

As Passed by the House

135th General Assembly

Regular Session

2023-2024

Am. H. B. No. 78

Representatives Seitz, Miller, J.

**Cosponsors: Representatives Troy, Upchurch, Carruthers, Bird, Young, T.,
Abrams, Baker, Brennan, Brent, Brown, Creech, Dell'Aquila, Denson, Dobos,
Edwards, Forhan, Galonski, Ghanbari, Grim, Gross, Hillyer, Holmes, Hoops,
Humphrey, Johnson, Jones, Lightbody, Lipps, Liston, Manning, Mathews, Miller,
A., Mohamed, Patton, Pavliga, Pizzulli, Roemer, Russo, Schmidt, Somani,
Thomas, C., Williams**



A BILL

To amend sections 3307.01, 3307.05, and 3309.01 of	1
the Revised Code regarding State Teachers	2
Retirement System Board member eligibility and	3
system membership for student teachers who are	4
employed as substitute teachers.	5

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

Section 1. That sections 3307.01, 3307.05, and 3309.01 of	6
the Revised Code be amended to read as follows:	7

Sec. 3307.01. As used in this chapter:	8
---	---

(A) "Employer" means the board of education, school	9
district, governing authority of any community school	10
established under Chapter 3314. of the Revised Code, a science,	11
technology, engineering, and mathematics school established	12
under Chapter 3326. of the Revised Code, college, university,	13
institution, or other agency within the state by which a teacher	14

is employed and paid. 15

(B) (1) "Teacher" means all of the following: 16

(a) Any person paid from public funds and employed in the 17
public schools of the state under any type of contract described 18
in section 3311.77 or 3319.08 of the Revised Code in a position 19
for which the person is required to have a license or 20
registration issued pursuant to sections 3319.22 to 3319.31 of 21
the Revised Code; 22

(b) Except as provided in division (B) (2) (b) or (c) of 23
this section, any person employed as a teacher or faculty member 24
in a community school or a science, technology, engineering, and 25
mathematics school pursuant to Chapter 3314. or 3326. of the 26
Revised Code; 27

(c) Any person having a license or registration issued 28
pursuant to sections 3319.22 to 3319.31 of the Revised Code and 29
employed in a public school in this state in an educational 30
position, as determined by the department of education and 31
workforce, under programs provided for by federal acts or 32
regulations and financed in whole or in part from federal funds, 33
but for which no licensure requirements for the position can be 34
made under the provisions of such federal acts or regulations; 35

(d) Any other teacher or faculty member employed in any 36
school, college, university, institution, or other agency wholly 37
controlled and managed, and supported in whole or in part, by 38
the state or any political subdivision thereof, including 39
Central state university, Cleveland state university, and the 40
university of Toledo; 41

(e) The educational employees of the state board of 42
education, as determined by the state superintendent of public 43

instruction, and the educational employees of the department of 44
education and workforce, as determined by the director of 45
education and workforce; 46

(f) Any person having a registration issued pursuant to 47
section 3301.28 of the Revised Code and employed as a tutor by 48
the coordinating service center as defined in that section; 49

(g) Any person having a license issued pursuant to Chapter 50
4732. of the Revised Code and employed as a school psychologist 51
in a public school; 52

(h) Any person having a pre-service teacher permit issued 53
pursuant to section 3319.0812 of the Revised Code and employed 54
as a substitute teacher by a school district or school. 55

In all cases of doubt, the state teachers retirement board 56
shall determine whether any person is a teacher, and its 57
decision shall be final. 58

(2) "Teacher" does not include any of the following: 59

(a) Any eligible employee of a public institution of 60
higher education, as defined in section 3305.01 of the Revised 61
Code, who elects to participate in an alternative retirement 62
plan established under Chapter 3305. of the Revised Code; 63

(b) Any person employed by a community school operator, as 64
defined in section 3314.02 of the Revised Code, if on or before 65
February 1, 2016, the school's operator was withholding and 66
paying employee and employer taxes pursuant to 26 U.S.C. 3101(a) 67
and 3111(a) for persons employed in the school as teachers, 68
unless the person had contributing service in a community school 69
in the state within one year prior to the later of February 1, 70
2016, or the date on which the operator for the first time 71
withholds and pays employee and employer taxes pursuant to 26 72

