## **Development of PEPRA Member Contribution Rates**

With the enactment of PEPRA, new PEPRA members are required to contribute at least 50 percent of the total annual normal cost of their pension benefit as determined by the actuary. As per Government Code Section 7522.30, State employees are excluded from this requirement except for employees of the Legislature, California State University (CSU), and the judicial branch.

The table below shows the determination of the Member contribution rates based on 50 percent of the Total Normal Cost for each applicable plan on June 30, 2014.

|   | Basis for Current Rate  |                | Rates Effective July 1, 2015 |        |                  |                |
|---|-------------------------|----------------|------------------------------|--------|------------------|----------------|
| Plan  | Total<br>Normal<br>Cost | Member<br>Rate | Total<br>Normal<br>Cost      | Change | Change<br>Needed | Member<br>Rate |
| State Miscellaneous -<br>CSU, Legislature and<br>Judicial | 12.11%                  | 6.00%          | 12.90%                       | 0.79%  | No               | 6.00%          |
| POFF-<br>CSU, Legislature and<br>Judicial                 | 22.04%                  | 11.00%         | 22.08%                       | 0.04%  | No               | 11.00%         |