



Ohio Administrative Code Rule 5505-7-05 Cost of living benefit.

Effective: December 6, 2023

(A) For the purpose of section 5505.174 of the Revised Code and this rule, "pension effective date" means:

- (1) For age and service retirement benefits, the date following the last working date as a member, with no duplication of salary and pension.
- (2) For reduced service retirement benefits and deferred service retirement benefits, the date following the last working date as a member and the date the member is eligible and elects to receive a retirement benefit, with no duplication of salary and pension.
- (3) For disability benefits, the date disability benefits commence, with no duplication of salary and pension.
- (4) For members participating in DROP, pursuant to section 5505.54 of the Revised Code, the effective date of a members election to participate in DROP.
- (5) For a beneficiary receiving benefits in accordance with section 5505.162 or division (A)(3)(a), (A)(3)(b), (A)(3)(d), (A)(4), (A)(5), (A)(6), or (A)(7) of section 5505.17 of the Revised Code, the date the benefit commences.

(B) For a member or beneficiary with a pension effective date prior to January 7, 2013:

- (1) Prior to January 7, 2013, an annual three per cent cost of living benefit shall be added to the pension allowance of a benefit recipient.
- (2) On or after January 7, 2013, an annual three per cent cost of living benefit shall be added to the pension allowance of a benefit recipient until the cost of living benefit is changed as described in paragraph (B)(3) of this rule.



(3) The annual cost of living benefit, not to exceed three per cent, shall be determined by the board at its August meeting and shall be based on the actuarial valuation required by section 5505.12 of the Revised Code and the determination shall become effective January first of the following year. Notwithstanding this paragraph, an initial cost of living benefit may be determined by the board at its February, 2013 meeting and shall be based on the actuarial valuation required by section 5505.12 of the Revised Code and the determination shall become effective as determined by the board.

(4) Notwithstanding paragraph (B)(3) of this rule, an annual three per cent cost of living benefit shall be added to the pension allowance of a benefit recipient sixty-five years of age or older who is receiving a pension not greater than one hundred eighty-five per cent of the federal poverty level for a family of two persons, as defined by section 5505.174 of the Revised Code.

(5) A service retirant and DROP participant shall become eligible for a cost of living benefit the later of the first month following the retirants or DROP participants fifty-third birthday or the thirteenth month after the benefit commences.

(6) A disability retirant shall become eligible for a cost of living benefit the earlier of the first month following the retirants fifty-third birthday or the sixty-first month following the effective date of retirement.

(7) A beneficiary receiving benefits in accordance with section 5505.162 or division (A)(3), (A)(4), (A)(5), (A)(6), or (A)(7) of section 5505.17 of the Revised Code shall become eligible for a cost of living benefit the thirteenth month after the benefit commences.

(C) For a member or beneficiary with a pension effective date on or after January 7, 2013:

(1) An annual cost of living benefit determined by the board shall be added to the pension allowance of a benefit recipient.

(2) The annual cost of living benefit, not to exceed three per cent, shall be determined by the board at its August meeting and shall be based on the actuarial valuation required by section 5505.12 of the Revised Code and the determination shall become effective January first of the following year.



(3) Notwithstanding paragraph (C)(2) of this rule, an annual three per cent cost of living benefit shall be added to the pension allowance of a benefit recipient sixty-five years or age or older who is receiving a pension not greater than one hundred eighty-five per cent of the federal poverty level for a family of two persons, as defined by section 5505.174 of the Revised Code.

(4) A service retirant and DROP participant shall become eligible for a cost of living benefit the later of the first month following the retirants or DROP participants sixtieth birthday or the thirteenth month after the benefit commences.

(5) A disability retirant shall become eligible for a cost of living benefit the later of the first month following the disability retirants sixtieth birthday or the thirteenth month after the benefit commences.

(6) A beneficiary receiving benefits in accordance with section 5505.162 or division (A)(3)(a), (A)(3)(b), (A)(3)(d), (A)(4), (A)(5), (A)(6), or (A)(7) of section 5505.17 of the Revised Code shall become eligible for a cost of living benefit the later of the first month following the beneficiary's sixtieth birthday or the thirteenth month after the benefit commences.

(D) The pension allowance that a benefit recipient is receiving upon cost of living benefit eligibility shall become the base pension upon which all future cost of living increases are calculated, unless a new base amount is established.

(E) The date of the first cost of living increase shall be the anniversary date for any future cost of living increases.