U.S.C. 3101(a) and 3111(a) for that person; 73

(c) Any person who would otherwise be a teacher under 74
division (B)(2)(b) of this section who terminates employment 75
with a community school operator and has no contributing service 76
in a community school in the state for a period of at least one 77
year from the date of termination of employment. 78

(C) "Member" means any person included in the membership 79
of the state teachers retirement system, which shall consist of 80
all teachers and contributors as defined in divisions (B) and 81
(D) of this section and all disability benefit recipients, as 82
defined in section 3307.50 of the Revised Code. However, for 83
purposes of this chapter, the following persons shall not be 84
considered members: 85

(1) A student, intern, or resident who is not a member 86
while employed part-time by a school, college, or university at 87
which the student, intern, or resident is regularly attending 88
classes; 89

(2) A person denied membership pursuant to section 3307.24 90
of the Revised Code; 91

(3) An other system retirant, as defined in section 92
3307.35 of the Revised Code, or a superannuate; 93

(4) An individual employed in a program established 94
pursuant to the "Job Training Partnership Act," 96 Stat. 1322 95
(1982), 29 U.S.C.A. 1501; 96

(5) The surviving spouse of a member or retirant if the 97
surviving spouse's only connection to the retirement system is 98
an account in an STRS defined contribution plan. 99

(D) "Contributor" means any person who has an account in 100

the teachers' savings fund or defined contribution fund, except 101
that "contributor" does not mean a member or retirant's 102
surviving spouse with an account in an STRS defined contribution 103
plan. 104

(E) "Beneficiary" means any person eligible to receive, or 105
in receipt of, a retirement allowance or other benefit provided 106
by this chapter. 107

(F) "Year" means the year beginning the first day of July 108
and ending with the thirtieth day of June next following, except 109
that for the purpose of determining final average salary under 110
the plan described in sections 3307.50 to 3307.79 of the Revised 111
Code, "year" may mean the contract year. 112

(G) "Local district pension system" means any school 113
teachers pension fund created in any school district of the 114
state in accordance with the laws of the state prior to 115
September 1, 1920. 116

(H) "Employer contribution" means the amount paid by an 117
employer, as determined by the employer rate, including the 118
normal and deficiency rates, contributions, and funds wherever 119
used in this chapter. 120

(I) "Five years of service credit" means employment 121
covered under this chapter and employment covered under a former 122
retirement plan operated, recognized, or endorsed by a college, 123
institute, university, or political subdivision of this state 124
prior to coverage under this chapter. 125

(J) "Actuary" means an actuarial professional contracted 126
with or employed by the state teachers retirement board, who 127
shall be either of the following: 128

(1) A member of the American academy of actuaries; 129

(2) A firm, partnership, or corporation of which at least 130
one person is a member of the American academy of actuaries. 131

(K) "Fiduciary" means a person who does any of the 132
following: 133

(1) Exercises any discretionary authority or control with 134
respect to the management of the system, or with respect to the 135
management or disposition of its assets; 136

(2) Renders investment advice for a fee, direct or 137
indirect, with respect to money or property of the system; 138

(3) Has any discretionary authority or responsibility in 139
the administration of the system. 140

(L) (1) (a) Except as provided in this division, 141
"compensation" means all salary, wages, and other earnings paid 142
to a teacher by reason of the teacher's employment, including 143
compensation paid pursuant to a supplemental contract. The 144
salary, wages, and other earnings shall be determined prior to 145
determination of the amount required to be contributed to the 146
teachers' savings fund or defined contribution fund under 147
section 3307.26 of the Revised Code and without regard to 148
whether any of the salary, wages, or other earnings are treated 149
as deferred income for federal income tax purposes. 150

(b) Except as provided in division (L) (1) (c) of this 151
section, "compensation" includes amounts paid by an employer as 152
a retroactive payment of earnings, damages, or back pay pursuant 153
to a court order, court-adopted settlement agreement, or other 154
settlement agreement if the retirement system receives both of 155
the following: 156

