



Becoming a Retirement Systems' Participating Employer

The South Carolina Retirement System (SCRS) and the Police Officers Retirement System (PORS) are defined benefit retirement plans administered by PEBA. This flyer provides a brief overview of benefits for Class Three members and outlines the process of becoming a participating employer.

Employer eligibility

Local governments, charter schools, special purpose districts and other governmental entities in South Carolina may apply to become a participating employer. Employers seeking PORS participation must employ police officers or firefighters and meet other eligibility requirements.

Membership

When you become a participating employer, current employees may elect to opt out of membership in the retirement system, unless they already have an account in the system. Future employees must generally become members as a condition of employment. Employees will be Class Three members of the systems unless they have service in SCRS or PORS prior to July 1, 2012.

Benefit highlights

- Retirement benefit is based on a member's years of service, average final compensation and a benefit multiplier, not on a member's account balance at retirement.
- Annual benefit adjustment of 1% of retired member's annual annuity up to a maximum of \$500 per year.
- Plan assumes investment and life expectancy risks.
- A Class Three SCRS member must have at least eight years of earned service and either meet the Rule of 90 or be at least 65 years old in order to be eligible for an unreduced service retirement benefit. The Rule of 90 means the member's age and years of service add up to at least 90. If a member retires after age 60 but before age 65 and without meeting the Rule of 90, the member receives a reduced benefit.
- A Class Three PORS member must have at least eight years of earned service and either have at least 27 years of service credit or be at least 55 years old in order to be eligible for a service retirement benefit.
- A Class Three member of either system must have at least eight years of earned service to be eligible for disability retirement benefits, unless the disability is the result of an on-the-job injury. To be approved for disability retirement under SCRS, a member must be approved for disability benefits from the Social Security Administration; under PORS, a member must be found permanently incapacitated from the further performance of their job duties by a three-physician medical board.

Optional death benefits

An employer can elect to offer incidental death benefit and/or Accidental Death Program coverage, and must pay for coverage if offered. Electing to offer these benefits is irrevocable.

Optional incidental death benefit coverage provides beneficiaries of active members and working retirees with a payment equal to one year's earnable compensation if the member has at least one year of service on the date of death. If the member's death is a result of a job-related injury, the one-year requirement is waived. The beneficiary of a non-working retiree may be eligible for a benefit of \$2,000, \$4,000 or \$6,000 based on the retiree's years of service.

Effective May 11, 2023, the incidental death benefit program includes an additional line-of-duty death benefit for certain first responders (police, fire, EMS) whose employer participates in the incidental death benefit program.

Optional Accidental Death Program coverage is available for PORS members. This coverage provides a benefit for the survivor of a PORS member who dies as a result of an injury sustained in the line of duty.

An employer can decide whether to offer incidental death benefit and/or Accidental Death Program coverage, and must pay for coverage if offered.

Coverage effective date

SCRS coverage is effective at the beginning of a quarter. PORS coverage is effective at the beginning of a quarter; however, PORS firefighter coverage requires a July 1 effective date.

SCRS optional incidental death benefit coverage requires a July 1 effective date. PORS optional incidental death benefit coverage and Accidental Death Program coverage also require a July 1 effective date.

Fiscal year 2026 membership costs

The current employer contribution base rates are 18.41% for SCRS and 20.84% for PORS. To the base rate, add 0.15% (SCRS) or 0.20% (PORS) for the incidental death benefit. Add an additional 0.20% if you are a PORS employer who opts to provide Accidental Death Program coverage.

SCRS members contribute a tax-deferred 9% of their gross pay and PORS members contribute a tax-deferred 9.75% of their gross pay. Rates are subject to change each fiscal year, which begins July 1.

New employer training

It is important for your benefits and payroll staff to become familiar with the requirements and procedures for SCRS and PORS. Therefore, we offer new employer training online at peba.sc.gov/retirement-training.

Additionally, the [*Covered Employer Procedures Manual*](#) is an in-depth resource to assist employers in administering PEBA retirement benefits.

More information

- Email EmployerServices@peba.sc.gov.
- Contact PEBA at 803.737.6800, 888.260.9430 or peba.sc.gov/contact.
- Required forms for participation are available online at peba.sc.gov/forms. Return completed forms to employerservices@peba.sc.gov.

PEBA:Connect

PEBA is developing a new benefits administration system, PEBA:Connect. Our goal is to configure a user-friendly and valuable system for employers, members and PEBA. Participating employers will experience significant changes in administering PEBA benefits upon implementation. If PEBA determines your entity is eligible to join the retirement systems, PEBA will work with you to determine your coverage effective date with regard to the new system deployment. Learn more about the project at peba.sc.gov/peba-connect.

How to request participation

01

Complete and submit to PEBA the [Employer Eligibility and Determination Request](#) (Form 6500) at least six months before your desired effective date for verification of your organization's eligibility for participation.

02

If eligible, PEBA will notify you by email and provide you with an *Employer Resolution and Application* to complete for your entity to make the final decision to join SCRS or PORS. Your organization's governing body must take formal action to adopt this resolution and application. Return the resolution to PEBA no fewer than 120 days before your desired effective date.

03

If your organization also wishes to add incidental death benefit coverage upon joining SCRS or PORS, or add coverage for firefighters and/or Accidental Death Program coverage upon joining PORS, your entity's governing body must complete an additional application to append the selected coverage(s). Your organization's governing body must take formal action to adopt this application and return it to PEBA no fewer than 120 days before July 1.

Please note that admission as an employer in PORS for police officer or firefighter coverage will not be effective if more than half of the persons employed as police officers or firefighters, as applicable, on the requested date of admission elect not to become members of PORS.

04

If your organization already participates in SCRS or PORS and wishes to add additional coverages, your organization will not need to complete another *Employer Eligibility and Determination Request* unless there has been a change in the organization's governmental status. However, your organization will need to complete the appropriate application to append the selected coverage(s). Please contact PEBA at EmployerServices@peba.sc.gov for more information on adding these additional coverages.