



Proportionate Retirement and TRS/ERS Service Transfer

Important information if you're a member of more than one Texas public retirement system.

If you currently are or have ever been a member of TRS and one or more other eligible Texas public retirement systems, you may be able to use either Proportionate Retirement or TRS/ERS Transfer to meet retirement eligibility and/or transfer your service credit.

Proportionate Retirement

Combine service credit from multiple systems to meet service retirement eligibility

TRS/ERS Transfer

Transfer TRS service credit to ERS or transfer ERS service credit to TRS at retirement

Proportionate Retirement

If you have membership credit in more than one Texas public retirement system, you may be eligible to combine all your service credit when determining your eligibility for service retirement under TRS. You may also be eligible to combine all your service credit to determine any reductions for an early-age retirement or to meet normal-age retirement. If you wish to retire from another system, you may similarly be eligible to combine your TRS service credit with service credit in that entity.

Combined service credit under this program may not be used to establish eligibility for TRS-Care, the partial lump-sum option (PLSO), or any type of benefit other than service retirement benefits.

While all service credit with participating retirement systems may be considered to determine eligibility for TRS service retirement benefits, the calculation of any TRS retirement benefit amount is based solely on TRS service credit and salaries. Benefits based on service credit earned in other participating retirement systems are the responsibility of those other retirement systems. You would receive separate benefit payments from each system.

The other retirement systems currently participating are:

- Employees Retirement System of Texas (ERS)
- Judicial Retirement System of Texas (Plans One and Two)
- Texas Municipal Retirement System (TMRS)
- Texas County and District Retirement System (TCDRS)
- City of Austin Employees' Retirement System
- City of Austin Police Retirement System
- El Paso City Employees' Pension Fund
- El Paso Firemen and Policemen's Pension Fund

If you are a member of one of these retirement systems, you may be eligible to reinstate previously withdrawn service credit in any participating retirement system. Certain restrictions apply, so contact the retirement system in which you were previously a member to see if this option is available and beneficial to you. As a TRS member, you should determine your proportionate retirement rights before withdrawing member accounts in any other participating systems. Withdrawal of any account may terminate or affect your eligibility for a valuable benefit.

TRS/ERS Service Transfer

If you have service in both TRS and ERS you may have a different opportunity to combine service credit at retirement.

Eligible members of TRS may transfer service credited under ERS to TRS. Likewise, eligible members of ERS may transfer their TRS service credit to ERS. The transfer of service credit takes place under the rules of the system to which the credit is being transferred. A transfer may only take place when the member retires or at the time that a preretirement death benefit becomes payable. Members who have already retired under either system are not eligible to transfer service credit. However, a TRS member who has previously retired under ERS may be able to use ERS service credit to establish TRS retirement eligibility under the Proportionate Retirement Program.

Important Note:

*Only ERS participants who are in Group 1, 2, or 3 are eligible to transfer service between TRS and ERS. ERS participants who are cash balance group members (Group 4) are not eligible to transfer service credit between TRS and ERS; however, Group 4 members are eligible to use the proportionate retirement program. Please contact ERS if you have questions about which group you are in. ERS members who withdrew their ERS service will be a Group 4 member when their ERS withdrawn service is purchased. **This service is not eligible to be transferred to TRS.***

A TRS member must have at least three years of TRS service credit to be eligible to transfer ERS service to TRS.

When you transfer service credit from one retirement system to the other, you terminate your membership and the right to benefits in the system from which service credit was transferred.

- ERS service will be evaluated on a Sept. 1 through Aug. 31 basis to determine if it is creditable under TRS laws and rules. ERS service of at least five calendar months in a fiscal year will be counted as one year of service credit when transferred to TRS.
- For members transferring TRS service credit to ERS, each year of TRS service credit will be counted as 12 months of service at ERS.
- Members who have both TRS and ERS credit for service performed within the same school year will receive no more than one year of credit. Overlapping service is credited only once.
- Transferred service credit can be used to meet TRS service and disability retirement eligibility.
- If you transfer service at retirement, you must terminate employment with **all TRS-covered employers and all ERS-covered employers** by your effective date of retirement.
- If you are employed by an ERS-covered employer at retirement, TRS will require a letter from your employer confirming your termination.
- If you choose to transfer your service, you are not eligible for a refund of your account balance from the system that you transferred from.

TRS highly encourages you to request retirement estimates from both TRS and ERS as the monthly retirement benefits may be different.

Purchase of Withdrawn Service Credit

Active members of TRS may reinstate service credit which was previously withdrawn from ERS without first becoming a current member of ERS. Similarly, active ERS members may reinstate service credit which was previously withdrawn from TRS without becoming a current member of TRS. **It is important to note that if you withdrew your ERS funds prior to Sept. 1, 2022 and did not return to ERS-covered employment prior to Sept. 1, 2022, you will be considered a Group 4 member. Group 4 members cannot transfer ERS service to TRS or vice versa.**

ERS members who reinstate TRS withdrawn service may use that reinstated TRS service to qualify for the purchase of other eligible

- TRS service credit purchases. To purchase other types of service, the requirements under TRS laws and rules for those purchases must be met.
- For military service credit, the same military service cannot be purchased under both retirement systems. If a member purchased three years of military service credit under ERS, the same active military service cannot be purchased under TRS.
- **TRS highly encourages you to contact ERS directly to understand your ERS group membership and whether reinstatement of withdrawn service is beneficial.**

Employment After Retirement With Service Transfer

Members who transfer service at retirement must terminate their employment with all TRS-covered employers **and** all ERS-covered employers by their effective date of retirement. A TRS retiree may work after retirement for a TRS-covered employer without adverse effect to their monthly annuity payment only in accordance with specified limits.

