



Ohio Retirement Study Council

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To: ORSC Members
From: Jeffery A. Bernard, Senior Research Associate
Date: October 12, 2017
Subject: H.B. 49 (Biennial Budget) Retirement Provisions (with later S.B. 8 SERS COLA Adjustments)

H.B. 49 (Biennial Budget) included a limited number of retirement provisions. This memo is a brief listing of those provisions.

SERS COLA

- Repeals a *requirement* in existing law that the School Employees Retirement System (SERS) Board grant a 3% cost-of-living adjustment (COLA), to SERS retirement, disability, and survivor benefit recipients and instead *permits* the SERS Board to provide a COLA based on the change in the consumer price index, not to exceed 2.5%.
- Authorizes the SERS Board to adjust the COLA above or below CPI (including beyond the 2.5% cap), if the SERS actuary determines that "an adjustment does not materially impair SERS' fiscal integrity or is necessary to preserve its fiscal integrity" (this provision was disapproved of by the ORSC).
- S.B. 8 This provision was later modified in S.B. 8 to provide that, for those whose benefit commences on or after January 1, 2018, the initial COLA commences after the number of anniversaries established by the Board (effective 3/23/2018).

State Highway Patrol Retirement System

- Removes a barrier preventing Highway Patrol members who have sufficient service to retire, but are no longer employed by the Highway Patrol, from retiring (this provision was part of a Highway Patrol proposed bill receiving unanimous support from the ORSC).

Volunteer Peace Officers' Dependents Fund

- Specifies that a retired member of the Public Employees Retirement System is not a volunteer peace officer under the Volunteer Peace Officers' Dependents Fund.