



CERS Reporting Changes Effective July 1, 2026

SUMMARY OF SENATE BILL 10

[Senate Bill 10](#), passed during the 2025 Regular Session of the Kentucky General Assembly, includes changes that impact CERS members and employers. KPPA staff is working through the details and has created a communications plan to:

- Explain how CERS members are affected
- Share educational resources as they become available
- Provide updates on employer reporting requirements and deadlines

We will send employer updates by email and post the same information on our website. On our homepage go to Employers, then select [Reporting Officials](#).

CERS MEMBERS

In both the [Spring \(May 2025\)](#) and [Fall \(October 2025\)](#) Member Newsletters, we shared information about [Senate Bill 10](#) with CERS members who have a valid email on file. Please remind your employees to [keep their contact information current with KPPA](#) so they don't miss future updates.

Retirement law updates often depend on an employee's membership details, like participation date and if they have hazardous or nonhazardous service. This information is available online at [MyRetirement.ky.gov](#).

Senate Bill 10 applies to Tier 1 members with a participation date July 1, 2003, and after and all Tier 2 and Tier 3 members. This bill makes two important changes:

1) Enhanced Retiree Insurance Contribution for Career Employees

Starting in January 2026, non-Medicare retirees who meet career threshold service requirements will receive a higher insurance dollar contribution amount. Employees thinking about retirement should review the eligibility rules to see if they qualify: [CERS Career Threshold Dollar Contribution](#).

2) Employee Health Insurance Contribution (Effective July 1, 2026)

- Tier 1 members with a participation date of July 1, 2003 - August 31, 2008 will begin paying a non-refundable health insurance contribution (HIC).
- Nonhazardous members will pay a non-refundable one percent (1%) HIC. There is no change for Tier 2 and Tier 3.
- Hazardous members will pay a two percent (2%) non-refundable HIC. Tier 2 and Tier 3 will see a one percent (1%) increase.

EMPLOYER REPORTING CHANGES

Employers can expect the following updates:

- **November 2025** email explaining the new Employer Contribution Record Layout and contribution groups.

- **February 2026** email about available trainings on the new contribution groups, rate changes and how to report them.
- **May 2026** reminder email with final instructions.



To comply with new reporting requirements, employers will need to update payroll systems before submitting the July 2026 monthly report. The new contribution groups should not be reported prior to the July 2026 monthly report.

SUMMARY OF EMPLOYEE CONTRIBUTION CHANGES

These changes take effect **July 1, 2026** and are **not retroactive**.

	Participation Date	Service Type	Contribution Group	Current HIC	7/1/2026 HIC
Tier 1	7/1/2003-8/31/2008*	Nonhazardous	CNHZDC New	0%	1%
Tier 1	7/1/2003-8/31/2008*	Hazardous	CHZDC New	0%	2%
Tier 2	9/1/2008-12/31/13	Nonhazardous	CNHZHI	1%	1% (no change)
Tier 2	9/1/2008-12/31/13	Hazardous	CHZHI	1%	2%
Tier 3	1/1/2014 and after	Nonhazardous	CNHZCB	1%	1% (no change)
Tier 3	1/1/2014 and after	Hazardous	CHZCB	1%	2%

**This change does not apply to members with a participation date between July 1, 2003, and July 31, 2004, and a hire date before July 1, 2003.*

QUESTIONS?

If you have questions about these reporting changes, please contact your ERCE representative or call the Employer Hotline at 1-888-696-8810.



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