

**IMPORTANT INFORMATION ABOUT YOUR BENEFITS UNDER  
THE OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM  
("PERS")**

You are, or soon will be, eligible to establish membership in the Oregon Public Service Retirement Plan ("OPSRP"), which consists of both a pension program and an Individual Account Program ("IAP"). Once you have established membership in OPSRP, your retirement contributions and benefits are based upon the salary your employer pays you, but only to the extent your salary is taxable in Oregon as determined under Oregon law.

The statutes that establish the rules for OPSRP (ORS Chapter 238A) currently define eligible salary to only include compensation paid by a PERS employer that is **taxable in the state of Oregon** and paid during a period of qualifying service. Therefore, if your salary is not taxable in the state of Oregon, it may not be counted as eligible salary for contributions to the OPSRP pension and IAP programs, and may not be included in "final average salary" used to calculate retirement benefits under the pension program. Unless the OPSRP statute is amended, your compensation that is not taxable in the state of Oregon will not count for purposes of OPSRP pension and IAP benefits. The PERS statute may be amended to change this rule for some OPSRP participants, but this will not be known until late 2017 and the amendment may not apply to all OPSRP participants.

You should carefully review the information in your benefit packet before making any decisions regarding your retirement benefits. If you have any questions about this notice or PERS benefits, please contact \_\_\_\_\_ at \_\_\_\_\_. If you have questions about whether your current or future compensation is taxable in the state of Oregon, you should consult with your tax advisor.