



PERS Tier 4 and Tier 5 Benefit Overview

	PERS Tier 4	PERS Tier 5
Entry Date	July 1, 2011 – February 28, 2026	March 1, 2026, forward
Type of Plan	Traditional Defined Benefit Pension	Hybrid of Defined Benefit Pension and Defined Contribution Plan
Employee Contribution Rate	9%	9% (4% into Defined Benefit, 5% into Defined Contribution)
Employer Contribution Rate effective July 1, 2025	18.40% to PERS	18.40% to PERS
Defined Contribution Plan Employer Match	N/A	None guaranteed. Employer may elect to contribute an additional amount
Defined Contribution Plan Vesting	N/A	Immediately
Defined Benefit Plan Vesting	8 years	8 years
Defined Benefit Retirement Eligibility	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
Defined Benefit Formula	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
Average Compensation	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
Cost-of-Living Adjustments (COLA)	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
Partial Lump Sum Eligibility	33 years of creditable service at any age	N/A
Unused Leave	Unused leave certified to PERS is computed to additional creditable service	No service credit shall be awarded for unused leave
Military Service	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
Early Withdrawals	No withdrawals before termination	Defined contribution plan allows hardship withdrawals
Service Purchase	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
Refund Payback	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

Field	Position	Length	Format
Agency Number	01-04	4	
Unit Number	05-07	3	
Reserved	08-08	1	
Social Security Number	09-17	9	
Employee Name	18-56	39	
Last Name	18-37	20	ABCDEFGHIJKLMNOPQRSTUVWXYZ
First Name	38-52	15	abcdefghijklmnopqrstuvwxyz-
Middle Initial	53-53	1	ABCDEFGHIJKLMNOPQRSTUVWXYZ
Generation ID or Professional ID	54-56	3	BLANK or DDS, EDD, JR, MD, PHD, SR, I, II, III, IV, V, VI, VII
Wage Code	57-58	2	
Reporting Wage	59-66	8	
Reporting Month	67-68	2	MM
Reporting Year	69-72	4	YYYY
Employee Contribution	73-80	8	
Employer Contribution	81-88	8	
Credit Flag	89-90	2	
Status Code	91-92	2	
Status Date	93-100	8	
Position Codes	101-105	5	
Salary Amount	106-113	8	
Salary Code	114-115	2	
Sex Code	116-116	1	M or F
Birth Date	117-124	8	MMDDYYYY
Address Line 1	125-154	30	ABCDEFGHIJKLMNOPQRSTUVWXYZ
Address Line 2	155-184	30	ABCDEFGHIJKLMNOPQRSTUVWXYZ
Address Line 3	185-214	30	0123456789
Address Line 4	215-244	30	#-./&
City	245-272	28	ABCDEFGHIJKLMNOPQRSTUVWXYZ ABCDEFGHIJKLMNOPQRSTUVWXYZ
State	273-276	4	ABCDEFGHIJKLMNOPQRSTUVWXYZ
Zip Code	277-281	5	
Marital Status	321-321	1	M=Married, S=Single, D=Divorced, W=Widow
Mobile Telephone	322-345	24	
Personal Email Address	346-415	70	

Introducing New MyPERS Tools in Support of Tier 5

Employer Defined Contribution Report and Defined Contribution Data File

Employers will now be able to generate an Employer Defined Contribution Report, listing each employee in Tier 5 and showing the calculated defined contribution amount due to Empower. Further, employers, if needed, will also be able to produce a file layout (.txt file) to upload to the Empower Plan Service Center to report defined contribution contributions.

Tier Verification Tool

PERS has developed a Tier Verification tool for employers to on board newly hired employees by determining membership in all tiers in PERS, specifically to aid in identifying Tier 5 employees. Employers will have the option to look up employees individually or to upload a file to review the information in bulk.