

As Introduced

134th General Assembly

Regular Session

2021-2022

S. B. No. 280

Senator Fedor

Cosponsors: Senators Yuko, Antonio, Maharath, Thomas, Craig, Williams, Sykes

A BILL

To amend section 3307.67 of the Revised Code 1
regarding adjustments by the State Teachers 2
Retirement Board to the cost-of-living 3
adjustment. 4

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

Section 1. That section 3307.67 of the Revised Code be 5
amended to read as follows: 6

Sec. 3307.67. (A) Except as provided in divisions (D) and 7
(E) of this section, the state teachers retirement board shall 8
annually increase each allowance or benefit payable under the 9
STRS defined benefit plan. Through July 31, 2013, the increase 10
shall be three per cent. On and after August 1, 2013, the 11
increase shall be two per cent. No allowance or benefit shall 12
exceed the limit as annually determined pursuant to section 415 13
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 14
U.S.C.A. 415, as amended, and regulations adopted pursuant 15
thereto but before August 1, 2013. The limit may be adjusted in 16
accordance with rules adopted by the board. 17

(B) The first increase is payable to all persons becoming 18

eligible as follows: 19

(1) For an allowance or benefit beginning on or after July 20
1, 1971, but before August 1, 2013, upon such persons receiving 21
an allowance or benefit for twelve months; 22

(2) For an allowance or benefit beginning on or after 23
August 1, 2013, that was immediately preceded by a disability 24
benefit effective before that date but terminated on or after 25
it, upon the date that would have been the disability benefit's 26
next anniversary date; 27

(3) For an allowance or benefit beginning on or after 28
August 1, 2013, except for an allowance or benefit described in 29
division (B) (2) of this section, upon such persons receiving an 30
allowance or benefit for sixty months. 31

The increased amount is payable for the ensuing twelve- 32
month period or until the next increase is granted under this 33
section, whichever is later. Subsequent increases shall be 34
determined from the date of the first increase paid to the 35
former member in the case of an allowance being paid a 36
beneficiary under an option, or from the date of the first 37
increase to the survivor first receiving an allowance or benefit 38
in the case of an allowance or benefit being paid to the 39
subsequent survivors of the former member. 40

The date of the first increase under this section becomes 41
the anniversary date for any future increases. 42

The allowance or benefit used in the first calculation of 43
an increase under this section shall remain as the base for all 44
future increases, unless a new base is established. 45

(C) If payment of a portion of a benefit is made to an 46
alternate payee under section 3307.371 of the Revised Code, 47

increases under this section granted while the order is in 48
effect shall be apportioned between the alternate payee and the 49
benefit recipient in the same proportion that the amount being 50
paid to the alternate payee bears to the amount paid to the 51
benefit recipient. 52

If payment of a portion of a benefit is made to one or 53
more beneficiaries under "option 4" under division (A) (4) of 54
section 3307.60 of the Revised Code, each increase under this 55
section granted while the plan of payment is in effect shall be 56
divided among the designated beneficiaries in accordance with 57
the portion each beneficiary has been allocated. 58

The apportioned increases under this section shall begin 59
with increases granted on or after October 27, 2006. 60

(D) The board shall not make the increases it would 61
otherwise make during the period July 1, 2013, through June 30, 62
2014, to persons granted an allowance or benefit prior to July 63
1, 2013. The board shall not increase any allowance or benefit 64
granted on July 1, 2013, until July 1, 2015. 65

~~(E) The~~ (E) (1) Until June 30, 2022, the board may adjust 66
the increase payable under this section if the board's actuary, 67
in its annual actuarial valuation required by section 3307.51 of 68
the Revised Code or in other evaluations conducted under that 69
section, determines that an adjustment does not materially 70
impair the fiscal integrity of the retirement system or is 71
necessary to preserve the fiscal integrity of the system. 72

(2) Beginning July 1, 2022, the board may adjust the 73
increase payable under this section to an amount that is greater 74
than the increase required under division (A) of this section if 75
the board's actuary, in its annual actuarial valuation required 76

by section 3307.51 of the Revised Code or in other evaluations 77
conducted under that section, determines that an adjustment does 78
not materially impair the fiscal integrity of the retirement 79
system. 80

(F) The board shall make all rules necessary to carry out 81
this section. 82

Section 2. That existing section 3307.67 of the Revised 83
Code is hereby repealed. 84