(i) Teacher and employer contributions under sections 157
3307.26 and 3307.28 of the Revised Code, plus interest 158

compounded annually at a rate determined by the state teachers 159
retirement board, for each year or portion of a year for which 160
amounts are paid under the order or agreement; 161

(ii) Teacher and employer contributions under sections 162
3307.26 and 3307.28 of the Revised Code, plus interest 163
compounded annually at a rate determined by the board, for each 164
year or portion of a year not subject to division (L) (1) (b) (i) 165
of this section for which the board determines the teacher was 166
improperly paid, regardless of the teacher's ability to recover 167
on such amounts improperly paid. 168

(c) If any portion of an amount paid by an employer as a 169
retroactive payment of earnings, damages, or back pay is for an 170
amount, benefit, or payment described in division (L) (2) of this 171
section, that portion of the amount is not compensation under 172
this section. 173

(2) Compensation does not include any of the following: 174

(a) Payments for accrued but unused sick leave or personal 175
leave, including payments made under a plan established pursuant 176
to section 124.39 of the Revised Code or any other plan 177
established by the employer; 178

(b) Payments made for accrued but unused vacation leave, 179
including payments made pursuant to section 124.13 of the 180
Revised Code or a plan established by the employer; 181

(c) Payments made for vacation pay covering concurrent 182
periods for which other salary, compensation, or benefits under 183
this chapter or Chapter 145. or 3309. of the Revised Code are 184
paid; 185

(d) Amounts paid by the employer to provide life 186
insurance, sickness, accident, endowment, health, medical, 187

hospital, dental, or surgical coverage, or other insurance for 188
the teacher or the teacher's family, or amounts paid by the 189
employer to the teacher in lieu of providing the insurance; 190

(e) Incidental benefits, including lodging, food, laundry, 191
parking, or services furnished by the employer, use of the 192
employer's property or equipment, and reimbursement for job- 193
related expenses authorized by the employer, including moving 194
and travel expenses and expenses related to professional 195
development; 196

(f) Payments made by the employer in exchange for a 197
member's waiver of a right to receive any payment, amount, or 198
benefit described in division (L) (2) of this section; 199

(g) Payments by the employer for services not actually 200
rendered; 201

(h) Any amount paid by the employer as a retroactive 202
increase in salary, wages, or other earnings, unless the 203
increase is one of the following: 204

(i) A retroactive increase paid to a member employed by a 205
school district board of education in a position that requires a 206
license designated for teaching and not designated for being an 207
administrator issued under section 3319.22 of the Revised Code 208
that is paid in accordance with uniform criteria applicable to 209
all members employed by the board in positions requiring the 210
licenses; 211

(ii) A retroactive increase paid to a member employed by a 212
school district board of education in a position that requires a 213
license designated for being an administrator issued under 214
section 3319.22 of the Revised Code that is paid in accordance 215
with uniform criteria applicable to all members employed by the 216

board in positions requiring the licenses; 217

(iii) A retroactive increase paid to a member employed by 218
a school district board of education as a superintendent that is 219
also paid as described in division (L) (2) (h) (i) of this section; 220

(iv) A retroactive increase paid to a member employed by 221
an employer other than a school district board of education in 222
accordance with uniform criteria applicable to all members 223
employed by the employer. 224

(i) Payments made to or on behalf of a teacher that are in 225
excess of the annual compensation that may be taken into account 226
by the retirement system under division (a) (17) of section 401 227
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 228
U.S.C.A. 401(a) (17), as amended. For a teacher who first 229
establishes membership before July 1, 1996, the annual 230
compensation that may be taken into account by the retirement 231
system shall be determined under division (d) (3) of section 232
13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub. 233
L. No. 103-66, 107 Stat. 472. 234

(j) Payments made under division (B), (C), or (E) of 235
section 5923.05 of the Revised Code, Section 4 of Substitute 236
Senate Bill No. 3 of the 119th general assembly, Section 3 of 237
Amended Substitute Senate Bill No. 164 of the 124th general 238
assembly, or Amended Substitute House Bill No. 405 of the 124th 239
general assembly; 240

(k) Anything of value received by the teacher that is 241
based on or attributable to retirement or an agreement to 242
retire. 243

