



# Employer Reporting, Compliance & Education



## CERS Reporting Changes Effective July 1, 2026

### New Contribution Groups and Employer Contribution Record Layout

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

As a result, Kentucky Public Pensions Authority (KPPA) created two new CERS contribution groups to capture the Tier 1 members with a participation date of July 1, 2003 – August 31, 2008, who will pay a Health Insurance Contribution (HIC).

The two new contribution groups will be CERS Non-Hazardous(CNHZDC) and CERS Hazardous (CHZDC) for Tier 1 Dollar Contribution members.

In addition, the Hazardous HIC rate will increase from one percent (1%) to two percent (2%) of creditable compensation for all hazardous contribution groups. See link for the new [CERS Employer Contribution Record Layout](#).

The above HIC requirements will be effective for records reported with a July 1, 2026 posting date and after.

**Note:** The new HIC rate changes do not apply to members with a participation date between July 1, 2003 and July 31, 2004, and a hire date before July 1, 2003. A member newsletter will be released in January 2026 which will educate impacted employees on how to verify their participation dates in Member Self Service (MSS).



### Summary of Employee Contribution Changes

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      |
|---------------|---------------------|--------------|----------------------|-------------|-------------------|
| <b>Tier 1</b> | 7/1/2003-8/31/2008* | Nonhazardous | CNHZDC<br><i>New</i> | 0%          | 1%                |
| <b>Tier 1</b> | 7/1/2003-8/31/2008* | Hazardous    | CHZDC<br><i>New</i>  | 0%          | 2%                |
| <b>Tier 2</b> | 9/1/2008-12/31/13   | Nonhazardous | CNHZHI               | 1%          | 1%<br>(no change) |
| <b>Tier 2</b> | 9/1/2008-12/31/13   | Hazardous    | CHZHI                | 1%          | 2%                |
| <b>Tier 3</b> | 1/1/2014 and after  | Nonhazardous | CNHZCB               | 1%          | 1%<br>(no change) |
| <b>Tier 3</b> | 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.*



Kentucky Public Pensions Authority | 1260 Louisville Road | Monday - Friday 8:00 a.m. - 4:30 p.m. ET | Frankfort, KY 40601 US

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