

TRS Update

Recent changes to TRS laws and how those rules may affect you.

Member Contribution Rate Increase

On Sept. 1, 2015, the member contribution rate increased from 6.7 percent to 7.2 percent.

Service Credit:

If you have service not shown as service credit on this statement, you must verify that service to TRS within five years from the end of the school year in which you rendered that service. (For service, including substitute service, rendered before Sept. 1, 2011, you have until Aug. 31, 2016, to verify the service to TRS.) Similarly, compensation not reflected on your statement must be verified within five years from the end of the school year in which it is paid. If you received compensation before Sept. 1, 2011, you have until Aug. 31, 2016, to verify that compensation to TRS. If you do not notify TRS and verify your service or compensation within the applicable timeframe, you will not be able to establish TRS credit for the service or the compensation, and you will not be able to use the service or compensation for TRS benefit purposes. If you find an error on this statement regarding salary or service credit for the most recent school year reflected on this statement, you may be able to correct the error without additional cost to you other than the member contributions due on the compensation paid to you. However, you must notify TRS immediately but no later than May 31, 2016, so that it can be corrected by the end of the 2015-16 school year as required by TRS rules.

Service Credit for School Year:

To receive TRS service credit, you must work or use paid leave at least 90 days in a school year, except that in your final year of service before retirement, you receive a year of service credit if you work or use paid leave the full fall semester, even if you work less than 90 days in that school year. Credit for the final fall semester is determined at retirement and may not be reflected on your annual statement. Beginning Sept. 1, 2015, if you are regularly scheduled to work fewer than five days per week, you may establish service credit by working four and one-half months. The service must include four full calendar months in which you work or receive paid leave for at least 8 days each month plus five additional days in another month or combination of months. You may not combine the four and one-half month standard and the 90 day standard to receive a year of service credit.

Standardized School Year for TRS Service Credit:

The school year begins on Sept. 1 each year for all TRS members. This means that TRS service and compensation credit for all members is determined on a Sept. 1 through Aug. 31 basis, regardless of the dates of the individual's contract or work agreement, or the employer's calendar. Beginning with the 2015-2016 school year, your annual compensation will be determined as defined by the TRS plan terms.

Retirement Eligibility for Members Who Do Not Meet the Aug. 31, 2014 Five-Year Service Credit Requirements:

If you did not have at least five years of service credit in the retirement system on or before Aug. 31, 2014, you are subject to new eligibility rules for normal age retirement: you must be at least 62 years old, the sum of your age and amount of service credit equals at least 80, and you have at least five years of service credit. To determine whether you had at least five years of service credit on or before Aug. 31, 2014, you may count service with the Employees Retirement System or a retirement system participating in the proportionate retirement program, and any verified USERRA service. USERRA service does not have to be purchased to count.

Limitation on Enrollment in TRS-Care Health Benefit:

If you take a service retirement on or after Sept. 1, 2014 and you are eligible for the TRS-Care health benefit, you will need to be at least age 62 to enroll in the TRS-Care 2 or TRS-Care 3 levels of coverage. If you are under age 62, you will only be eligible to enroll in TRS-Care 1. This limitation does not apply if on or before August 31, 2014, your age and amount of service credit equals at least 70 or you have at least 25 years of service credit. This only includes service credited in TRS and the Employees Retirement System and any verified USERRA service. USERRA service does not have to be purchased to count. If you are affected by this limitation, you may enroll in any level of coverage as of the date you reach 62 years of age.