

ADOPTED RULES

Adopted rules include new rules, amendments to existing rules, and repeals of existing rules. A rule adopted by a state agency takes effect 20 days after the date on which it is filed with the Secretary of State unless a later date is required by statute or specified in the rule (Government Code, §2001.036). If a rule is adopted without change to the text of the proposed rule, then the *Texas Register* does not republish the rule text here. If a rule is adopted with change to the text of the proposed rule, then the final rule text is included here. The final rule text will appear in the Texas Administrative Code on the effective date.

TITLE 34. PUBLIC FINANCE

PART 3. TEACHER RETIREMENT SYSTEM OF TEXAS

CHAPTER 25. MEMBERSHIP CREDIT SUBCHAPTER J. CREDITABLE TIME AND SCHOOL YEAR

34 TAC §25.131

The Teacher Retirement System of Texas (TRS) adopts amendments to §25.131 (relating to Required Service) under Subchapter J (relating to Creditable Time and School Year) of Chapter 25 in Part 3 of Title 34 of the Texas Administrative Code without changes to the text as proposed in the May 16, 2025 issue of the *Texas Register* (50 TexReg 2952). The rule will not be republished.

REASONED JUSTIFICATION

Most TRS active members earn a year of service credit by working at least 90 days in a school year, but there are alternative methods to earn a year of service credit through active employment.

For instance, an active member may, in their final year before retirement, earn a year of service credit by working the full fall semester in accordance with their employer's calendar if the employer works on a semester-by-semester basis. Members may only earn a year of service credit in this way in their final year before retirement, and they may do so regardless of whether they work for 90 days during that semester. This is called the "final fall semester" rule.

Separately, members who are regularly scheduled to work fewer than five days per week may earn a year of service credit if they work at least four and one-half months, and those four and one-half months include at least eight days during four separate months and five days during a fifth month. This is called the "nonstandard workweek" rule.

But it is not wholly clear under current TRS rules whether a member may simultaneously use the final fall semester rule and the nonstandard workweek rule to earn a year of service credit in their final year before retirement while being scheduled to work less than five days per week.

This issue has become more and more pressing as an increasing number of Texas schools are moving to four-day workweeks, and TRS' systems now more readily identify individuals who are working nonstandard workweeks at the time of retirement.

To resolve these issues, TRS amends §25.131 to provide that, for school years beginning with the 2025-26 school year, members who are regularly scheduled to work less than five days per week may earn a year of service credit in the final year prior to their retirement if the member is working in a membership-eligible position and the member works or receives paid leave for a full fall semester in accordance with the employer's calendar.

In addition, the amendments clarify that a member who meets the above requirements will be considered to have worked a full fall semester in accordance with their employer's calendar if the member works or receives paid leave for each day the member is required to work during that semester even if the employer's calendar includes additional workdays on which the member is not required to work.

Lastly, the amendments provide that a member may only earn service credit under the non-standard workweek rule, in their final fall semester or otherwise, if the member is regularly scheduled to work fewer than five days per week for at least two weeks per month in accordance with the member's contract or work agreement with their employer.

Amended §25.131 also makes nonsubstantive changes for clarity, style, and conforming purposes.

Amended §25.131 will become effective on September 1, 2025.

COMMENTS

No comments on the proposed adoption of the amendments were received.

STATUTORY AUTHORITY

The adopted amended rule is adopted under the authority of Government Code §825.102, which authorizes the board of trustees to adopt rules for the transaction of the business of the board; and Government Code §823.002, which provides that the board of trustees by rule shall determine how much service in any year is equivalent to one year of service credit.

CROSS-REFERENCE TO STATUTE

The adopted amended rule implements the following statutes: Government Code §823.002, which provides that the board of trustees by rule shall determine how much service in any year is equivalent to one year of service credit.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on July 29, 2025.

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