

As Introduced

132nd General Assembly

Regular Session

2017-2018

S. B. No. 151

Senator Hite

A BILL

To amend section 3309.374 of the Revised Code to
permit, rather than require, the School
Employees Retirement System to grant annual
cost-of-living adjustments to retirement,
disability, and survivor benefit recipients and
to reduce the maximum amount of the adjustment.

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

Section 1. That section 3309.374 of the Revised Code be
amended to read as follows:

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Sec. 3309.374. (A) The school employees retirement board
~~shall may~~ annually increase each allowance, pension, or benefit
payable under this chapter ~~by three~~. If an increase is granted,
each allowance, pension, or benefit payable under this chapter
shall be increased by any percentage increase in the consumer
price index, not to exceed two and one-half per cent, except
~~that no~~ as determined by the United States bureau of labor
statistics (U.S. city average for urban wage earners and
clerical workers: "all items 1982-84=100") for the twelve-month
period ending on the thirtieth day of June of the immediately
preceding calendar year. No increase shall be granted for a

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period in which the consumer price index did not increase. 20

No allowance, pension, or benefit shall exceed the limit 21
established by section 415 of the "Internal Revenue Code of 22
1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended. 23

The first increase is payable to all persons becoming 24
eligible after June 30, 1971, upon such persons receiving an 25
allowance, pension, or benefit for twelve months. 26

The increased amount is payable for the ensuing twelve- 27
month period or until the next increase is granted under this 28
section, whichever is later. Subsequent increases shall be 29
determined from the date of the first increase paid to the 30
former member in the case of an allowance being paid a 31
beneficiary under an option, or from the date of the first 32
increase to the survivor first receiving an allowance or benefit 33
in the case of an allowance or benefit being paid to the 34
subsequent survivors of the former member. 35

The date of the first increase under this section becomes 36
the anniversary date for any future increases. 37

The allowance or benefit used in the first calculation of 38
an increase under this section shall remain as the base for all 39
future increases, unless a new base is established. Any increase 40
resulting from payment of a recalculated benefit under Section 3 41
of Substitute Senate Bill No. 270 of the 123rd general assembly 42
shall be included in the calculation of future increases under 43
this section. 44

(B) If payment of a portion of a benefit is made to an 45
alternate payee under section 3309.671 of the Revised Code, 46
increases under this section granted while the order is in 47
effect shall be apportioned between the alternate payee and the 48

retirant or disability benefit recipient in the same proportion 49
that the amount being paid to the alternate payee bears to the 50
amount paid to the retirant or disability benefit recipient. 51

If payment of a portion of a benefit is made to one or 52
more beneficiaries under "plan F" under division (B) (3) (e) of 53
section 3309.46 of the Revised Code, each increase under this 54
section granted while the plan of payment is in effect shall be 55
divided among the designated beneficiaries in accordance with 56
the portion each beneficiary has been allocated. 57

(C) The board shall make all rules necessary to carry out 58
this section. 59

Section 2. That existing section 3309.374 of the Revised 60
Code is hereby repealed. 61