



# SERS Tier IV

## Summary

<p><b>Two Components: Defined Benefit and Defined Contribution</b></p>	<p><b>SERS Tier IV has two components: a defined benefit plan and a defined contribution plan. All Tier IV members must participate in both plans.</b></p> <p>The <i>defined benefit</i> (DB) plan pays you a monthly retirement pension after you retire (subject to vesting). It is administered by the Office of the State Comptroller.</p> <p>The <i>defined contribution</i> (DC) plan is a tax-deferred retirement account. Funds in your account are invested at your direction. The DC plan is administered by Empower.</p>
<p><b>Retirement Benefit Calculation/Amount</b></p>	<p><i>Defined Benefit:</i> The amount of your benefit depends on your years of state service, your average salary, and your age at the time you retire. For hazardous duty retirees, the benefit is based solely on average salary and years of state service.</p> <p><i>Defined Contribution:</i> The amount in your tax-deferred retirement account will depend on the amount of your contributions, the amount of the state's contributions, and the performance of the investments you selected.</p>
<p><b>Employee Contributions</b></p>	<p><i>Defined Benefit:</i> You must contribute 5% of your salary to the defined benefit plan.<sup>1</sup></p> <ul style="list-style-type: none"> <li>In some years in which the plan's investments underperform, all Tier IV members may be required to make an additional contribution of not more than 2%. (See RSD 2023 Memorandum <a href="#">2023-01r.pdf (ct.gov)</a> (link))</li> </ul> <p><i>Defined Contribution:</i> You contribute 1% of your salary to the defined contribution plan.<sup>2</sup></p>
<p><b>State Contributions</b></p>	<p><b>The State of Connecticut contributes to both the DB plan and DC plan</b></p> <p><i>Defined Benefit:</i> There is no State contribution assigned to individual member accounts within the DB plan. The State funds the DB plan collectively across the entire population of SERS participants.</p> <p><i>Defined Contribution:</i> The State contributes an amount equal to 1% of your salary to the DC plan.</p>

<sup>1</sup> Hazardous duty members or members of the Tier IV Hybrid Plan must contribute an additional 3% of salary to the DB plan.

<sup>2</sup> Substitute instructors in the State Department of Education's Connecticut Technical Education & Career System participate in the Tier 4S plan and contribute 2% of salary to the DC plan.

<p><b>Vesting</b></p>	<p><i>Defined Benefit:</i> You earn an irrevocable right to a lifetime retirement income by completing 10 years of state service.</p> <p><i>Defined Contribution:</i> Your contributions are vested immediately. The State’s contributions are vested once you have completed three years of state service.</p>
<p><b>Retirement Age</b></p>	<p><i>Defined Benefit:</i> You become eligible for a full retirement income when you reach “normal retirement age.” If you retire before you reach normal retirement age (an “early retirement”), your pension will be smaller.</p> <ul style="list-style-type: none"> <li>• Normal Retirement Age is 65 with 10 years of service, or 63 with 25 or more years of service.</li> <li>• Early Retirement is available at age 58 with 10 years of service.</li> <li>• Normal Retirement for Hazardous Duty members is at any age, with 25 years of hazardous duty service</li> </ul> <p><i>Defined Contribution:</i> You may withdraw funds from your defined contribution account at any age upon your separation from State service. Distributions from your account are taxable at the time they are made</p>
<p><b>Beneficiary Election and DB Benefit Options</b></p>	<p><i>Defined Benefit:</i> You may designate one or more beneficiaries to receive a refund of your contributions to the DB plan in the event of your death before retirement (or under certain other circumstances), by completing a CO-999 form through your Human Resources Offices.</p> <ul style="list-style-type: none"> <li>• At the time you retire, you will also have the option of selecting a form of retirement payment that will provide pension benefits after your death to a person you designate.</li> </ul> <p><i>Defined Contribution:</i> You may designate one or more beneficiaries to receive the balance in your tax-deferred account at the time of your death. To designate a beneficiary of your DC account, contact Empower at the link provided below.</p>
<p><b>Retiree Healthcare</b></p>	<p>Tier IV members are eligible for retiree healthcare after 15 years of State service in a healthcare eligible position.</p>

**Additional Resources**

Summary Plan Descriptions: [Retiree Resources \(ct.gov\)](https://www.ct.gov/retiree)

Empower: Tier IV Defined Contribution website [WORK SAVE Play: State of Connecticut Defined Contribution Plans \(ctdcp.com\)](https://www.ctdcp.com) or call **844-505-7283**

**Questions?** Contact your Human Resources Office or the Office of the State Comptroller’s Retirement Services Division at **860-702-3480** or [osc.rsd@ct.gov](mailto:osc.rsd@ct.gov)