

**As Introduced**

**134th General Assembly  
Regular Session  
2021-2022**

**S. B. No. 347**

**Senators Schuring, Hottinger**

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**A BILL**

To enact section 3309.363 of the Revised Code to 1  
establish a contribution based benefit cap in 2  
calculating a School Employees Retirement System 3  
member's retirement benefit. 4

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 3309.363 of the Revised Code be 5  
enacted to read as follows: 6

**Sec. 3309.363.** (A) As used in this section: 7

(1) "Retirement allowance" means any of the following as 8  
appropriate: 9

(a) An allowance calculated under section 3309.36 of the 10  
Revised Code before any reduction for early retirement or 11  
election under section 3309.46 of the Revised Code of a plan of 12  
payment; 13

(b) An allowance calculated under division (A) of section 14  
3309.45 of the Revised Code; 15

(c) An allowance calculated under division (B) (1) (a) of 16  
section 3309.381 of the Revised Code. 17

(2) "CBBC" means the contribution based benefit cap, which 18  
is a limit established by the school employees retirement board 19  
on the retirement allowance a member may receive. 20

(B) Based on the advice of an actuary appointed by the 21  
board, the board shall designate a number as the CBBC factor. 22  
The board may, from time to time, revise the factor pursuant to 23  
advice from an actuary appointed by the board. 24

(C) Before paying a retirement allowance, the board shall 25  
make all of the following calculations: 26

(1) Determine an amount equal to the value of the member's 27  
accumulated contributions, including any contributions used to 28  
fund a disability benefit under section 3309.40 of the Revised 29  
Code, any amounts received by the school employees retirement 30  
system under division (B) (5) (a) (i) of section 3309.35 of the 31  
Revised Code, and a portion of any amounts paid by an employer 32  
under section 3309.33 of the Revised Code, as determined by an 33  
actuary appointed by the board; 34

(2) Determine the amount of a single life annuity that is 35  
the actuarial equivalent of the amount determined under division 36  
(C) (1) of this section, adjusted for the age of the member at 37  
the time of retirement or, when appropriate, the age at the time 38  
of the member's death; 39

(3) Multiply the annuity amount determined under division 40  
(C) (2) of this section by the CBBC factor. 41

(D) The amount determined under division (C) (3) of this 42  
section is the member's CBBC. If the retirement allowance the 43  
member would receive exceeds the member's CBBC, the board shall 44  
reduce the retirement allowance to an amount equal to the 45  
member's CBBC. 46

(E) If a member's retirement allowance is reduced under this section, the reduced retirement allowance is the member's single lifetime allowance for purposes of sections 3309.36, 3309.45, and 3309.381 of the Revised Code.

(F) The board may adopt rules to implement this section.

**Section 2.** Section 1 of this act takes effect August 1, 2023.