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H.B. 146
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 146's Bill Analysis](#)

Version: As Reported by House Pensions

Primary Sponsor: Rep. Bird

Local Impact Statement Procedure Required: No

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Highlights

- No direct fiscal effect on the state or political subdivisions; the bill does not make any changes to contribution rates to the School Employees Retirement System (SERS).
- Requiring the SERS Board to establish a “contribution based benefit cap” (CBBC) would limit the amount of benefits an SERS member may receive after August 1, 2024, and it may reduce SERS future liabilities.

Detailed Analysis

The bill requires the School Employees Retirement System (SERS) Board to establish a “contribution based benefit cap” (CBBC), based on the advice of an actuary. The CBBC would limit the amount of retirement allowance a member may receive. It also provides a limit on the survivor benefit based on a member’s retirement allowance the member’s beneficiary may receive. The Board is required to reduce a member’s allowance to an amount equal to the CBBC, if the member’s retirement allowance exceeds the member’s CBBC. The CBBC provisions take effect August 1, 2024.

Fiscal effect

The bill has no direct fiscal effect on the state or political subdivisions. Retirement benefits for SERS members are funded by a combination of employees’ and employers’ contributions and investment earnings on those contributions. The bill does not make any changes to contribution rates to SERS. The cap may reduce future SERS liabilities.