

**ORP Employer Contribution Rate History**  
(State Base Rate plus Local Employer Supplement)

Biennium	State Base Rate	Local Employer Supplement
FY92-FY93 (09/01/1991 – 08/31/1993)	7.31%	<ul style="list-style-type: none"> <li>• Institutions are authorized to use local funds or other sources of funds to provide a 1.19% supplement to the 7.31% state contribution for a total employer contribution of 8.5% (the previous state rate) for all participants (new or continuing).</li> <li>• All of the universities and about half of the community colleges provide the 1.19% supplement, resulting in a two-tiered rate across the state.</li> <li>• A few community colleges “grandfather” continuing participants at 8.5% and provide 7.31% for new participants, resulting in a two-tiered rate at the same college.</li> </ul>
FY94-FY95 (09/01/1993 – 08/31/1995)	7.31%	<p>Same as FY92-FY93 except:</p> <ul style="list-style-type: none"> <li>• Institutions who had grandfathered participants at 8.5% during FY92-FY93 are required to continue providing the higher rate for those participants.</li> <li>• No requirement to supplement new participants (but allowed).</li> </ul>
FY96-FY97 (09/01/1995 – 08/31/1997)	6%	<ul style="list-style-type: none"> <li>• New participants (those who began participating on or after 09/01/95) are not eligible for any supplement (6% only).</li> <li>• Participants who were contributing on 08/31/95 (or faculty members contributing in May 1995) receive a 1.31% General Revenue supplement, which is provided as a line item appropriation to the universities and as an aggregate line item appropriation to the Coordinating Board for distribution to the community colleges (referred to as the ORP Differential).</li> <li>• Institutions are authorized (but not required) to continue to use local funds or other sources of funds to provide a 1.19% supplement to the 7.31% employer contribution rate for participants who were contributing on 08/31/95 and who received 8.5% during FY94-FY95.</li> <li>• Employees who were participating on 08/31/95 and who later directly transfer to another institution (<i>i.e.</i>, no full calendar month without an ORP contribution, other than the summer for faculty members) are still considered grandfathered, so the new institution treats them the same as their other grandfathered participants.</li> <li>• All institutions have at least two rates (6% for new participants and either 7.31% or 8.5% for grandfathered participants), and a few community colleges have all three rates (6%, 7.31% and 8.5%) because of staggered grandfathering.</li> </ul>
FY98-FY03 (09/01/1997 – 08/31/2003)	6%	<p>Same as FY96-FY97 except:</p> <ul style="list-style-type: none"> <li>• The 1.31% General Revenue supplement for grandfathered participants (ORP Differential) is provided as part of the formula funding rather than as a separate line item appropriation. ORP Differential rider in General Appropriations Act: FY98-FY99 – Rider 47, pg. III-242; FY00-FY01 – Rider 36, pg. III-240; FY02-FY03 – Rider 34, pg. III-242</li> <li>• Institutions are not required to provide supplemental funding. A few community colleges provide 6% to all participants (no supplement).</li> </ul>
FY04-FY07 (09/01/2003 – 08/31/2007)	6%	<p>Institutions are authorized to use local funds or other sources of funds to provide a supplement of any amount up to <b>2.5%</b> to all participants (not just grandfathered) and may provide two different rates (one for grandfather group and one for non-grandfather group) – HB 264, 78(R), 2003. See Chapter 25, Section 25.6(a)(6)(C) for definitions and additional provisions. ORP Differential rider in General Appropriations Act: FY04-FY05 – Rider 32, pg. III-268; FY06-FY07 – Rider 32, pg. III-253</p>

**ORP Employer Contribution Rate History**  
*(State Base Rate plus Local Employer Supplement)*

Biennium	State Base Rate	Local Employer Supplement
FY08-FY09 <i>(09/01/2007 – 08/31/2009)</i>	6.58%	Institutions are authorized to use local funds or other sources of funds to provide a supplement of any amount up to <b>1.92%</b> to all participants (not just grandfathered) and may provide two different rates (one for grandfather group and one for non-grandfather group). See Chapter 25, Section 25.6(a)(6)(C) for definitions and additional provisions. ORP Differential rider in General Appropriations Act: Rider 30, pg. III-233
FY10-FY11 <i>(09/01/2009 – 08/31/2011)</i>	6.4%	Institutions are authorized to use local funds or other sources of funds to provide a supplement of any amount up to <b>2.1%</b> to all participants (not just grandfathered) and may provide two different rates (one for grandfather group and one for non-grandfather group). See Chapter 25, Section 25.6(a)(6)(C) for definitions and additional provisions. ORP Differential rider in General Appropriations Act: Rider 30, pg. III-245
FY12-FY13 <i>(09/01/2011 – 08/31/2013)</i>	6%	Institutions are authorized to use local funds or other sources of funds to provide a supplement of any amount up to <b>2.5%</b> to all participants (not just grandfathered) and may provide two different rates (one for grandfather group and one for non-grandfather group). See Chapter 25, Section 25.6(a)(6)(C) for definitions and additional provisions. ORP Differential rider in General Appropriations Act: Rider 30, pg. III-240
FY14-FY17 <i>(09/01/2013 – 08/31/2017)</i>	6.6%	<p>Institutions are authorized to use local funds or other sources of funds to provide a supplement of any amount up to <b>1.9%</b> to all participants (not just grandfathered) and may provide two different rates (one for grandfather group and one for non-grandfather group). See Chapter 25, Section 25.6(a)(6)(C) for definitions and additional provisions. ORP Differential rider: General Appropriations Act, 2014-15, Art. III, Special Provisions, Rider 30; 2016-17, Art. III, Special Provisions, Rider 29</p> <p>Note: Beginning with FY14, Community Colleges are responsible for one-half of the state contribution rate (3.3%) for eligible I&amp;A participants in accordance with Texas Gov't Code, Section 830.201(g), adjusted by a growth limitation factor under 830.201(i) beginning with FY16. These contribution requirements are separate from the authorization to provide a Local Employer Supplement described above.</p>

*Prepared by Texas Higher Education Coordinating Board (rev. 11/2015)*