(3) The retirement board shall determine both of the 244
following: 245

(a) Whether particular forms of earnings are included in 246
any of the categories enumerated in this division; 247

(b) Whether any form of earnings not enumerated in this 248
division is to be included in compensation. 249

Decisions of the board made under this division shall be 250
final. 251

(M) "Superannuate" means both of the following: 252

(1) A former teacher receiving from the system a 253
retirement allowance under section 3307.58 or 3307.59 of the 254
Revised Code; 255

(2) A former teacher receiving a benefit from the system 256
under a plan established under section 3307.81 of the Revised 257
Code, except that "superannuate" does not include a former 258
teacher who is receiving a benefit based on disability under a 259
plan established under section 3307.81 of the Revised Code. 260

For purposes of sections 3307.35 and 3307.353 of the 261
Revised Code, "superannuate" also means a former teacher 262
receiving from the system a combined service retirement benefit 263
paid in accordance with section 3307.57 of the Revised Code, 264
regardless of which retirement system is paying the benefit. 265

(N) "STRS defined benefit plan" means the plan described 266
in sections 3307.50 to 3307.79 of the Revised Code. 267

(O) "STRS defined contribution plan" means the plans 268
established under section 3307.81 of the Revised Code and 269
includes the STRS combined plan under that section. 270

(P) "Faculty" means the teaching staff of a university, 271
college, or school, including any academic administrators. 272

Sec. 3307.05. The state teachers retirement board shall	273
consist of the following members:	274
(A) The superintendent of public instruction or a designee	275
of the superintendent who has the following qualifications:	276
(1) The designee is a resident of this state.	277
(2) Within the three years immediately preceding the	278
appointment, the designee has not been employed by the public	279
employees retirement system, police and fire pension fund, state	280
teachers retirement system, school employees retirement system,	281
or state highway patrol retirement system or by any person,	282
partnership, or corporation that has provided to one of those	283
retirement systems services of a financial or investment nature,	284
including the management, analysis, supervision, or investment	285
of assets.	286
(3) The designee has direct experience in the management,	287
analysis, supervision, or investment of assets.	288
(B) One member, known as the treasurer of state's	289
investment designee, who shall be appointed by the treasurer of	290
state for a term of four years and have the following	291
qualifications:	292
(1) The member is a resident of this state.	293
(2) Within the three years immediately preceding the	294
appointment, the member has not been employed by the public	295
employees retirement system, police and fire pension fund, state	296
teachers retirement system, school employees retirement system,	297
or state highway patrol retirement system or by any person,	298
partnership, or corporation that has provided to one of those	299
retirement systems services of a financial or investment nature,	300
including management, analysis, supervision, or investment of	301

assets. 302

(3) The member has direct experience in the management, 303
analysis, supervision, or investment of assets. 304

(4) The member is not currently employed by the state or a 305
political subdivision of the state. 306

(C) Two members, known as the investment expert members, 307
who shall be appointed for four-year terms. One investment 308
expert member shall be appointed by the governor, and one 309
investment expert member shall be jointly appointed by the 310
speaker of the house of representatives and the president of the 311
senate. Each investment expert member shall have the following 312
qualifications: 313

(1) Each member shall be a resident of this state. 314

(2) Within the three years immediately preceding the 315
appointment, each member shall not have been employed by the 316
public employees retirement system, police and fire pension 317
fund, state teachers retirement system, school employees 318
retirement system, or state highway patrol retirement system or 319
by any person, partnership, or corporation that has provided to 320
one of those retirement systems services of a financial or 321
investment nature, including the management, analysis, 322
supervision, or investment of assets. 323

(3) Each member shall have direct experience in the 324
management, analysis, supervision, or investment of assets. 325

Any investment expert member appointed to fill a vacancy 326
occurring prior to the expiration of the term for which the 327
member's predecessor was appointed shall hold office until the 328
end of such term. The member shall continue in office subsequent 329
to the expiration date of the member's term until the member's 330

successor takes office, or until a period of sixty days has 331
elapsed, whichever occurs first. 332

(D) Five members, known as contributing members, who shall 333
be members of the state teachers retirement system; 334

