



Ohio Revised Code

Section 3307.67 Cost of living increase.

Effective: June 24, 2013

Legislation: Senate Bill 342 - 129th General Assembly

(A) Except as provided in divisions (D) and (E) of this section, the state teachers retirement board shall annually increase each allowance or benefit payable under the STRS defined benefit plan. Through July 31, 2013, the increase shall be three per cent. On and after August 1, 2013, the increase shall be two per cent. No allowance or benefit shall exceed the limit as annually determined pursuant to section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended, and regulations adopted pursuant thereto but before August 1, 2013. The limit may be adjusted in accordance with rules adopted by the board.

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

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

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

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

(C) If payment of a portion of a benefit is made to an alternate payee under section 3307.371 of the



Revised Code, increases under this section granted while the order is in effect shall be apportioned between the alternate payee and the benefit recipient in the same proportion that the amount being paid to the alternate payee bears to the amount paid to the benefit recipient.

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

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

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

(E) The board may adjust the increase payable under this section if the board's actuary, in its annual actuarial valuation required by section 3307.51 of the Revised Code or in other evaluations conducted under that section, determines that an adjustment does not materially impair the fiscal integrity of the retirement system or is necessary to preserve the fiscal integrity of the system.

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