A break in service of at least one full, calendar month must also occur before beginning any employment after retirement. Refer to the *Employment After Retirement* brochure for additional information on employment after retirement limitations.

A TRS retiree may work for an ERS-covered employer following retirement without limits on the type and length of service. A TRS

- retiree who transferred ERS service credit to TRS to increase the TRS retirement benefit and whose last place of employment before retirement was with an ERS-covered employer, must have a break in service of one full, calendar month after the retirement date. During this break, the retiree may not work in any capacity for any TRS- or ERS-covered employer. A TRS retiree who goes to work for an ERS-covered employer will be required to become a new member of ERS and make contributions to that system. The same is true for an ERS retiree who becomes employed by a TRS-covered employer.
- Members who use service transfer at retirement should contact the system under which they retired prior to accepting any employment with a TRS- or ERS-covered employer.

Chart of Participating Systems

Retirement System	Eligible for Proportionate Retirement	Eligible for Service Transfer	Service Counts Towards TRS-Care Eligibility
Employees Retirement System of Texas (ERS)	Yes	Yes (Group I, II, III only)	Only if transferred
Judicial Retirement System of Texas (Plans One and Two)	Yes	No	No
Texas Municipal Retirement System (TMRS)	Yes	No	No
Texas County and District Retirement System (TCDRS)	Yes	No	No
City of Austin Employees' Retirement System	Yes	No	No
City of Austin Police Retirement System	Yes	No	No
El Paso City Employees' Pension Fund	Yes	No	No
El Paso Firemen and Policemen's Pension Fund	Yes	No	No



Examples

Mary worked for the Texas Education Agency (TEA) for three years right after college. While working at TEA, she contributed to the Employees Retirement System of Texas (ERS). When she left TEA, she began working for a school district and **stayed there for 25 years.** At the time of her retirement, Mary can **transfer the three years of service credit** she earned with ERS to TRS and retire with **28 years of total service credit.**

Sam worked for a city that contributed to the Texas Municipal Retirement System (TMRS). He earned **15 years of service credit** under TMRS. He later went to work for a university covered by TRS, and **he earned 10 years of service credit.** He wants to retire when he is 62 years old; however, **he only has 10 years of TRS service** and does not meet normal-age retirement eligibility. **He can combine the 10 years of TRS service with the 15 years of TMRS service to have a combined 25 years of service.** He is now eligible to retire with unreduced service retirement; however, **the benefit is calculated using only the 10 years of TRS service.**

Frequently Asked Questions:

Q: I am currently a member of TRS, and I have previously withdrawn service from employment with a state agency. Who do I contact for information regarding the reinstatement of my ERS service?

A: Contact ERS at: P.O. Box 13207, Austin, TX 78711-3207 or 1-877-275-4377.

Q: ERS states that I am a Group 4 member. Can I transfer my service credit to TRS?

A: An ERS Group 4 member may **not** transfer service credit to TRS; however, you may be eligible to use the proportionate retirement program to meet retirement eligibility requirements.

Q: I am currently a member of TRS and have less than one year of previous state agency service under ERS. Is that time eligible for transfer?

A: If your ERS service credit is at least five months in one school year (Sept. 1 through Aug. 31), it is eligible for transfer to TRS as one creditable year of service.

Q: I am working for a TRS-covered employer now but will transfer my TRS service to ERS and retire under that system. May I return to full-time public school employment after my ERS retirement?

A: Yes, but you must have one full, calendar month break in service after your retirement date during which time you do not work at all for any TRS- or ERS-covered employer. You will also be required to make contributions to a new TRS account.

Q: If I retire from ERS and later begin working for a TRS-covered employer, do I have to pay TRS deposits?

A: As an ERS retiree, once you meet the break in service requirement (one full, calendar month), you may return to TRS-covered employment as an active TRS member and begin a new member contribution account. You must pay TRS deposits and will be entitled to the same benefits as any other active TRS member.

Q: I am working for both a TRS-covered employer and ERS-covered employer at the same time. May I combine my service under one retirement system?

A: Simultaneous service under TRS and ERS may not be transferred or combined, and cannot result in you receiving more than one year of service credit in that school year. You are eligible for benefits from each system separately, based on the laws and rules of each system.

Q: I am currently working for a TRS-covered employer and subject to a highest five-year average salary; however, I also have ERS service credit and subject to a highest three-year average salary in that system. Will I be subject to a three-year average or a five-year average?

A: Highest average salaries are calculated by each system separately. TRS would apply the five-year average to your TRS years of service while ERS would apply the three-year average to your ERS years of service. Whichever average salary is higher would be used in the retirement calculation. Salaries from ERS and TRS cannot be combined when calculating the highest average salary.