(E) Two former members of the system, known as retired 335
teacher members, who shall be superannuates— 336

~~who are not otherwise employed in positions requiring them~~ 337
~~to make contributions to the system.~~ 338

Sec. 3309.01. As used in this chapter: 339

(A) "Employer" or "public employer" means boards of 340
education, school districts, joint vocational districts, 341
governing authorities of community schools established under 342
Chapter 3314. of the Revised Code, a science, technology, 343
engineering, and mathematics school established under Chapter 344
3326. of the Revised Code, educational institutions, technical 345
colleges, state, municipal, and community colleges, community 346
college branches, universities, university branches, other 347
educational institutions, or other agencies within the state by 348
which an employee is employed and paid, including any 349
organization using federal funds, provided the federal funds are 350
disbursed by an employer as determined by the above. In all 351
cases of doubt, the school employees retirement board shall 352
determine whether any employer is an employer as defined in this 353
chapter, and its decision shall be final. 354

(B) "Employee" means all of the following: 355

(1) Any person employed by a public employer in a position 356
for which the person is not required to have a registration, 357
certificate, or license issued pursuant to section 3301.28 or 358
sections 3319.22 to 3319.31 of the Revised Code or a permit 359

issued under section 3319.0812 of the Revised Code; 360

(2) Any person who performs a service common to the normal 361
daily operation of an educational unit even though the person is 362
employed and paid by one who has contracted with an employer to 363
perform the service, and the contracting board or educational 364
unit shall be the employer for the purposes of administering the 365
provisions of this chapter; 366

(3) Any person, not a faculty member, employed in any 367
school or college or other institution wholly controlled and 368
managed, and wholly or partly supported by the state or any 369
political subdivision thereof, the board of trustees, or other 370
managing body of which shall accept the requirements and 371
obligations of this chapter. 372

In all cases of doubt, the school employees retirement 373
board shall determine whether any person is an employee, as 374
defined in this division, and its decision is final. 375

(C) "Prior service" means all service rendered prior to 376
September 1, 1937: 377

(1) As an employee as defined in division (B) of this 378
section; 379

(2) As an employee in a capacity covered by the public 380
employees retirement system or the state teachers retirement 381
system; 382

(3) As an employee of an institution in another state, 383
service credit for which was procured by a member under the 384
provisions of section 3309.31 of the Revised Code. 385

Prior service, for service as an employee in a capacity 386
covered by the public employees retirement system or the state 387

teachers retirement system, shall be granted a member under 388
qualifications identical to the laws and rules applicable to 389
service credit in those systems. 390

Prior service shall not be granted any member for service 391
rendered in a capacity covered by the public employees 392
retirement system, the state teachers retirement system, and 393
this system in the event the service credit has, in the 394
respective systems, been received, waived by exemption, or 395
forfeited by withdrawal of contributions, except as provided in 396
this chapter. 397

If a member who has been granted prior service should, 398
subsequent to September 16, 1957, and before retirement, 399
establish three years of contributing service in the public 400
employees retirement system, or one year in the state teachers 401
retirement system, then the prior service granted shall become, 402
at retirement, the liability of the other system, if the prior 403
service or employment was in a capacity that is covered by that 404
system. 405

The provisions of this division shall not cancel any prior 406
service granted a member by the school employees retirement 407
board prior to August 1, 1959. 408

(D) "Total service," "total service credit," or "Ohio 409
service credit" means all contributing service of a member of 410
the school employees retirement system, and all prior service, 411
computed as provided in this chapter, and all service 412
established pursuant to sections 3309.31, 3309.311, and 3309.33 413
of the Revised Code. In addition, "total service" includes any 414
period, not in excess of three years, during which a member was 415
out of service and receiving benefits from the state insurance 416
fund, provided the injury or incapacitation was the direct 417

result of school employment. 418

(E) "Member" means any employee, except an SERS retirant 419
or other system retirant as defined in section 3309.341 of the 420
Revised Code, who has established membership in the school 421
employees retirement system. "Member" includes a disability 422
benefit recipient. 423

(F) "Contributor" means any person who has an account in 424
the employees' savings fund. When used in the sections listed in 425
division (B) of section 3309.82 of the Revised Code, 426
"contributor" includes any person participating in a plan 427
established under section 3309.81 of the Revised Code. 428

