state teachers retirement board. 3165

(2) "Qualifying service credit" has the same meaning as in 3166  
section 3307.58 of the Revised Code. 3167

(B) For the purposes of this section: 3168

(1) A qualified spouse is the surviving spouse of a deceased 3169  
member of the state teachers retirement system participating in 3170  
the STRS defined benefit plan ~~described in sections 3307.50 to~~ 3171

~~3307.79 of the Revised Code~~ who is one of the following: 3172

(a) ~~Age sixty two~~ Sixty-two years of age or older or any age 3173  
if the deceased member had ten or more years of Ohio service 3174  
credit; 3175

(b) Caring for a qualified child; 3176

(c) Adjudged physically or mentally incompetent at the time 3177  
of the member's death and has remained continuously incompetent; 3178

(d) Any age if the deceased member was eligible for a service 3179  
retirement allowance as provided in section 3307.58 of the Revised 3180  
Code and the surviving spouse elects to receive a benefit under 3181  
division (C)(1) of this section. 3182

(2) A qualified child is a person who is the child of a 3183  
deceased member participating in the STRS defined benefit plan 3184  
~~described in sections 3307.50 to 3307.79 of the Revised Code who~~ 3185  
~~is to whom~~ both of the following apply: 3186

(a) ~~Unmarried~~ Never married; 3187

(b) ~~Under~~ Meets one of the following age-related 3188  
requirements: 3189

(i) Is under age eighteen, ~~or under;~~ 3190

(ii) Is under age twenty-two if attending an institution of 3191  
learning or training pursuant to a program designed to complete in 3192  
each school year the equivalent of at least two-thirds of the 3193  
full-time curriculum requirements of such institution and as 3194  
further determined by board policy, ~~or any;~~ 3195

(iii) Is any age if adjudged physically or mentally 3196  
incompetent, if the person became incompetent prior to attainment 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 member participating in the STRS defined benefit plan ~~described in sections 3307.50 to 3307.79 of the Revised Code~~ who is age sixty-five or older.

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

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

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

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

(i) The deceased member earned service credit before July 1,

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

<del>(a)</del> <u>(i)</u> Number	Annual benefit as a	Monthly benefit	
of qualified	per cent of member's	shall not be	
survivors	final average salary	less than	
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
<del>(b)</del> (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 3277  
receiving a disability benefit under section 3307.63 or 3307.631 3278  
of the Revised Code, the benefit elected under division (C)(1) or 3279  
(2) of this section shall be increased by a percentage equal to 3280  
the total of any percentage increases the member received under 3281  
section 3307.67 of the Revised Code, plus any additional amount 3282  
the member received under this chapter while receiving the 3283  
disability benefit. The increase shall be based on the benefit 3284  
determined under division (C)(1) or (2) of this section. However, 3285  
the benefit used to calculate any future increases under section 3286  
3307.67 of the Revised Code shall be the benefit determined under 3287  
division (C)(1) or (2) of this section. 3288

(b) If eligibility for a benefit under division (C)(1) or (2) 3289  
of this section is not established until more than one year after 3290  
the member's death, the annual benefit shall be increased by a 3291  
percentage equal to the total of the percentage increases that 3292  
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 ~~one~~ 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			3316
survivors	Spouse's share of total benefit		3317
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 3325  
survivor and terminate or be suspended on the first day of the 3326  
month following the day the person ceases to be a qualified 3327  
survivor applies: 3328

(1) If application is received not later than one year after 3329

the date of the member's death, benefits shall begin on the first 3330  
day of the month following the date of death. 3331

(2) If application is received later than one year from the 3332  
date of death, benefits shall begin on the first day of the month 3333  
immediately following receipt of application by the board. 3334

Benefits to a qualified survivor shall terminate upon a first 3335  
marriage, abandonment, or adoption, or during active military 3336  
service. The termination of benefits is effective on the first day 3337  
of the month following the day the person ceases to be a qualified 3338  
survivor. Benefits to a deceased member's surviving spouse that 3339  
were terminated under a former version of this section that 3340  
required termination due to remarriage and were not resumed prior 3341  
to the effective date of this amendment shall resume on the first 3342  
day of the month immediately following receipt by the board of an 3343  
application on a form provided by the board. 3344

