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Am. Sub
SB 346

Sec. 3307.65. The state teachers retirement board shall be the trustee of certain funds hereby created as follows:

(A) The "teachers' ~~saving~~ SAVINGS fund" is the fund in which shall be accumulated the contributions deducted from the compensation of teachers and faculty members as provided by section 3307.51 of the Revised Code, together with the interest credited thereon. Such accumulated contributions refunded upon withdrawal, or payable to an estate or beneficiary as provided in this chapter, shall be paid from this fund. Any accumulated contributions forfeited by the failure of a contributor, an estate, or a beneficiary to claim the same shall be transferred from this fund to the guarantee fund. The accumulated contributions of a member or of a teacher who qualifies for a benefit under section 3307.381 of the Revised Code shall be transferred at his retirement from the teachers' savings fund to the annuity and pension reserve fund. The accumulated contributions of a member who dies prior to superannuation retirement that are forfeited by the qualified beneficiary in exchange for monthly survivor benefits, as provided by section 3307.49 of the Revised Code, shall be transferred to the survivors' benefit fund. The accumulated contributions of a superannuate or other system retirant as defined in section 3307.381 of the Revised Code shall be transferred to the survivors' benefit fund for payment of a lump sum benefit to a beneficiary as provided in section 3307.381 of the Revised Code.

(B) The "employers' trust fund" is the fund to which the employer contribution shall be credited and in which shall be accumulated the reserves held in trust for the payment of all pensions or other benefits provided by sections 3307.38, 3307.381, 3307.39, 3307.43, 3307.431, 3307.49, 3307.50, ~~and~~ 3307.70, AND 3307.78 of the Revised Code, to teachers retiring OR RECEIVING DISABILITY BENEFITS in the future or to their qualified beneficiaries, and from which the reserves for such pensions and other benefits shall be transferred to the annuity and pension reserve fund and to the survivors' benefit fund. The balances as of August 31, 1957, in the employers accumulation fund shall be transferred to this fund. As of September 1, 1957, an additional amount shall be transferred from the employers' trust fund to the annuity and pension reserve fund in the amount required to complete the funding of the prior service and military service pensions then payable.

(C) The "annuity and pension reserve fund" is the fund from which shall be paid all annuities ~~and~~ pensions, AND DISABILITY BENEFITS for which reserves have been transferred from the teachers' savings fund and the employers' trust fund.

(D) The "survivors' benefit fund" is the fund from which shall be paid the survivors' benefits provided by section 3307.49 of the Revised Code and the lump sum payment to beneficiaries as provided in section 3307.381 of the Revised Code, and to which shall be transferred from the employers' trust fund the amount required to fund all liabilities as of the end of each year.

(E) The "guarantee fund" is the fund from which interest is transferred and credited on the amounts in the funds described in divisions (A), (B), (C), and (D) of this section, and is a contingent fund from which the special requirements of said funds may be paid by transfer from this fund. All income derived from the investment of funds by the state teachers retirement board as trustee under section 3307.15 of the Revised Code, together with all gifts and bequests, or the income therefrom, shall be paid into this fund.

Any deficit occurring in any other fund that will not be covered by payments to that fund, as otherwise provided in this chapter, shall be paid by transfers of amounts from the guarantee fund to such fund or funds. Should the amount in the guarantee fund be insufficient at any time to meet the amounts payable therefrom, the amount of such deficiency, with regular interest, shall be paid by an additional employer rate of contribution as determined by the actuary and shall be approved by the state teachers retirement board, and the amount of such additional employer contribution shall be credited to the guarantee fund.

The state teachers retirement board may accept gifts and bequests. Any funds that may come into the possession of the state teachers retirement board in this manner or that may be transferred from the teachers' savings fund by reason of lack of a claimant, or any surplus in any fund created by this section, or any other funds whose disposition is not otherwise provided for, shall be credited to the guarantee fund.

(F) The expense fund is the fund from which shall be paid the expenses for the administration and management of the state teachers retirement system as provided by this chapter.

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