(G) "Retirant" means any former member who retired and is 429
receiving a retirement allowance under section 3309.36 or 430
3309.381 or former section 3309.38 of the Revised Code. 431

(H) "Beneficiary" or "beneficiaries" means the estate or a 432
person or persons who, as the result of the death of a 433
contributor or retirant, qualifies for or is receiving some 434
right or benefit under this chapter. 435

(I) "Interest," as specified in division (E) of section 436
3309.60 of the Revised Code, means interest at the rates for the 437
respective funds and accounts as the school employees retirement 438
board may determine from time to time. 439

(J) "Accumulated contributions" means the sum of all 440
amounts credited to a contributor's account in the employees' 441
savings fund together with any regular interest credited thereon 442
at the rates approved by the retirement board prior to 443
retirement. 444

(K) "Final average salary" means the sum of the annual 445
compensation for the three highest years of compensation for 446

which contributions were made by the member, divided by three. 447
If the member has a partial year of contributing service in the 448
year in which the member terminates employment and the partial 449
year is at a rate of compensation that is higher than the rate 450
of compensation for any one of the highest three years of annual 451
earnings, the board shall substitute the compensation earned for 452
the partial year for the compensation earned for a similar 453
fractional portion in the lowest of the three high years of 454
annual compensation before dividing by three. If a member has 455
less than three years of contributing membership, the final 456
average salary shall be the total compensation divided by the 457
total number of years, including any fraction of a year, of 458
contributing service. 459

(L) "Annuity" means payments for life derived from 460
contributions made by a contributor and paid from the annuity 461
and pension reserve fund as provided in this chapter. All 462
annuities shall be paid in twelve equal monthly installments. 463

(M) (1) "Pension" means annual payments for life derived 464
from appropriations made by an employer and paid from the 465
employers' trust fund or the annuity and pension reserve fund. 466
All pensions shall be paid in twelve equal monthly installments. 467

(2) "Disability retirement" means retirement as provided 468
in section 3309.40 of the Revised Code. 469

(N) "Retirement allowance" means the pension plus the 470
annuity. 471

(O) (1) "Benefit" means a payment, other than a retirement 472
allowance or the annuity paid under section 3309.344 of the 473
Revised Code, payable from the accumulated contributions of the 474
member or the employer, or both, under this chapter and includes 475

a disability allowance or disability benefit. 476

(2) "Disability allowance" means an allowance paid on 477
account of disability under section 3309.401 of the Revised 478
Code. 479

(3) "Disability benefit" means a benefit paid as 480
disability retirement under section 3309.40 of the Revised Code, 481
as a disability allowance under section 3309.401 of the Revised 482
Code, or as a disability benefit under section 3309.35 of the 483
Revised Code. 484

(P) "Annuity reserve" means the present value, computed 485
upon the basis of mortality tables adopted by the school 486
employees retirement board, of all payments to be made on 487
account of any annuity, or benefit in lieu of any annuity, 488
granted to a retirant. 489

(Q) "Pension reserve" means the present value, computed 490
upon the basis of mortality tables adopted by the school 491
employees retirement board, of all payments to be made on 492
account of any pension, or benefit in lieu of any pension, 493
granted to a retirant or a beneficiary. 494

(R) "Year" means the year beginning the first day of July 495
and ending with the thirtieth day of June next following. 496

(S) "Local district pension system" means any school 497
employees' pension fund created in any school district of the 498
state prior to September 1, 1937. 499

(T) "Employer contribution" means the amount paid by an 500
employer as determined under section 3309.49 of the Revised 501
Code. 502

(U) "Fiduciary" means a person who does any of the 503

following: 504

(1) Exercises any discretionary authority or control with 505
respect to the management of the system, or with respect to the 506
management or disposition of its assets; 507

(2) Renders investment advice for a fee, direct or 508
indirect, with respect to money or property of the system; 509

(3) Has any discretionary authority or responsibility in 510
the administration of the system. 511