Upon the death of any subsequent spouse who was a member of 3345  
the public employees retirement system, state teachers retirement 3346  
system, or school employees retirement system, the surviving 3347  
spouse of such member may elect to continue receiving benefits 3348  
under this division, or to receive survivor's benefits, based upon 3349  
the subsequent spouse's membership in one or more of the systems, 3350  
for which such surviving spouse is eligible under this section or 3351  
section 145.45 or 3309.45 of the Revised Code. If the surviving 3352  
spouse elects to continue receiving benefits under this division, 3353  
such election shall not preclude the payment of benefits under 3354  
this division to any other qualified survivor. 3355

(F) The beneficiary of a member who is also a member of the 3356  
public employees retirement system, or the school employees 3357  
retirement system, must forfeit the member's accumulated 3358  
contributions in those systems, if the beneficiary elects to 3359  
receive a benefit under division (C) of this section. Such benefit 3360  
shall be exclusively governed by section 3307.57 of the Revised 3361

Code. 3362

(G)(1) Regardless of whether the member is survived by a 3363  
spouse or designated beneficiary, if the state teachers retirement 3364  
system receives notice that a deceased member described in 3365  
division (C)(1) or (2) of this section has one or more qualified 3366  
children, all persons who are qualified survivors under division 3367  
(C)(2) of this section shall receive monthly benefits as provided 3368  
in division (C)(2) of this section. 3369

If, after determining the monthly benefits to be paid under 3370  
division (C)(2) of this section, the system receives notice that 3371  
there is a qualified survivor who was not considered when the 3372  
determination was made, the system shall, notwithstanding section 3373  
3307.42 of the Revised Code, recalculate the monthly benefits with 3374  
that qualified survivor included, even if the benefits to 3375  
qualified survivors already receiving benefits are reduced as a 3376  
result. The benefits shall be calculated as if the qualified 3377  
survivor who is the subject of the notice became eligible on the 3378  
date the notice was received and shall be paid to qualified 3379  
survivors effective on the first day of the first month following 3380  
the system's receipt of the notice. 3381

If the system did not receive notice that a deceased member 3382  
has one or more qualified children prior to making payment under 3383  
section 3307.562 of the Revised Code to a beneficiary as 3384  
determined by the system, the payment is a full discharge and 3385  
release of the system from any future claims under this section or 3386  
section 3307.562 of the Revised Code. 3387

(2) If benefits under division (C)(2) of this section to all 3388  
persons, or to all persons other than a surviving spouse or sole 3389  
beneficiary, terminate, there are no children under the age of 3390  
twenty-two years, and the surviving spouse or beneficiary 3391  
qualifies for benefits under division (C)(1) of this section, the 3392  
surviving spouse or beneficiary may elect to receive benefits 3393

under division (C)(1) of this section. The benefit shall be 3394  
calculated based on the age of the spouse or beneficiary at the 3395  
time of the member's death and is effective on the first day of 3396  
the month following receipt by the board of an application for 3397  
benefits under division (C)(1) of this section. 3398

(H) If the benefits due and paid under division (C) of this 3399  
section are in a total amount less than the member's accumulated 3400  
account that was transferred from the teachers' savings fund, 3401  
school employees retirement fund, and public employees retirement 3402  
fund, to the survivors' benefit fund, then the difference between 3403  
the total amount of the benefits paid shall be paid to the 3404  
beneficiary under section 3307.562 of the Revised Code. 3405

**Sec. 3307.661.** On the death of a retirant or disability 3406  
benefit recipient who at the time of death is receiving, under the 3407  
STRS defined benefit plan described in sections 3307.50 to 3307.79 3408  
~~of the Revised Code~~, a service retirement allowance or disability 3409  
benefit, the state teachers retirement system shall make a 3410  
lump-sum payment of one thousand dollars to any designated or 3411  
qualified beneficiary under division (D)(1) of section 3307.562 of 3412  
the Revised Code. If there is no beneficiary, the state teachers 3413  
retirement board may approve payment to either the person 3414  
responsible for the burial expenses or to the decedent's estate 3415  
following the completion of an application on a form approved by 3416  
the board. 3417

A benefit paid under this section shall be treated as life 3418  
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	
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 3307.71 or 3307.711 of the Revised Code or purchasing any service credit members of the state teachers retirement system are eligible to purchase under this chapter;

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

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

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

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

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

(3) The procedure to be followed by the system and employers to determine for each request the amount to be deducted, the number of deductions to be made, and the interval at which deductions will be made. The rules may provide for a minimum amount for each deduction. They may also provide for a maximum number of deductions for the purchase of any type of service credit.

