



News Release

For Immediate Release

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For More Information

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Member contribution rate to increase from 7.25 to 9.00 percent

Active members of the Public Employees' Retirement System of Mississippi (PERS) will contribute more toward their retirement beginning in July due to a bill passed by the Mississippi legislature in April.

Since 1991, PERS members have contributed 7.25 percent of their gross salary toward their retirement. In a special session called by the Governor in April to address funding of PERS, the legislature passed House Bill 1 (HB 1), which raises the member contribution rate to 9.00 percent. The bill is expected to be signed by the Governor in May.

HB 1 includes two benefit enhancements intended to offset the bearing of the rate increase on employees.

The first enhancement provides that members of PERS will receive an additional one-half day of leave toward retirement for each full year of membership service accrued after June 30, 2010 (e.g., a member who accrues 30 years of membership service after June 30, 2010, will receive 15 days of leave toward retirement service credit that will be added to any other leave that has been certified to PERS for service credit).

The second enhancement provides an additional benefit option, a 75 percent joint and survivor annuity, to members of PERS who retire on or after January 1, 2011.

Participants in the Optional Retirement Plan (ORP) for the Institutions of Higher Learning are required to contribute monthly to the optional retirement program the same amount that they would be required to contribute to PERS if they were members of that plan. Therefore, each active member of ORP will likewise contribute 9.00 percent of his or her compensation to the appropriate company or companies for application to the participant's contract or account or both.

For more information on PERS, visit www.pers.state.ms.us.

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