



Ohio Revised Code

Section 3309.363 Contribution based benefit cap.

Effective: October 3, 2023

Legislation: House Bill 33 - 135th General Assembly

(A) As used in this section:

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

(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;

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

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

(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.

(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.

(C) Beginning on and after August 1, 2024, before paying a retirement allowance, the board shall make all of the following calculations:

(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 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;

(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;

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

(D) The amount determined under division (C)(3) of this section is the member's CBBC. Beginning on and after August 1, 2024, 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.

(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, 3309.381, and 3309.45 of the Revised Code.

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