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

(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 3725  
credit. On receiving the certification from the former retirement 3726  
system, the state teachers retirement system shall notify the 3727  
member of the cost. 3728

(B) For each year or portion of a year of service credit 3729

restored under section 145.31 or 3309.26 of the Revised Code, a 3730  
member shall pay to the state teachers retirement system the 3731  
amount certified by the former retirement system plus interest at 3732  
a rate specified by the former retirement system under section 3733  
145.312 or 3309.262 of the Revised Code for the period during 3734  
which deductions are made under section ~~3307.70~~ 3307.701 of the 3735  
Revised Code. 3736

(C) The state teachers retirement board shall annually notify 3737  
the former retirement system that a payment to restore service 3738  
credit under section 145.31 or 3309.26 of the Revised Code has 3739  
been made. At the time the payment is transferred under division 3740  
(D) of this section, the former retirement system shall restore 3741  
the service credit for the year or portion of a year for which the 3742  
payment was made. 3743

(D) On application for a payment of accumulated contributions 3744  
or an age and service retirement, disability, or survivor benefit 3745  
under Chapter 145., 3307., or 3309. of the Revised Code by a 3746  
member who made payments under this section to restore service 3747  
credit in a former retirement system, the state teachers 3748  
retirement system shall pay to the former retirement system an 3749  
amount equal to the total amount paid by the member under this 3750  
section. 3751

(E) The board shall adopt rules to implement this section. 3752

**Sec. 3307.712.** After receiving a request from the public 3753  
employees retirement system under division (A) of section 145.311 3754  
or the school employees retirement system under division (A) of 3755  
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 this section that commenced on or after July 1, 1989, and, without regard to when the service commenced, for each year of service purchased under division (A) 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) 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 Credit shall be purchased under this section in accordance with section 3307.70 of the Revised Code.~~

(C) ~~A~~ With the exception of social security, a member is ineligible to purchase under credit for service described in this section ~~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 such member under any other retirement program, except social security or service for five or more years for which contributions were made to a defined contribution plan if the member has been paid all contributions standing to the member's credit or is not entitled to be paid any such contributions. At the time the credit is purchased, the member shall certify on a form furnished by the board that the member does and will conform to this requirement.

(D) Credit ~~purchased under~~ for service described in this section may be combined pursuant to section 3307.57 of the Revised Code with credit purchased under sections 145.293 and 3309.31 of the Revised Code, except that not more than a total of five years'

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~~ 4037  
~~salary received during the first year of service in Ohio to~~ 4038  
~~calculate the amount of payment. To this amount shall be added an~~ 4039  
~~amount equal to compound interest at a rate established by the~~ 4040  
~~state teachers retirement board from the date active military~~ 4041  
~~service terminated to date of payment.~~ 4042

~~(2) For each year of service purchased under division (A)(1)~~ 4043

~~or (B) of this section for military service that commenced on or~~ 4044  
~~after July 1, 1989, and, without regard to when the military~~ 4045  
~~service commenced, for each year of service purchased under~~ 4046  
~~division (A) or (B) of this section by a member who first~~ 4047  
~~established membership in the retirement system on or after July~~ 4048  
~~1, 1989, the member shall pay to the retirement system for credit~~ 4049  
~~to the member's individual account an amount specified by the~~ 4050  
~~state teachers retirement board that shall be not less than fifty~~ 4051  
~~per cent of the additional liability resulting from the purchase~~ 4052  
~~of that year of service as determined by an actuary employed by~~ 4053  
~~the board.~~ 4054

~~(3) For each year or portion of a year of service in the~~ 4055  
~~reserves or Ohio national guard purchased under division (A)(2) of~~ 4056  
~~this section, the member shall pay to the retirement system for~~ 4057  
~~credit to the member's individual account an amount equal to one~~ 4058  
~~hundred per cent of the additional liability resulting from the~~ 4059  
~~purchase of that year of service as determined by an actuary~~ 4060  
~~employed by the board.~~ The retirement system shall calculate the 4061  
number of years or portions of a year of credit the member is 4062  
eligible to purchase under division (A)(2) of this section by 4063  
dividing the number of days actually served by three hundred 4064  
sixty-five. 4065

