



## Ohio Revised Code

### Section 3307.57 Coordinating and integrating membership in state retirement systems.

Effective: March 23, 2015

Legislation: Senate Bill 42 - 130th General Assembly

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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.

(4) "Total service credit" means the total credit in all retirement systems, except that such credit shall not exceed one year for any period of twelve months.

(5) "Paying system" means the state retirement system in which the member has the greatest service credit, without adjustment or, if the member has equal service credit in two or more retirement systems, the retirement system in which the member has the greatest total contributions.

(6) "Transferring system" means the state retirement system transferring a member's contributions and service credit in that system to the paying system.

(7) "Retention percentage" means five per cent, or a percentage determined under division (D) of this section, of a member's earnable salary in the case of a member of the public employees retirement system or five per cent, or a percentage determined under division (D) of this section, of a member's



compensation in the case of a member of the state teachers retirement system or school employees retirement system.

(B) At the option of a member participating in the STRS defined benefit plan, 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 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.

(2) The board of the paying system shall do both of the following:

(a) Determine a member's eligibility for a retirement or disability benefit;

(b) Calculate and pay the member's retirement or disability benefit.

(3)(a) Each transferring system in which the member has service credit shall certify to the paying system all of the following:

(i) The service credit earned by the member in the transferring system;

(ii) The beginning and ending dates of the service credit period covered by the transferring system;

(iii) Any breaks in service by the member, excluding school breaks;

(iv) If available, a statement listing the member's monthly contributions and service credit earned, obtained, or purchased in the transferring system.



(b) The certification under division (B)(3)(a) of this section may be reviewed by both the transferring system and paying system.

(4) In determining the total credit to be used in calculating a retirement or disability benefit, credit shall not be reduced below that certified by the transferring system, except as follows:

(a) Not more than one year of credit may be certified by the transferring system for any one "year" as defined in the law governing the transferring system.

(b) The paying system may reduce any credit certified by the transferring system that is concurrent with any period of service credit the member earned from the paying system.

(c) The paying system may reduce any credit certified by the transferring system if the amount certified, when added to the paying system's service credit for any one "year" as defined in the law of the paying system, exceeds one year.

(5)(a) The paying system shall receive from the transferring system or systems all of the following for each year of service:

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

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

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

(iv) Interest compounded annually on the amounts specified in divisions (B)(5)(a)(i), (ii), and (iii) of this section at the lesser of the actuarial assumption rate for that year of the paying system or the transferring system or systems.



(6) The annuity rates and mortality tables of the paying system shall be applicable.

(7) Deposits made for the purchase of additional income, with guaranteed interest, upon the member's request, shall be transferred to the paying system. The return upon such deposits shall be that offered by the paying system.

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

If a retirant should be paid any amount to which the retirant is not entitled under the applicable provisions of law governing such re-employment, such amount shall be recouped by the paying system by utilizing any recovery procedure available under the paying system's re-employment provisions.

(D) The retention percentage used in the calculation under division (B)(5)(a)(ii) of this section shall be reviewed by the state retirement systems not less than once every five years beginning after the effective date of this amendment or on request of any of the systems. If the retirement systems agree, the retention percentage may be changed if any of the system's employer contribution rate increases or decreases or the systems agree that a change is in the interest of one or more of the systems.