

MSEP 2011 SB 62 Vesting Changes Effective 1/1/2018
Frequently Asked Questions for Employers

What changes were made to the MSEP 2011?

- The 10-year vesting period for MSEP 2011 members will be reduced to 5 years.

Who is affected by the changes?

- Members of the MSEP 2011 who are actively employed on or after January 1, 2018.

Will legislators, statewide elected officials and judges be affected?

- No.

Will terminated-vested MSEP 2011 members be affected?

- Only **new** terminated-vested* members will: 1) not be eligible to receive service credit for sick leave accruals, 2) not have survivor benefits payable at the time of death but rather at the time when the member would have been eligible for normal retirement, and 3) have cost-of-living adjustments begin on the second anniversary of retirement, rather than on the first anniversary of retirement.
- These offsets affect only MSEP 2011 members who leave state employment after becoming vested (but prior to attaining retirement eligibility).

How does SB 62 affect MSEP 2000 & MSEP employees?

- The provisions in SB 62 have NO impact on members of MSEP or MSEP 2000. Additionally, *other than to reduce the vesting period from 10 years to 5 years*, the provisions of SB 62 have NO impact on members of MSEP 2011 who work in a MOSERS benefit-eligible position until they reach normal retirement eligibility.

Will eligibility for retirement (age and service requirements) be different?

- No. Members of MSEP 2011 will become eligible for normal retirement when they are age 67 and have 5 years of service OR under the "Rule of 90" which is when they are at least age 55 and their age and service equal 90 when they terminate/leave state employment.

Is the Rule of 90 changing?

- No.

Has the BackDROP changed?

- No. Members of the MSEP 2011 are not eligible for BackDROP.

How is MOSERS going to communicate this information to members?

- We will provide information in future newsletters, HR Updates, and on our website.

**A terminated-vested member is someone who has left state employment but has enough service to qualify for a pension benefit in the future once they also reach the age requirement for retirement.*