~~(4) A member may choose to purchase only part of the credit~~ 4066  
~~the member is eligible to purchase under this section in any one~~ 4067  
~~payment, subject to board rules.~~ 4068

~~(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 1995," 108 Stat. 2998 (1994), 10 U.S.C.A. 12731 to 12739, or social security;

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

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

~~(F)~~(E) Credit ~~purchased under described in~~ this section may be combined pursuant to section 3307.57 of the Revised Code with credit for military service purchased under sections 145.301 ~~and~~, 742.52, 3309.021, and 5505.25 of the Revised Code or military service credit purchased in the Cincinnati retirement system, except that not more than a total of five years of credit ~~purchased under described in~~ division (A) of this section, division (B) of section 145.301, ~~and~~ division (A) of section 742.52, division (A) of section 3309.021, and division (A) of section 5505.25 of the Revised Code and not more than a total of five years of credit ~~purchased under described in~~ division (B) of this section, division (C) of section 145.301, ~~and~~ division (B) of section 742.52, division (B) of section 3309.021 and division (B) of section 5505.25 of the Revised Code or military service credit purchased in the Cincinnati retirement system shall be used in determining retirement eligibility or calculating benefits under section 3307.57 of the Revised Code.

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

(1) "Service in the uniformed services" means the performance of duty on a voluntary or involuntary basis in a uniformed service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time national guard duty, and a period for which a

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 4194~~  
~~this section, a member shall pay an amount specified by the state 4195~~  
~~teachers retirement board, which shall be not less than fifty per 4196~~  
~~cent of the additional liability resulting from the purchase of 4197~~  
~~that year of service as determined by an actuary employed by the 4198~~  
~~board. 4199~~



~~(C) A member may choose to purchase only part of the credit~~ 4200  
~~the member is eligible to purchase under this section in any one~~ 4201  
~~payment, subject to board rules if the member purchases the credit~~ 4202  
~~in accordance with section 3307.70 of the Revised Code.~~ 4203

A member is ineligible to purchase credit ~~under~~ described in 4204  
this section if credit for the service may be obtained from the 4205  
public employees retirement system or school employees retirement 4206  
system or if the credit is for service that is used in the 4207  
calculation of any retirement benefit that has been paid, is 4208  
currently being paid, or is payable in the future to the member. 4209

**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 4223  
Code or for military service credit if a transfer to the state 4224  
teachers retirement system is made under this division. At the 4225  
request of the member, the uniform system shall transfer to the 4226  
state teachers retirement system, for each year of service, the 4227  
sum of the following: 4228

(1) An amount equal to the member's accumulated contributions 4229

to the uniform system and any payments by the member for military 4230  
service credit; 4231

(2) An amount equal to the lesser of the employer's 4232  
contributions to the uniform system or the amount that would have 4233  
been contributed by the employer for the service had the member 4234  
been a member of the state teachers retirement system at the time 4235  
the credit was earned; 4236

(3) Interest, determined as provided in division (F) of this 4237  
section, on the amounts specified in divisions (B)(1) and (2) of 4238  
this section from the last day of the year for which the service 4239  
credit in the uniform system was earned or in which payment was 4240  
made for military service credit was purchased or obtained to the 4241  
date the transfer is made. 4242

(C) A member participating in the STRS defined benefit plan 4243  
~~described in sections 3307.50 to 3307.79 of the Revised Code~~ who 4244  
has at least one and one-half years of contributing service with 4245  
the state teachers retirement system, is a former member of a 4246  
uniform retirement system, and has received a refund of 4247  
contributions to that uniform system shall, in computing years of 4248  
total service, be given full credit for service credit earned 4249  
under Chapter 742. or 5505. of the Revised Code or for military 4250  
service credit if, for each year of service, the state teachers 4251  
retirement system receives the sum of the following: 4252

(1) An amount, which shall be paid by the member, equal to 4253  
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  
employee or employer rates in effect change during the absence or  
leave, the contributions for each month of the absence or leave  
shall be made at the rate in effect for that month.

