

**Fiscal Year 2023-24 Employer Retirement Contribution Rates: Rates Applied to Applicable Payroll  
Defined Benefit (DB) and Defined Contribution (DC)**

<b>Retirement System/Plan</b>	<b>Pension Rate</b>	<b>Health Care Rate</b>	<b>State Rate Cap Subsidy (MPSERS)***</b>	<b>Total Minimum Contribution Rate (excludes FICA and matching DC costs, where applicable)</b>
SERS - DB	23.84%	11.40%	---	35.42%
SERS - DC	21.47% + DC Match	11.40%**	---	32.87%
MPSERS - Basic/MIP* with retiree health	23.03%	8.31%	16.89%	48.23%
MPSERS - Basic/MIP* with personal health fund	23.03%	7.06%**	16.89%	46.98%
MPSERS - Hybrid with retiree health	19.17% + DC Match	8.31%	16.89%	44.37%
MPSERS - Hybrid with personal health fund	19.17% + DC Match	7.06%**	16.89%	43.12%
MPSERS - DC with retiree health	13.90% + DC Match	8.31%	16.89%	39.10%
MPSERS - DC with personal health fund	13.90% + DC Match	7.06%**	16.89%	37.85%
MPSERS - Hybrid 2**** with personal health fund	20.10% + DC Match	7.06%**	16.89%	44.05%
SPRS - DB (for members hired 4/1/86 - 5/31/12)	82.75%	30.98%	---	113.73%
SPRS - Hybrid (for members hired since 5/31/12)	68.49% + DC Match	30.98%**	---	99.47%

State Employees' Retirement System (SERS)  
Michigan Public School Employees' Retirement System (MPSERS)  
State Police Retirement System (SPRS)

\*MIP = Member Investment Plan. Both Basic and MIP in MPSERS are closed to new hires. New hires in MPSERS have the option of the Hybrid (a retirement plan that has both DB and DC components) or a straight DC plan. In the Hybrid plans, the employer must make additional 401k contributions up to 1% of pay if an employee contributes at least 2% of pay. In the SERS and MPSERS DC plans, the employer must contribute at least 4% and up to another 3% in matching contributions.

\*\*Plus applicable matching funds into a personal healthcare fund, up to 2% of pay.

\*\*\*PA 300 of 2012 enacted a cap on the percentage of payroll that a MPSERS employer pays toward unfunded accrued liabilities (UAL), equal to 20.96%. Anything required to be contributed toward UAL in excess of 20.96% is paid by the State using School Aid Fund dollars appropriated in the School Aid budget.

\*\*\*\*PA 92 of 2017 reduced the assumed rate of return on pension system investments supporting the benefits of members hired in the new hybrid system (established for employees newly hired since February 1, 2018), which increased the pension normal cost. Other calculations and benefits of the Hybrid 2 plan are the same as the first hybrid plan.

SERS DB has been closed to new hires since 1997, with new hires in a DC plan. SPRS hybrid has been in place since 2012. Judges Retirement System (JRS) DB has been closed to new hires since 1997, with new hires in a DC. With the exception of the JRS, retiree health care premium coverage is no longer available for new hires in any of the systems, and instead new hires receive matching contributions into a personal health fund savings account.

In the Judges Retirement System, retirement contribution rates are not calculated. Instead, the annual required contribution (ARC) to fund the pension (for the remaining active defined benefit judges) is funded as a journal entry that transfers the ARC from the Court Filing Fee Fund to the JRS at the end of the year.