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Sec. 3307.4013. (A) AS USED IN THIS SECTION:

(1) "BENEFIT" MEANS A BENEFIT, PENSION, OR ALLOWANCE UNDER SECTION 3307.38, 3307.41, 3307.43, 3307.431, 3307.49, OR 3307.50 OF THE REVISED CODE.

(2) "CUMULATIVE PERCENTAGE CHANGE IN THE CPI" MEANS THE TOTAL PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX PREPARED BY THE UNITED STATES BUREAU OF LABOR STATISTICS FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (CPI-W: U.S. CITY AVERAGE, ALL ITEMS) FROM THE THIRTY-FIRST DAY OF DECEMBER IMMEDIATELY PRECEDING THE YEAR IN WHICH THE ORIGINAL BENEFIT STARTED THROUGH THE THIRTY-FIRST DAY OF

DECEMBER IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF THIS SECTION.

(3) "ELIGIBLE RECIPIENT" MEANS ANY PERSON RECEIVING A BENEFIT ON THE EFFECTIVE DATE OF THIS SECTION THAT HAS BEEN PAYABLE TO THAT PERSON OR TO ANY OTHER PERSON FOR AT LEAST TWELVE MONTHS.

(4) "ORIGINAL BENEFIT AMOUNT" MEANS THE INITIAL AMOUNT OF A BENEFIT GRANTED TO THE INITIAL RECIPIENT OF THE BENEFIT.

(B) AS OF THE EFFECTIVE DATE OF THIS SECTION, THE STATE TEACHERS RETIREMENT BOARD SHALL DETERMINE AN AMOUNT FOR EACH ELIGIBLE RECIPIENT EQUAL TO THE SUM OF THE FOLLOWING AMOUNTS:

(1) AN AMOUNT EQUAL TO SEVENTY PER CENT OF THE ORIGINAL BENEFIT AMOUNT FOR THE RECIPIENT;

(2) AN AMOUNT EQUAL TO THE PRODUCT OBTAINED WHEN SEVENTY PER CENT OF THE ORIGINAL BENEFIT AMOUNT IS MULTIPLIED BY THE CUMULATIVE PERCENTAGE CHANGE IN THE CPI FOR THE RECIPIENT.

(C)(1) EXCEPT AS PROVIDED IN DIVISION (C)(2) OF THIS SECTION, IF THE AMOUNT OF THE ANNUAL BENEFIT PAYABLE TO AN ELIGIBLE RECIPIENT ON THE EFFECTIVE DATE OF THIS SECTION IS LESS THAN THE AMOUNT DETERMINED FOR THE RECIPIENT UNDER DIVISION (B) OF THIS SECTION, THE BOARD SHALL RECALCULATE THAT ANNUAL BENEFIT SO THAT IT EQUALS THE AMOUNT DETERMINED UNDER DIVISION (B) OF THIS SECTION.

(2) IF THE RECALCULATED BENEFIT DETERMINED UNDER DIVISION (C)(1) OF THIS SECTION FOR AN ELIGIBLE RECIPIENT WHOSE RETIREMENT WAS EFFECTIVE BEFORE JULY 1, 1979, IS LESS THAN ONE HUNDRED THREE PER CENT OF THE ANNUAL BENEFIT PAYABLE TO THE RECIPIENT ON THE EFFECTIVE DATE OF THIS SECTION, THE BOARD SHALL RECALCULATE THE ANNUAL BENEFIT SO THAT IT EQUALS ONE HUNDRED THREE PER CENT OF THE ANNUAL BENEFIT PAYABLE TO THE RECIPIENT ON THE EFFECTIVE DATE OF THIS SECTION.

AN INCREASE GRANTED BY DIVISION (C)(1) OR (2) OF THIS SECTION TO A BENEFIT AMOUNT SHALL APPLY ON AND AFTER THE FIRST DAY OF THE MONTH FOLLOWING THE EFFECTIVE DATE OF THIS SECTION.

(D) THE BOARD SHALL INCLUDE THE INCREASE IN AMOUNT PAID UNDER THIS SECTION IN A PERSON'S BASE FOR PURPOSES OF FUTURE INCREASES IN ANY BENEFIT UNDER SECTION 3307.403 OF THE REVISED CODE.