~~(D) During or following the absence or leave, but no later  
than two years following the last day of the year in which the  
absence or leave terminates, a member may purchase credit for the  
absence or leave by paying to the employer, and the employer  
transmitting to the system, employee contributions on the amount  
certified by the employer as the compensation the member would  
have received had the member remained employed in the position  
held when the absence or leave commenced. The employer shall pay  
the system the employer contributions on the compensation amount  
certified under this division. Employee and employer contributions  
shall be made at the rates in effect at the time the absence or  
leave occurred. If the employee or employer rates in effect change  
during the absence or leave, the contributions for each month of  
an absence or leave shall be made at the rate in effect for that  
month.~~

~~(E) After two years following the last day of the year in  
which an absence or leave terminated If the absence or leave does  
not begin and end in the same year or the member does not purchase  
the credit under division (C) of this section, a member may  
purchase credit for the absence or leave by paying the employer,  
and the employer transmitting to the system, the sum of the  
following for each year of credit purchased:~~

(1) An amount determined by multiplying the employee rate of  
contribution in effect at the time the absence or leave commenced  
by the member's annual compensation for the member's last full  
year of service prior to the commencement of the absence or leave,  
or, if the member has not had a full year of service, the  
compensation the member would have received for the year the

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 ~~(E)~~(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 1, 1973, who at the time of death had more than thirty-four but less than thirty-five years of service credit shall be presumed to have completed thirty-five years of such credit. Any member whose death occurred on or after July 1, 1973, but prior to August 20, 1976, and who at the time of death had more than thirty-one but less than thirty-two years of service credit shall be presumed to have completed thirty-two years of such credit. Any member participating in the STRS defined benefit plan ~~described in sections 3307.50 to 3307.79 of the Revised Code~~ whose death occurs on or after August 20, 1976, but prior to July 1, 2015, and who at the time of death has more than twenty-nine but less than thirty years of service credit shall be presumed to have completed thirty years of such credit.

(B) On the death of a member who is participating in the STRS defined benefit plan ~~described in sections 3307.50 to 3307.79 of the Revised Code~~ prior to service retirement, the surviving spouse or dependents of the deceased member shall have the right to ~~purchase~~ obtain any service credit the member, had the member not died, would have been eligible to ~~purchase~~ obtain pursuant to sections ~~3307.71, 3307.72, 3307.73, 3307.74, 3307.741, 3307.751, 3307.752, 3307.76, 3307.761, and 3307.763, 3307.77, and 3307.771~~ of the Revised Code upon the same terms and conditions which the deceased member could have ~~purchased~~ obtained such service credit had the deceased member not died. Any service credit ~~purchased~~ obtained under this section shall be applied under the provisions of this chapter in the same manner as it would have been applied had it been ~~purchased~~ obtained by the deceased member during the deceased member's lifetime.

**Sec. 3307.80.** The state teachers retirement board shall adopt rules to implement ~~the plans~~ any STRS defined contribution plan



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 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  
3313.975 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 3319.17 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. The General Assembly makes the following statement 4945  
of findings and intent: 4946

The General Assembly finds the following: 4947

Current funding for the STRS defined benefit plan in the 4948  
State Teachers Retirement System is inadequate to pay benefits 4949  
over the long term and, if no changes are made to the plan, the 4950  
retirement system will eventually be unable to pay benefits. The 4951  
General Assembly bases this finding on the following: 4952

Section 3307.512 of the Revised Code requires the State 4953  
Teachers Retirement Board to establish a period of not more than 4954  
thirty years to amortize its unfunded pension liabilities for 4955  
benefits paid under the STRS defined benefit plan. 4956

A five-year actuarial experience study conducted in 2008 4957  
showed an amortization period of 41.2 years as of June 30, 2008, 4958  
exceeding the thirty-year amortization period. This increase in 4959  
the amortization period was caused by a variety of economic and 4960  
demographic factors, including an increase in the life expectancy 4961  
of retirement system members and prior increases in the retirement 4962  
benefit formula. 4963

Due to the historic decline in the global investment markets 4964  
and accompanying recession that followed, the amortization period 4965  
for the retirement system's unfunded pension liabilities under the 4966  
STRS defined benefit plan became infinite. 4967

There is a legitimate and important state interest in 4968  
maintaining the solvency of the STRS defined benefit plan, 4969  
maintaining public confidence in the plan, and ensuring that 4970  
funding is available to pay the monthly pensions of future 4971  
retirees under the plan. 4972

