

Understanding Reciprocity

Reciprocity refers to an agreement between most California public retirement systems which encourages careers in public service. When a member changes employment from one public employer to another, reciprocity allows members to maintain the retirement benefits they have already earned by linking the retirement benefits offered by different systems together.

There is no transfer of funds and you will maintain membership in all systems where you have established reciprocity. When it comes time to retire, you must apply to retire from all reciprocal systems on the same date and you will receive separate benefit payments from each system.

Reciprocity is not automatic. It is only established when you actively make an election to do so. Therefore, it is important that you notify both your old and new systems of your intent to establish reciprocity. **It is your responsibility to verify that reciprocity has been established.**

Benefits of Reciprocity

- The service credit earned in all reciprocal systems will combine to help you meet all vesting and retirement eligibility requirements. This means you don't "start over" when you move between systems.
- The California Public Employees' Pension Reform Act of 2013 (PEPRA) requires new benefit tiers for members hired on or after January 1, 2013. If your original entry date into the reciprocal system was prior to January 1, 2013 you may be eligible for non-PEPRA membership. This may provide a greater retirement benefit formula.
- If you are an eligible non-PEPRA member and your new retirement system uses age-based retirement contribution rates, you will pay retirement contributions based on your age at entry into the prior system. Generally, the younger you are when you begin membership the lower your contribution rate. MCERA uses the date of entry of your first reciprocal system to determine your contribution rates.
- Your highest final average salary earned in any reciprocal system will be used by all systems to calculate your retirement benefit.

Eligibility Requirements for Reciprocity

To establish reciprocity with another California public retirement system, the following conditions must be met:

- You must make an election with the retirement system you leave to establish reciprocity.
- You must enter active membership in the next system within 180 days of termination of your employment with the prior system.
- The next retirement system must be a California public service agency subject to reciprocity.
- There can be no overlapping service time. The termination date from the first system must pre-date the start date in the following system. Your official termination date with MCERA will be the end of the pay period.
- You cannot take a refund from any reciprocal system.
- You must retire from all reciprocal systems on the same date.

How to Establish Reciprocity with MCERA

Entering MCERA

When you leave employment that was covered by another qualified retirement system and accept employment with Mendocino County, Mendocino County Superior Courts, or the Russian River Cemetery District as a permanent, full-time (over 64 hours a pay period) employee, you may be eligible to establish incoming reciprocity. Contact your prior retirement office and inform them that you wish to establish reciprocity with MCERA. Please note that reciprocity is not considered established until MCERA receives confirmation of your years of service and your date of termination from your previous retirement system. MCERA will send you written notification indicating if reciprocity was established.

Leaving MCERA

Once you terminate employment, MCERA will send you a Disposition of Retirement Distributions form where you indicate how you would like us to handle your retirement contributions. If you intend to become a member of another retirement system within 180 days after leaving MCERA, you should check the box for “Reciprocity and Deferred Status” and indicate which system you will be entering. Upon receipt of the form, we will contact your new retirement system and send them confirmation of your relevant information.

Reciprocal Retirement Systems

1937 Act County Retirement Systems: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, and Ventura.

State Retirement Systems: CA Public Employees' Retirement System (CalPERS) and CA State Teachers' Retirement System (CalSTRS).

Other Reciprocal Retirement Systems: City and County of San Francisco, San Luis Obispo County Pension Trust, Judges' Retirement System, and Retirement Systems to which reciprocity provisions apply.

Remember, reciprocity is not automatic. You must contact the system you are leaving to elect to have reciprocity established. If reciprocity is established, you must retire from all reciprocal retirement systems on the same date.

For additional information or to verify that reciprocity has been established, please contact MCERA at 707-463-4328.