



CERS Reporting Changes for Hazardous Tier 2 and Tier 3 Members



[Senate Bill 10](#) was passed during the 2025 Regular Session of the Kentucky General Assembly amending KRS 78.5536. This includes changes that impact CERS members and employers.

Changes for members who are Tier 2 (With HICON) or Tier 3 (Cash Balance) and in a Hazardous job position

The required health insurance contribution rate is increasing from 1% to 2%, beginning with salaries **paid** 8/1/2026 and after.

The change to increase the health insurance contribution rate to 2% for these hazardous members is not retroactive and will apply to wages **paid** during the month of August 2026 and after. This will include wages earned in July but **paid** in August based on your payroll system.

Employers should plan to make the appropriate changes in their payroll systems to ensure that deductions for health insurance contributions are increased from 1% to 2% on salary **paid** beginning 8/1/2026.

Important Dates

Dates	Additional Resources
10/30/2025	CERS Reporting Changes Effective July 1, 2026, email to CERS Employers
11/14/2025	November 2025 Employer Newsletter to All Employers
11/26/2025	CERS Reporting Changes – New Contribution Groups and Employer Contribution Record Layout email to CERS Employers
5/6/2026	ERCE begins distributing Dollar Contribution Employee Lists
8/1/2026	Effective date for CERS Rate changes to KRS 78.5536 2025 Regular Session Summary
	Health Insurance Contributions of 1% due for CERS NHZ employees eligible for Dollar Contribution

	Health Insurance Contributions of 2% due for CERS HZ employees eligible for Dollar Contribution
	Health Insurance Contributions increase to 2% due for CERS HZ employees in With HIC or Cash Balance
8/25/2026	Monthly Report Template for 8/2026 created



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