

3307-8-01                      **Payments of benefits.**

- (A) As used in this rule, "alternate payee" and "participant" shall be as defined by section 3105.80 of the Revised Code.
- (B) Except as herein specified, all monthly benefits or partial lump-sum option plan benefits paid directly to the recipient on and after October 1, 2010 shall be paid by electronic funds transfer. When community disasters occur, the retirement system may temporarily suspend the requirement to pay benefits only by electronic funds transfer to affected individuals and issue paper checks instead.
- (C) Notwithstanding paragraph (B) of this rule, ~~benefit recipients or alternate payees whose addresses are outside of the United States may choose to receive benefits by electronic transfer of funds to a bank in the United States, but are not required to do so.~~
- (1) benefit recipients or alternate payees whose addresses are outside of the United States may choose to receive benefits by electronic transfer of funds to a bank in the United States, but are not required to do so; or
- (2) if payment by electronic funds is impracticable as determined by the retirement system in its sole discretion, the retirement system may issue payment by paper checks.
- (D) Each benefit recipient and each alternate payee shall notify the retirement system on a form it supplies of:
- (1) The name of the financial institution to which benefits will be transferred electronically; and
  - (2) The mailing address of that financial institution; and
  - (3) The routing number of that financial institution; and
  - (4) The account number to which funds are to be transferred; and
  - (5) Such other information as the retirement system may specify.
- (E) No payment will be made to a benefit recipient or to an alternate payee of estimated or regular monthly benefits until such recipient or alternate payee provides full information about the financial institution to the retirement system.
- (F) Amounts payable under an optional plan of payment selected pursuant to division

- (B)(1) or (D)(2)(a) of section 3307.60 of the Revised Code or the defined contribution program under section 3307.81 of the Revised Code shall be paid by electronic transfer of funds to the same financial institution to which monthly benefits will be paid except in the case of amounts paid directly to another retirement savings plan eligible to receive rollovers from a qualified plan.
- (G) Selection of a plan of payment pursuant to section 3307.60 of the Revised Code or 6.2(e) of the document establishing the defined contribution program under section 3307.81 of the Revised Code shall become final on the fifteenth day of the month following the first regular benefit payment. Retirement may not be canceled thereafter and no change may be made thereafter in the plan of payment selected, the retirement date or the amount of any lump sum option selected pursuant to division (B)(1) of section 3307.60 of the Revised Code or the account to which it is to be deposited. The member's ability to purchase service credit or to replace contributions as outlined in paragraph (C)(2) of rule 3307:1-3-02 and paragraph (C)(1) of rule 3307:2-4-01 of the Administrative Code ceases on the fifteen day of the month following the first regular benefit payment. The repayment of any lump sum must be made no later than the thirtieth day after the fifteenth day of the month following the first regular benefit.
- (H) Selection of an annuitized benefit under section 6.3 of the document establishing the defined contribution program under section 3307.81 of the Revised Code shall become final on the effective date of retirement. Retirement may not be canceled thereafter and no change may be made in the effective date of retirement. Selection of a plan of payment pursuant to section 6.3(c) shall become final on the fifteenth day of the month following the first regular benefit payment and no change may be made thereafter.
- (I) The benefit effective date of a benefit paid under section 3307.63 or 3307.631 of the Revised Code shall be final on the fifteenth day of the month following the first regular benefit payment.
- (J) Payment to an alternate payee shall occur no earlier than the sixteenth day of the month following the first regular benefit payment to the participant.
- (K) The right to a benefit under Chapter 3307. of the Revised Code is a personal right. Benefits may be suspended or terminated by the state teachers retirement system in the event the system has good cause to believe that a benefit recipient may be incapacitated and no other person has authority to act or receive benefits on the benefit recipient's behalf or in the event the system learns that a benefit recipient is missing and unable to present himself or herself to establish to the state teachers retirement system's satisfaction that he or she is in fact alive and entitled to receive benefits.

Effective:

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Certification

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Date

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