



## PERS Tier 4 and Tier 5 Benefit Overview

	PERS Tier 4	PERS Tier 5
<b>Entry Date</b>	July 1, 2011 – February 28, 2026	March 1, 2026, forward
<b>Type of Plan</b>	Traditional Defined Benefit Pension	Hybrid of Defined Benefit Pension and Defined Contribution Plan
<b>Employee Contribution Rate</b>	9%	9% (4% into Defined Benefit, 5% into Defined Contribution)
<b>Employer Contribution Rate effective July 1, 2025</b>	18.40% to PERS	18.40% to PERS
<b>Defined Contribution Plan Employer Match</b>	N/A	None guaranteed. Employer may elect to contribute an additional amount
<b>Defined Contribution Plan Vesting</b>	N/A	Immediately
<b>Defined Benefit Plan Vesting</b>	8 years	8 years
<b>Defined Benefit Retirement Eligibility</b>	30 years of creditable service at any age or age 60 and vested	35 years of creditable service at any age or age 62 and vested
<b>Defined Benefit Formula</b>	2% of average compensation per year of creditable service for up to 30 years, plus 2.5% of average compensation per year for each year of creditable service over 30, with an actuarial reduction for each year of creditable service below 30 years or for each year in age below age 65, whichever is less	1% of average compensation for all years of service. If member reaches age 62 with less than 30 years of service, an actuarial reduction is made for each year of creditable service below 30 years or for each year in age below age 65, whichever is less
<b>Average Compensation</b>	4 highest fiscal or calendar years of earned compensation or last 48 months, whichever is greater	8 highest consecutive fiscal or calendar years of earned compensation or last 96 months, whichever is greater
<b>Cost-of-Living Adjustments (COLA)</b>	3% of annual base benefit for each full fiscal year of retirement to age 60, plus 3% compounded for each fiscal year thereafter	No guaranteed COLA; Legislature may provide an additional benefit for a specific year
<b>Partial Lump Sum Eligibility</b>	33 years of creditable service at any age	N/A
<b>Unused Leave</b>	Unused leave certified to PERS is computed to additional creditable service	No service credit shall be awarded for unused leave
<b>Military Service</b>	Up to 4 years of free creditable service for honorable military service; members may purchase additional military service credit under USERRA	Up to 4 years of free creditable service for honorable military service; members may purchase additional military service credit under USERRA
<b>Early Withdrawals</b>	No withdrawals before termination	Defined contribution plan allows hardship withdrawals
<b>Service Purchase</b>	Members may purchase certain out-of-state service, professional leave credit, and other non-covered public service credit	No service credit shall be purchased for out-of-state service, professional leave, or any other non-covered service
<b>Refund Payback</b>	Individuals reentering the system before March 1, 2026, are eligible to repurchase the withdrawn service credit	Individuals reentering the system on or after March 1, 2026, are ineligible to repurchase the withdrawn service credit