



City of San José
Office of Retirement Services
RECIPROCITY FACT SHEET

Please note that to be eligible for reciprocal benefits you must retire concurrently from all reciprocal systems. Many systems now have new Retirement Tiers with varying age requirements. Please consider this before claiming Reciprocity. Also, note that the election to leave money on deposit due to Reciprocity is irrevocable while membership in the reciprocal system continues.


What is Reciprocity?	Reciprocity is an agreement between PERS/Reciprocal agencies and the City of San José that provides reciprocal benefits. The Police & Fire agreement went into effect September 30, 1994. The Federated agreement went into effect December 9, 1994.
Who is eligible?	Employees who transfer between P.E.R.S /reciprocal agency and the City of San José <u>within 6 months and who do NOT have concurrent service</u> (overlapping service). An employee cannot receive retirement credit from two systems for the same time. This includes time that is credited (i.e. paid for) even though an employee is not physically working. Example-- vacation.
Benefits?	An employee can combine years of service from two reciprocal systems to meet minimum service requirements with San José. The highest Final Average Salary at either system is used to calculate the pension. Note: If an employee transfers prior to the agreement date (The Police & Fire agreement went into effect 9/30/1994. The Federated agreement went into effect 12/9/94), the member may only qualify for the Final Average Salary benefit and not the combination of years of service.
Are the Contributions or years of service transferred from one system to another	No. Reciprocity is an exchange of information only , no service credit or contributions transfer. Years of service and contributions stay separately in each system. When an employee retires from two reciprocal systems, the employee receives two separate checks.
Will San José pay me for the years I have at a reciprocal agency?	No. San José will only pay for the number of years worked at San José. The reciprocal system will pay only for the number of years worked at the reciprocal system. The years can be combined only to meet retirement eligibility requirements .
Will my reciprocal time count for medical benefits at San José?	No. Reciprocal time can only be combined to meet <u>minimum</u> service requirements. If you transfer to a reciprocal agency, you must have 15 yrs. of San José service or receive 37.5% of Final Average salary to qualify for medical benefits. Note: Police and Fire members – If you transfer to a reciprocal agency after earning 15 years of San José service you must have at least 20 years of total service to qualify for the medical benefit.
When do I have to claim Reciprocity?	An employee can claim Reciprocity any time prior to Retirement. Note: Once an employee claims Reciprocity, an employee CANNOT withdraw his/her contributions as long as he/she is a member of a reciprocal system. Also, if an employee transfers to a system that calculates contributions based on age at entry (For example, 1937 Act Counties), and the employee is considered a classic member (PERS/CA Public Ret. Syst. members prior to 01/01/2013), the employee may want to claim Reciprocity right away since the reciprocal system will calculate the contribution rate as of the membership date of the earliest reciprocal system.
If I am working for a Reciprocal system and this system approves me for a disability (SCD or NSCD) retirement, can I also retire from San José at the same time?	If you meet Reciprocal requirements, but you are not eligible to service retire, based on Reciprocity rules, San José will allow you to retire and it will pay a pension within two limitations: 1. The San José pension cannot be <u>more than</u> what the reciprocal system would have paid for a Non-Service Connected Disability had all of the service been at the reciprocal system. 2. The San José pension cannot be <u>less than</u> an annuity, which is the actuarial equivalent of your San José contributions plus interest.

<p>Will Claiming Reciprocity affect Survivorship benefits?</p>	<p>Yes. Survivorship benefits may be affected. For example, if a member leaves San José, claims reciprocity and dies while a member of a reciprocal system, San José will pay survivorship benefits within the following limitations:</p> <ol style="list-style-type: none"> 1. If the death is <u>Non-Service Connected</u>, the survivorship benefits cannot be <u>more than</u> an amount which when added to the benefits paid by the reciprocal system equals the maximum benefits paid under that system. In other words, the San José benefit + Reciprocal benefit cannot be more than the max Reciprocal Benefit. 2. The benefits must be <u>at least</u> the member's contributions plus interest. <p>If the death is Service-Connected in the reciprocal system, San José benefits shall be the member's contributions plus interest calculated as of the date of death.</p>
<p>If I am approved for a disability retirement from San José (SCD or NSCD), will I be able to retire from the reciprocal system?</p>	<p>If you meet the Reciprocal requirements, a reciprocal agency will allow a reciprocal retirement. However, the benefit paid by the reciprocal agency may be limited. We recommend you check with the reciprocal agency regarding benefits under this scenario.</p>
<p>How does San José find out about highest final average salary?</p>	<p>When a person submits a retirement application and lists concurrent retirement from a reciprocal agency, a "Reciprocal Retirement Information Request" is sent to the reciprocal system to verify service credit, retirement date and final average salary. It is important to note that you must retire on the same date from all systems. You must submit an application for retirement to each agency.</p>

RECAP OF RECIPROCTY RULES:

- No concurrent or overlapping service
- No more than 6-month gap between agencies
- Must retire from all agencies on the same date when eligible

Note: If there is any discrepancy or confusion between the information in this fact sheet and the information in the code, the code will prevail.
 (rev.2/19/16-added 4/22/15 elec. Form; rev 03/25/2022 updated verbiage and election form; 11/30/2022 updated fact sheet and election form)

 <p>CITY OF SAN JOSE CAPITAL OF SILICON VALLEY OFFICE OF RETIREMENT SERVICES</p>	<p>Title</p> <p>RECIPROCITY ELECTION FORM – CITY OF SAN JOSÉ</p>	<p>Document No.</p> <p>Form RP- 8</p>	<p>Rev.</p> <p>11/30/2022</p>	<p>Page</p> <p>1 of 1</p>
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You can claim Reciprocity any time prior to your retirement. Please note that to be eligible for reciprocal benefits you must retire concurrently. Many systems now have new Retirement Tiers with varying age requirements. Please consider this before claiming Reciprocity. Also, note that the election to leave money on deposit due to Reciprocity is irrevocable while membership in the reciprocal system continues.

I hereby request Reciprocity between the following agency and the City of San José:

PERS/Reciprocal

Agency Name: _____

Start/End date: _____

Police Member _____ Fire Member _____ Federated Member _____

Please note: To establish Reciprocity, you cannot have concurrent service in two reciprocal retirement systems. In addition, your movement between systems must have occurred within 6 months (180 days). If your movement was before January 1, 1976, then the transfer must have occurred within 90 days.

At this point, eligibility for Reciprocity is preliminary. Final eligibility is determined at time of retirement. Note that once Reciprocity is claimed, you may not withdraw your retirement contributions.

Please complete and return this form to:

Office of Retirement Services
1737 N. First St., Suite 600
San José, CA 95112-4505
Retirement.Dept@sanjoseca.gov

Print Name: _____ Phone # _____

SSN (last 4 digits) _____ E-mail address: _____

Start date/Last date with CSJ: _____

Signature: _____ Date: _____