The Employees’ Retirement System (ERS) contains 6 tiers. Upon joining the Unified Court System, members are assigned to a tier based on the date of membership.

The assigned tier determines:

- Eligibility for benefits
- The formula used in the calculation of benefits
- Death benefit coverage
- Service crediting
- Contributions towards benefits
- Loan eligibility

You are in:	If you joined:
Tier 1	before July 1, 1973
Tier 2	July 1, 1973 through July 26, 1976
Tier 3	July 27, 1976 through August 31, 1983
Tier 4	September 1, 1983 through December 31, 2009
Tier 5	January 1, 2010 through March 31, 2012
Tier 6	April 1, 2012 or after

<u>Increased Overtime Limits for Tier 5 and 6 Members</u>

For members of Tiers 5 and 6, the law limits the amount of overtime pay included in the calculation of your final average earnings (FAE), which is used to determine your NYSLRS pension. Overtime pay above the limit is not factored into your pension. However, the law increased the annual overtime limits, allowing more overtime pay to be included in that calculation. Effective January 1, 2027, the overtime limit for 2027 is $30,000 and increases by 3% each calendar year thereafter. Currently, the limit for 2026 is $24,070.60 for Tier 5 and $21,589 for Tier 6.

<u>Reduced Contribution Rates for Tier 6 Members:</u>

Members of Tier 6 are required to contribute a percentage of their earnings, with the contribution rate based on annual earnings. However, the law reduced those rates, so most Tier 6 members will pay less in contributions.

NYSLRS created the following diagram to help explain improvements by year and benefit.

New Laws Continue to Improve Tier 6 Benefits

YEAR ENACTED	BENEFIT	ORIGINAL	IMPROVEMENTS	WHAT IT MEANS FOR MEMBERS
2026	**Contribution Rates** *The percentage of your earnings you are required to contribute.*	$45k or less = 3% $45k–$55k = 3.5% $55k–$75k = 4.5% $75k–$100k = 5.75% $100k or over = 6%	$75k or less = 3% $75k–$100k = 4% $100k–$125k = 5.25% Over $125k = 5.75%	The majority of Tier 6 members will pay less of their earnings toward contributions **(effective October 1, 2026)**.
2026	**Overtime Limits** *The amount of overtime pay that can be used in the calculation of your pension.*	**ERS:** $21,589 **for 2026** *limit changed annually based on the Consumer Price Index* **PFRS:** 15% of your pensionable, non-overtime earnings	**ERS:** $30,000 **for 2027** *limit will now increase by 3% each calendar year after 2027* **PFRS:** 25% of your pensionable, non-overtime earnings	More of a Tier 6 member's overtime pay can be included in the calculation of their pension **(effective January 1, 2027)**.
2026 2024 2022	**Calculating Contribution Rates (Earnings Used)** *Your contribution rate is based on your earnings including regular pay, holiday pay and longevity pay.*	**Overtime Pay** *(up to a certain limit)* included in the calculation of contribution rates	**Overtime Pay** *temporarily* excluded from the calculation of contribution rates	A Tier 6 member's overtime pay will not push them into a higher contribution rate bracket, lowering their rate **(effective April 1, 2026–March 31, 2028)**.
2024	**Final Average Earnings (FAE)** *The number of consecutive years of earnings used in the calculation of your FAE.*	the average of your **highest 5 years** of earnings	the average of your **highest 3 years** of earnings	The majority of Tier 6 members will receive a higher pension benefit. ***Same as members in other tiers.***
2022	**Vesting** *The years of service credit needed to qualify for a pension benefit.*	10 **years** of service credit	5 **years** of service credit	Tier 6 members qualify for a pension benefit sooner. ***Same as members in other tiers.***

Effective October 1, 2026, Tier 6 Members' contribution rates are as follows:

Earnings	Current Contribution Rate	New Contribution Rate
$45,000 or less	3.00%	3.00%
$45,000.01 to $55,000	3.50%	3.00%
$55,000.01 to $75,000	4.50%	3.00%
$75,000.01 to $100,000	5.75%	4.00%
$100,000.01 to $125,000	6.00%	5.25%
$125,000.01 to $250,000	6.00%	5.75%