

TITLE 34. PUBLIC FINANCE
PART 3. TEACHER RETIREMENT SYSTEM OF TEXAS
CHAPTER 27. TERMINATION OF MEMBERSHIP AND REFUNDS

34 TAC §27.8

The Teacher Retirement System of Texas (TRS) proposes to repeal §27.8 (relating to Reinstatement of Membership and Service Credit by ORP Participants) of Chapter 27 (relating to Termination of Membership and Refunds) in Title 34, Part 3, of the Texas Administrative Code.

BACKGROUND AND PURPOSE

In TRS' adopted four-year rule review published in the *Texas Register* on August 7, 2026 (51 TexReg 5257-5258), TRS identified §27.8 as a rule for future amendment because TRS determined that subsection (a) of the rule is no longer necessary for TRS to administer this section as the election period described in subsection (a) is expired.

FISCAL NOTE

Don Green, TRS Chief Financial Officer, has determined that for each year of the first five years the proposed amendments will be in effect, there will be no foreseeable fiscal implications to state or local governments as a result of administering the proposed amendments.

PUBLIC COST/BENEFIT

For each year of the first five years the proposed repeal will be in effect, Mr. Green also has determined that the public benefit anticipated as a result of adopting the proposed amendments will be to remove unnecessary provisions from the Texas Administrative Code. Mr. Green has also determined that there is no economic cost to entities or persons required to comply with the proposed amendments. The proposed amendments impose no new requirements.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS

TRS has determined that there will be no adverse economic effect on small businesses, micro-businesses, or rural communities as a result of the proposed amendments. Therefore, neither an economic impact statement nor a regulatory flexibility analysis is required under Government Code §2006.002.

LOCAL EMPLOYMENT IMPACT STATEMENT

TRS has determined that there will be no effect on local employment because of the proposed amendments. Therefore, no local employment impact statement is required under Government Code §2001.022.

GOVERNMENT GROWTH IMPACT STATEMENT

TRS has determined that for the first five years the proposed amendments will be in effect the proposed repeal will not create or eliminate a government program; will not require the creation or elimination of employee positions; will not require an increase or decrease in future legislative appropriations to TRS; will not require an increase or decrease in fees paid to TRS; will not create a new regulation; will not expand, limit, or repeal an existing regulation; will not increase or decrease the number of individuals subject to the rule's applicability; and will not affect the state's economy.

TAKINGS IMPACT ASSESSMENT

TRS has determined that since there are no private real property interests affected by the proposed amendments a takings impact assessment is not required under Government Code §2007.043.

COSTS TO REGULATED PERSONS

TRS has determined that Government Code §2001.0045 does not apply to the proposed amendments because the proposed amendments do not impose a cost on regulated persons.

COMMENTS

TRS requests written comments regarding the proposed amendments. The comments may include information related to the costs, benefits, or effects of the proposed amendments, including any applicable data, research, or analysis, from any person required to comply with the proposed amendments or any other interested person.

Comments and information regarding the cost, benefit, and effect of the proposed amendments may be submitted in writing to Brian Guthrie, TRS Executive Director, PO Box 149676, Austin, Texas 78714-0185. Written comments and cost/benefit information must be received by TRS no later than 30 days after publication of this notice in the *Texas Register*.

STATUTORY AUTHORITY

The amendments to §27.8 are proposed under the authority of Government Code §825.102 which authorizes the TRS Board of Trustees to adopt rules for the eligibility for membership, the administration of the funds of the retirement system, and the transaction of business of the board.

CROSS-REFERENCE TO STATUTE

The proposed amendments to §27.8 implement Government Code §830.106.

§27.8. Reinstatement of Membership and Service Credit by ORP Participants.

(a) ~~[A person who was participating in the Optional Retirement Program (ORP) on September 1, 1979, was eligible to elect to become a member of the Teacher Retirement System of Texas (TRS) between September 1, 1979, and September 1, 1980. Any such election was effective on the first day of the month following the month in which it was received by the employer.]~~

~~(b)~~] ORP participants who elected to return to TRS membership between September 1, 1979, and September 1, 1980~~[, under subsection (a) of this section,]~~ are eligible to reinstate all previously held TRS credit, except student employment credit, under the provisions of this section only. Reinstatement may occur at any time after resumption of membership in TRS. All eligible credit must be reinstated at one time. If the member's account was withdrawn, the member must pay the accumulated contributions plus a reinstatement fee of 10% per year of the amount due compounded annually from the date of withdrawal to the date of repayment. Reinstatement fees will be credited to the state contribution account. Credit will be reinstated upon application by the member on a form prescribed by TRS and the deposit of all required payments. No credit may be established for service in public education while an ORP participant.

(b) ~~[(e)]~~ Former ORP participants who return or have returned to TRS membership in the retirement system other than by an election under this section must make reinstatement under §27.6 of this title (relating to Reinstatement of an Account).

CERTIFICATION

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.