

Definitions.

Sec. 3307.01. As used in sections 3307.01 to 3307.72, inclusive, of the Revised Code:

(A) "Employer" means the board of education, school district, or other agency within the state by which a teacher is employed and paid.

(B) "Teacher" means any person paid from public funds and regularly employed in the public schools of the state in a position for which he is required to have a certificate issued pursuant to sections 3319.22 to 3319.31, inclusive, of the Revised Code; and any teacher or faculty member regularly employed in any school or college or other institution wholly controlled and managed, and wholly or partly supported by the state or any subdivision thereof, the board of trustees or other managing body of which shall accept the requirements and obligations of *** Chapter 3307. of the Revised Code. In all cases of doubt the state teachers retirement board shall determine whether any person is a teacher, and its decision is final.

(C) "Regularly employed" means full-time employment in any year for twelve or more consecutive school weeks in the same position.

(D) "Present teacher" means any person who was a teacher before September 1, 1920; whose membership in the state teachers retirement system has been continuous;

(1) Who became a member on said date, or on the date of his first service as a teacher after said date and within one year after his last day of service previous to September 1, 1920;

(2) Who was a teacher of a school or college or other institution on said date, or on a subsequent date within one year after his last day of service as such teacher previous to September 1, 1920, and who continued thereafter to be a teacher thereof until he, with a teaching staff of such school or college or other institution, became a member of the state teachers retirement system;

(3) Who was a member of a local district pension system on said date, or on the date of his first eligibility to such member-

ship after said date and within one year after his last day of membership therein previous to said September 1, 1920, and who continued thereafter to be a member until he, with the membership of such local district pension system, became a member of the state teachers retirement system.

(E) "New entrant" means any teacher who is a member except a present teacher.

(F) "Prior service" means all service as a teacher rendered before September 1, 1920, military service credit, and all service as an employee of any employer who comes within the public employees retirement system or of the school employees retirement system or any other state retirement system established under the laws of Ohio, for service rendered prior to September 1, 1920, and similar service in another state credit for which was procured by a member as provided by section 3307.33 of the Revised Code, prior to June 25, 1945. Prior service credit shall not be granted to any member for service rendered for which credit or benefits have been received in any other state retirement system in Ohio or for credit that was forfeited by withdrawal of contributions unless such forfeited credit has been restored under the retirement law. If the said teacher served as an employee in any two, or all of said capacities prior service means the total combined service rendered in said capacities prior to September 1, 1920.

If a "teacher," who has been granted prior service credit for service rendered prior to September 1, 1920 as an employee of an employer who comes within the public employees retirement system or the school employees retirement system, should, subsequent to September 16, 1957 and before retirement, establish three years of contributing service in the public employees retirement system, or one year in the school employees retirement system, then the prior service credit granted shall become, at retirement, the liability of such other system, if the prior service or employment was in a capacity which is covered by that system.

(G) "Total service" or "total service credit," *** except as provided in section 3307.41 of the Revised Code, means all service of a member of the state teachers retirement system since last becoming a member and, in addition thereto, restored service credit as provided by section 3307.28 *** of the Revised Code, all his prior service credit, and all military service credit, computed as provided in this section and sections 3307.02 and 3307.31 of the Revised Code, and also all purchased service credit as provided in section 3307.33 of the Revised Code, except that credit purchased subsequent to June 25, 1945, for other than Ohio service shall not be included in total service or total service credit except for the purpose of qualifying for superannuation or commuted superannuated retirement.

(H) "Member" means any person included in the membership of the state teachers retirement system.

(I) "Contributor" means any person who has an account in the teachers' savings fund.

(J) "Beneficiary" means any person eligible to receive, or in receipt of a retirement allowance or other benefit provided by *** Chapter 3307. of the Revised Code.

(K) *** Interest shall be at such rates for the respective funds and accounts as the retirement board may determine from time to time except as follows:

(1) The rate of interest credited on a member's *** contributions at retirement shall be four per cent per annum, compounded annually, to and including August 31, 1955; *** three per cent per annum, compounded annually, from September 1, 1955 to and including August 31, 1963; and thereafter shall be three and one-quarter per cent per annum, compounded annually.

Subsequent to August 31, 1959, the retirement board shall discontinue the annual crediting of *** interest on a member's accumulated contributions. Such non-crediting of *** interest shall not affect the rate of interest at retirement guaranteed under this division.

(2) In determining the reserve value for the purpose of computing the amount of the member's annuity, the rate of interest used in the annuity values shall be three and one-quarter per cent per annum, compounded annually, effective September 1, 1963, except that, for members retiring prior to October 1, 1956, the interest rate shall be four per cent per annum, compounded annually, and three per cent per annum, compounded annually, for members retiring October 1, 1956 to August 31, 1963, inclusive. In the purchase of out-of-state service credit as provided in section 3307.33 of the Revised Code, and on additional direct deposits for the purpose of providing additional annuity as provided by section 3307.51 of the Revised Code, and also on the accumulated contributions of members with indefinite extension of membership as provided by section 3307.38 of the Revised Code, interest shall be computed and credited to reserves, deposits, and accumulated contributions at such rate as the state teachers retirement board fixes as *** interest thereon.

(L) "Accumulated contributions" means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the teachers' savings fund together with *** interest credited thereon at the rates approved by the retirement board prior to retirement.

(M) Effective June 30, 1959, "final average salary" means the highest average annual compensation of a member during any

five years of contributions and shall be determined by dividing the total compensation as a teacher during such period by the service credit granted to such member during such period. Provided, *** if a member has at least three years, but less than five years, of total service credit within the ten-year period immediately preceding termination of contributions, then the final average salary shall not be less than the average annual compensation during such period as determined by dividing the total compensation as a teacher during such period by the contributing service credit granted to him during such period.

(N) "Annuity" means payments for life derived from contributions made by a contributor and paid from the annuity and pension reserve fund. All annuities shall be paid in twelve monthly installments.

(O) "Pensions" means annual payments for life derived from appropriations made by an employer and paid from the annuity and pension reserve fund. All pensions shall be paid in twelve equal monthly installments.

(P) "Retirement allowance" means the pension plus the annuity.

(Q) "Annuity reserve" means the present value, computed upon the basis of such mortality tables as are adopted by the state teachers retirement board with *** interest, of all payments to be made on account of any annuity, or benefit in lieu of any annuity, granted to a member.

(R) "Pension reserve" means the present value computed upon the basis of such mortality tables as are adopted by the state teachers retirement board with *** interest, of all payments to be made on account of any pension, or benefit in lieu of any pension, granted to a member or to a beneficiary.

(S) "Year" for the administration of *** Chapter 3307. of the Revised Code, means the year beginning the first day of September and ending with the thirty-first day of August next following.

The retirement dates for superannuation and commuted superannuation retirement shall be September 30, 1963, and the thirtieth *** day of June, *** and also the thirty-first days of July and August, except as provided in *** sections 3307.41 and 3307.43 of the Revised Code.

(T) "Local district pension system" means any school teachers *** pension fund created in any school district of the state in accordance with the laws of the state prior to September 1, 1920.

(U) "Employer contribution" means the amount paid by an employer, as determined by the employer rate including the normal and deficiency rates, contributions and funds wherever used in *** Chapter 3307. of the Revised Code. (*Amended in Amended House Bill No. 590*)