The General Assembly finds that certain changes to the STRS 4973  
defined benefit plan, including changes to member contribution 4974  
rates, retirement eligibility, benefit formulas, the number of 4975

years used to calculate final average salary, and future 4976  
cost-of-living adjustments, are reasonable and necessary to 4977  
further these legitimate and important state interests. The 4978  
General Assembly bases this finding on all of the following: 4979

In March 2009, the State Teachers Retirement Board began a 4980  
long-term contingency planning process. As part of that process, 4981  
the Board conducted an asset allocation study showing that the 4982  
retirement system could not eliminate the shortfall in funding 4983  
through increased returns on investments. 4984

In May 2009, the Ohio Retirement Study Council directed each 4985  
public retirement system, including the State Teachers Retirement 4986  
System, to prepare, for presentation to the Council in September 4987  
2009, board-approved plans for achieving or maintaining the 4988  
30-year funding period. 4989

In preparing the September 2009 plan, the State Teachers 4990  
Retirement Board and its actuary evaluated potential changes to 4991  
numerous plan components designed to improve the long-term 4992  
solvency of the STRS defined benefit plan. 4993

The September 2009 plan adopted by the State Teachers 4994  
Retirement Board included proposed changes to member contribution 4995  
rates, eligibility for retirement, the benefit formula for future 4996  
retirees, the number of years used to calculate final average 4997  
salary, and cost-of-living adjustments for current and future 4998  
retirees. 4999

Over time, the State Teachers Retirement Board modified its 5000  
long-term pension reform plan. With each modification, the plan 5001  
adopted by the Board included proposed changes to member 5002  
contribution rates, retirement eligibility, benefit formulas for 5003  
future retirees, the number of years used to calculate final 5004  
average salary, and cost-of-living adjustments for both current 5005  
and future retirees. 5006

In April 2012, the State Teachers Retirement Board 5007  
unanimously approved a new long-term pension reform plan following 5008  
the results of a three-year actuarial experience study. That study 5009  
resulted in changes to certain actuarial assumptions, including 5010  
lowering the expected long-term rate of return on investment 5011  
assets. 5012

The April 2012 plan, like prior pension reform plans adopted 5013  
by the State Teachers Retirement Board, includes proposed changes 5014  
to member contribution rates, retirement eligibility, benefit 5015  
formulas for future retirees, the number of years used to 5016  
calculate final average salary, and cost-of-living adjustments for 5017  
current and future retirees. 5018

The General Assembly finds that the changes proposed by the 5019  
State Teachers Retirement Board in its April 2012 plan are 5020  
reasonable and necessary to maintain the solvency of the STRS 5021  
defined benefit plan, maintain public confidence in the plan, and 5022  
help ensure that funds will be available to pay the monthly 5023  
pensions of current and future retirees. 5024

In amending section 3307.67 of the Revised Code, it is the 5025  
intent of the General Assembly to do all of the following: 5026

To recognize that no member has a legitimate expectation of 5027  
any particular future cost-of-living adjustment, or payment of 5028  
future cost-of-living adjustments at any particular time, under 5029  
Ohio law; 5030

To declare that the modifications to future cost-of-living 5031  
adjustments under section 3307.67 of the Revised Code are 5032  
reasonable; 5033

To recognize that the funding crisis exacerbated by the 5034  
historic decline in the global investment markets and accompanying 5035  
recession was unforeseen; 5036

To recognize that cost-of-living adjustments under the STRS 5037

defined benefit plan were never intended to undermine the solvency 5038  
of the STRS defined benefit plan, or to put at risk the monthly 5039  
pensions of current and future retirees under the plan; 5040

To declare that the modifications to future cost-of-living 5041  
adjustments under the STRS defined benefit plan under section 5042  
3307.67 of the Revised Code, strike a reasonable balance between 5043  
current and future retirees; 5044

To declare that the modifications to future cost-of-living 5045  
adjustments under section 3307.67 of the Revised Code are 5046  
necessary; 5047

To recognize that the retirement system cannot eliminate its 5048  
funding crisis through increased returns on investments; 5049

To declare that modifying future cost-of-living adjustments 5050  
is the most effective means for restoring the long-term solvency 5051  
of the STRS defined benefit plan; 5052

To declare that modifications to future cost-of-living 5053  
adjustments under section 3307.67 of the Revised Code are 5054  
necessary to improve the long-term solvency and actuarial 5055  
soundness of the STRS defined benefit plan. 5056