



Actuarial Circular Letter

California Public Employees' Retirement System
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May 10, 2017

Circular Letter No: 200-027-17
Distribution: IV, V, X

To: State Employers

Subject: 2017-18 State Employer Contribution Rates

The purpose of this Circular Letter is to inform you of the following employer contribution rates in respect of pension benefits approved by the CalPERS Board of Administration on April 19, 2017. These rates become effective with the first payroll period that ends in July 2017 and are in effect for Fiscal Year 2017-18:

Member Category	Employer Contribution as a Percentage of Compensation
State Miscellaneous Member	28.325%
State Industrial Member	19.527%
State Safety Member	19.402%
California Highway Patrol Member	52.785%
Peace Officer/Firefighter Member	42.598%

The employer contribution rate will continue to vary annually. The California State Legislature may adopt higher contribution rates than those in the table above to redirect savings from increases to various state member contribution rates from fiscal years beginning July 1, 2013, July 1, 2014, and July 1, 2015. Government Code section 20683.2(c) of the Public Employees' Retirement Law specifies that the "savings realized by the state employer as a result of the employee contribution rate increases required by this section shall be allocated to any unfunded liability, subject to appropriation in the annual Budget Act." The Legislature adopted the increased rates for 2016-17, and it is anticipated that the Legislature will also adopt them for 2017-18.

Rates that include the additional contribution are shown in the table below:

Member Category	Actuarially Required Employer Contribution for 2017-18	Additional Statutory Contribution to Offset Increased Member Contributions	Total Contribution 2017-18
State Miscellaneous Member	28.325%	0.098%	28.423%
State Industrial Member	19.527%	0.881%	20.408%
State Safety Member	19.402%	1.182%	20.584%
California Highway Patrol Member	52.785%	1.319%	54.104%
Peace Officer/Firefighter Member	42.598%	1.647%	44.245%

Note that in the event that a state budget is not passed by July 1, 2017, the actuarially required contribution rates set by the CalPERS Board will remain in effect.

Additional information can be found on the CalPERS website in the Finance and Administration Committee Meeting [Agenda Item 8a](#) on April 18, 2017. The complete actuarial valuation report with additional information about future rate changes beyond the 2017-18 fiscal year is expected to be available on the CalPERS website this summer.

If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

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