(V) (1) Except as otherwise provided in this division, 512
"compensation" means all salary, wages, and other earnings paid 513
to a contributor by reason of employment. The salary, wages, and 514
other earnings shall be determined prior to determination of the 515
amount required to be contributed to the employees' savings fund 516
under section 3309.47 of the Revised Code and without regard to 517
whether any of the salary, wages, or other earnings are treated 518
as deferred income for federal income tax purposes. 519

(2) Compensation does not include any of the following: 520

(a) Payments for accrued but unused sick leave or personal 521
leave, including payments made under a plan established pursuant 522
to section 124.39 of the Revised Code or any other plan 523
established by the employer; 524

(b) Payments made for accrued but unused vacation leave, 525
including payments made pursuant to section 124.13 of the 526
Revised Code or a plan established by the employer; 527

(c) Payments made for vacation pay covering concurrent 528
periods for which other salary or compensation is also paid or 529
during which benefits are paid under this chapter; 530

(d) Amounts paid by the employer to provide life 531

insurance, sickness, accident, endowment, health, medical, 532
hospital, dental, or surgical coverage, or other insurance for 533
the contributor or the contributor's family, or amounts paid by 534
the employer to the contributor in lieu of providing the 535
insurance; 536

(e) Incidental benefits, including lodging, food, laundry, 537
parking, or services furnished by the employer, use of the 538
employer's property or equipment, and reimbursement for job- 539
related expenses authorized by the employer, including moving 540
and travel expenses and expenses related to professional 541
development; 542

(f) Payments made to or on behalf of a contributor that 543
are in excess of the annual compensation that may be taken into 544
account by the retirement system under division (a) (17) of 545
section 401 of the "Internal Revenue Code of 1986," 100 Stat. 546
2085, 26 U.S.C.A. 401(a) (17), as amended. For a contributor who 547
first establishes membership before July 1, 1996, the annual 548
compensation that may be taken into account by the retirement 549
system shall be determined under division (d) (3) of section 550
13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub. 551
L. No. 103-66, 107 Stat. 472; 552

(g) Payments made under division (B), (C), or (E) of 553
section 5923.05 of the Revised Code, Section 4 of Substitute 554
Senate Bill No. 3 of the 119th general assembly, Section 3 of 555
Amended Substitute Senate Bill No. 164 of the 124th general 556
assembly, or Amended Substitute House Bill No. 405 of the 124th 557
general assembly; 558

(h) Anything of value received by the contributor that is 559
based on or attributable to retirement or an agreement to 560
retire, except that payments made on or before January 1, 1989, 561

that are based on or attributable to an agreement to retire 562
shall be included in compensation if both of the following 563
apply: 564

(i) The payments are made in accordance with contract 565
provisions that were in effect prior to January 1, 1986. 566

(ii) The employer pays the retirement system an amount 567
specified by the retirement board equal to the additional 568
liability from the payments. 569

(3) The retirement board shall determine by rule whether 570
any form of earnings not enumerated in this division is to be 571
included in compensation, and its decision shall be final. 572

(W) "Disability benefit recipient" means a member who is 573
receiving a disability benefit. 574

(X) "Actuary" means an individual who satisfies all of the 575
following requirements: 576

(1) Is a member of the American academy of actuaries; 577

(2) Is an associate or fellow of the society of actuaries; 578

(3) Has a minimum of five years' experience in providing 579
actuarial services to public retirement plans. 580

Section 2. That existing sections 3307.01, 3307.05, and 581
3309.01 of the Revised Code are hereby repealed. 582

Section 3. Section 3307.05 of the Revised Code, as amended 583
by this act, does not affect the terms of members of the State 584
Teachers Retirement Board serving on the Board on the effective 585
date of this section. 586

Section 4. The version of section 3307.01 of the Revised 587
Code that is scheduled to take effect December 29, 2023, is 588

presented in this act as a composite of the section as amended 589
by both H.B. 33 of the 135th General Assembly and S.B. 131 of 590
the 134th General Assembly. The General Assembly, applying the 591
principle stated in division (B) of section 1.52 of the Revised 592
Code that amendments are to be harmonized if reasonably capable 593
of simultaneous operation, finds that the composite is the 594
resulting version of the section in effect prior to the 595
effective date of the section as presented in this act. 596