

FOR IMMEDIATE RELEASE
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Oregon PERS announces lower pension contribution rates for schools

New rates deliver budget relief across Oregon school districts.

TIGARD, Ore. – Today the Oregon Public Employees Retirement System (PERS) announced a reduction in pension contribution rates for K–12 school district employers, a move that will provide much-needed budget relief to school districts across Oregon for the 2025-27 biennium.

This change — enabled by **Senate Bill (SB) 849**, introduced by Governor Tina Kotek at the request of Oregon PERS and passed by the Legislature this spring — allows the agency to distribute funds to make an impact in the upcoming budget cycle. As a result, the contribution rate for school employers without side accounts will drop from **29.70%** for Tier One/Tier Two employees and **26.52%** for Oregon Public Service Retirement Plan (OPSRP) employees in the current biennium to **28.02% for Tier One/Tier Two employees and 24.84% for OPSRP employees**, a reduction of **1.68** percentage points, reducing the cost by about 6% over the next biennium.

The contribution rate for school employers with side accounts will also drop by 1.68%, unless the full reduction would make the rate less than zero. In that case, the contribution rate will be zero. For school districts, this translates into **\$168 million** in savings — money that can now be redirected to serve other needs.

"This is good news for schools and the communities they serve," said Kevin Olineck, Director of Oregon PERS. "Thanks to the support of Governor Kotek and the Legislature, we were able to re-calculate employer contribution rates and deliver real, measurable cost reductions for our school employers."

Under SB 849, the PERS Board was permitted to use previously allocated funds and update PERS-participating school district employers' contribution rates, keeping employer costs more closely aligned with the system's long-term funding needs.

"This adjustment will help provide more fiscal certainty for schools working to balance their budgets for the coming school year," Governor Kotek said.

Olineck continued, "We're proud to be part of a collaborative effort that supports both financial responsibility and educational outcomes in Oregon."

Individual employer rates are located on the PERS website: [PERS employer contribution rates](https://www.oregon.gov/PERS/employer-contribution-rates).

For more information, visit www.oregon.gov/PERS.

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The Oregon Public Employees Retirement System (PERS) serves the people of Oregon by administering public employee benefit trusts to pay the right person, the right benefit, at the right time. PERS, the agency, administers the retirement system in partnership with more than 900 Oregon public employers, including school districts, special districts, cities, counties, community colleges, universities, and state agencies. PERS engages with more than 415,000 current and former Oregon public employees or their beneficiaries; it also administers a health insurance program for retirees (PERS Health Insurance Program) and a 457(b) voluntary deferred compensation program (Oregon Savings Growth Plan).