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Sub. S.B. 240

Sec. 742.3717. (A)(1) Except as otherwise provided in this division, as used in this section, "eligible retirant" means a person who meets all of the following conditions:

(a) The person is receiving an annual pension or benefit under division (A), (B), or (C)(1) to (7) of section 742.37 of the Revised Code based on an award made prior to July 24, 1986.

(b) The person has not elected under section 742.3711 of the Revised Code to receive his retirement allowance under an optional benefit plan.

(c) The amount of the annual pension or benefit is less than the amount specified in division (B) of this section.

(2) A person is not an eligible retirant if he is receiving a pension or benefit in accordance with rules in force on April 1, 1947, that govern the granting of pensions and benefits and that provide an increase in the original pension or benefit from time to time pursuant to changes in the salaries of active members.

(B) In 1988, the amount used to determine eligibility under division (A)(1)(c) of this section shall be eighteen thousand dollars. Each year thereafter, the amount shall be the prior year's amount plus five hundred dollars.

(C) On or before the fifteenth day of April of each year, the board of trustees of the police and firemen's disability and pension fund shall determine the average percentage change in the consumer price index prepared by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "all items 1967 1982-84 = 100") for the twelve-month period prior to the first day of January over the next preceding twelve-calendar-month period, as reported by the bureau. Upon a determination by the board that this change equals or exceeds an increase of three per cent, the board shall increase all benefits payable to eligible persons by three hundred sixty dollars annually, EXCEPT THAT NO BENEFIT SHALL EXCEED THE LIMIT ESTABLISHED BY SECTION 415 OF THE "INTERNAL REVENUE CODE OF 1986," 100 STAT. 2085, 26 U.S.C.A. 415, AS AMENDED.

Any percentage above the percentage authorized for the first increased payment shall be accumulated and combined with the percentage of change in the succeeding years. Whenever the balance of this accumulation is equal to or in excess of three per cent, the increased allowance provided in this section shall be paid. When the balance of the accumulation is less than three per cent, no additional increase shall be paid.

The first additional benefit is payable to all eligible retirants on July 1, 1988. The additional benefit is payable for the ensuing twelve-month period or until the next increase is granted under this section, whichever is later.

The date of the first additional benefit payable under this section shall be the anniversary date for future additional benefits.

Effective
7/24/90

SECTION 4. It is the intent of the General Assembly by this act to comply with the provision of section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended, and to be subject to the limitations established by divisions (b)(2)(F) and (G) of that section. Nothing in this act shall be construed as an election by the General Assembly, the Public Employees Retirement System, the Police and Firemen's Disability and Pension Fund, the School Employees Retirement System, the State Teachers Retirement System, or the State Highway Patrol Retirement System to be subject to the special rule established by division (b)(10) of section 415 of the Internal Revenue Code.