

Sub. H. B. No. 583  
As Passed by the House

\_\_\_\_\_ moved to amend as follows:

In line 1 of the title, after "3319.226" insert "and to enact section 3309.363" 1  
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In line 4 of the title, after "shortage," insert "to establish a contribution based benefit cap in calculating a School Employees Retirement System member's retirement benefit," 3  
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In line 6, after "3319.226" insert "be amended and section 3309.363" 6

In line 7, delete "amended" and insert "enacted" 7

After line 7, insert: 8

**"Sec. 3309.363. (A) As used in this section:** 9

(1) "Retirement allowance" means any of the following as appropriate: 10  
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(a) An allowance calculated under section 3309.36 of the Revised Code before any reduction for early retirement or election under section 3309.46 of the Revised Code of a plan of payment; 12  
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(b) An allowance calculated under division (A) of section 3309.45 of the Revised Code; 16  
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(c) An allowance calculated under division (B) (1) (a) of section 3309.381 of the Revised Code. 18  
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(2) "CBBC" means the contribution based benefit cap, which is a limit established by the school employees retirement board on the retirement allowance a member may receive. 20  
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(B) Based on the advice of an actuary appointed by the board, the board shall designate a number as the CBBC factor. The board may, from time to time, revise the factor pursuant to advice from an actuary appointed by the board. 23  
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(C) Before paying a retirement allowance, the board shall make all of the following calculations: 27  
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(1) Determine an amount equal to the value of the member's accumulated contributions, including any contributions used to fund a disability benefit under section 3309.40 of the Revised Code, any amounts received by the school employees retirement system under division (B) (5) (a) (i) of section 3309.35 of the Revised Code, and a portion of any amounts paid by an employer under section 3309.33 of the Revised Code, as determined by an actuary appointed by the board; 29  
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(2) Determine the amount of a single life annuity that is the actuarial equivalent of the amount determined under division (C) (1) of this section, adjusted for the age of the member at the time of retirement or, when appropriate, the age at the time of the member's death; 37  
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(3) Multiply the annuity amount determined under division (C) (2) of this section by the CBBC factor. 42  
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(D) The amount determined under division (C) (3) of this section is the member's CBBC. If the retirement allowance the member would receive exceeds the member's CBBC, the board shall reduce the retirement allowance to an amount equal to the member's CBBC. 44  
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(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. 49  
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(F) The board may adopt rules to implement this section." 53  
After line 100, insert: 54

**"Section 6.** Section 3309.363 of the Revised Code, as 55  
enacted by this act, takes effect August 1, 2023." 56

The motion was \_\_\_\_\_ agreed to.

SYNOPSIS 57

**Contribution based benefit cap for SERS retirement benefits** 58  
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**R.C. 3309.363** 60

Requires the School Employees Retirement (SERS) Board to 61  
establish the "contribution based benefit cap" (CBBC), a limit 62  
on the retirement allowance a member may receive. 63

Requires the SERS Board, before paying a retirement 64  
allowance, to calculate a member's CBBC based on the 65  
contributions the member has made converted to an annuity and 66

multiplied by a number designated by the Board (the CBBC factor)	67
and reduce the member's retirement allowance to an amount equal	68
to the member's CBBC if the retirement allowance would exceed	69
the CBBC.	70
Applies the CBBC to retirement allowances and to survivor	71
benefits that are based on retirement allowances.	72
Specifies that the CBBC takes effect August 1, 2023.	73