



LEARN ABOUT

PURCHASING SERVICE CREDIT





What is service credit?

Service credit is credit for time earned when you work for the State of Texas and contribute to a state retirement fund.





Types of Service Credit



Refunded Service



Military Service Credit



Waiting Period Service Credit



Additional Service Credit



Refunded Service Credit

(Available to contributing and non-contributing members)



To purchase refunded service you must:

- have at least one month of service and/or
- participate in a retirement system that is part of the Proportionate Retirement Program (PRP)

! Cost of service increases by 10% after August 31 each year.



Military Service Credit

(Available to contributing and non-contributing members)



To purchase military service you must:

- have at least one month of service,
- submit your DD214 or NGB23 to ERS,
- not have been dishonorably discharged and
- not be eligible for military retirement.

! Cost of service increases by 10% after August 31 each year.



Waiting Period Service Credit

(Available to contributing and non-contributing members)



To purchase this service, you must:

- have been hired between September 1, 2003 and August 31, 2014 or withdrew your account and returned to work between September 1, 2014 and August 31, 2015,
- have a minimum of one contribution in your account and/or
- participate in a retirement system that is part of the Proportionate Retirement Program and
- contact ERS to certify the waiting period.



Service cost changes on your birthday each year.



Additional Service Credit (ASC)

(Available to actively contributing members only)



To purchase ASC you must:

- have at least 10 years of service,
- purchase all other available service first
- purchase in full year increments (up to 3 years) unless you are within 90 days of retirement.



Service cost changes on your birthday each year.



Service Purchase Request



Visit www.ers.texas.gov

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Customer service is available only by phone and email. Phone hours are 8 a.m. – 5 p.m. CT Monday – Friday. The ERS building is closed.

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Eligibility
 Who is eligible for GBP insurance benefits?


Choosing benefits for Active Employees
 As a State of Texas employee, you earn valuable benefits.



Health Benefits
 ERS' health plans can help you and your family live a more healthy and financially secure life.



Retirement Contributions and Planning
 You and the state invest throughout your career for a stable lifetime benefit when you retire.



Optional Add-on Benefits
 Optional benefits provide additional security and savings.

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[Home](#) > [Active Employees](#) > Retirement

Retirement for Active Employees

As public servants, State of Texas employees provide critical services to Texans. ERS works to support current and former state employees through the State of Texas defined benefit retirement plan. The State of Texas retirement plan is mandatory for most state agency employees and provides a lifetime annuity when they retire.

In addition to mandatory participation in State of Texas retirement, eligible state agency employees are encouraged to contribute to personal retirement savings. To help them with that, ERS offers the [Texa\\$averSM 401\(k\) / 457 Program](#), with low-cost traditional and Roth options. Some higher education employees also can participate in Texa\$aver, if their institutions offer it.

Along with Social Security, State of Texas Retirement and personal retirement savings make up the "[three-legged stool](#)" of retirement income. Please see the [Insurance Benefits in Retirement](#) page for information about your insurance benefits as a retiree. Please see the [Insurance Benefits in Retirement](#) page for information about your insurance benefits as a retiree.



State of Texas Retirement

The State of Texas Retirement program is a defined benefit retirement plan for eligible employees of State of Texas agencies, with mandatory participation.

[Create an Estimate](#)



Service Purchase Request

Resources

- [Log in to your account](#)
- [Texa\\$aver plan comparison](#)
- [Planning Your Retirement](#)
- [Planning Your Retirement for CPOs/COs](#)
- [Tiered Retiree Insurance](#)
- [Managing Your Annuity](#)
- [Purchase service credit \(additional, withdrawn, military or waiting\)](#)
- [Regular agency employee overview page](#)
- [ERS Regular State Employee Retirement and Insurance Overview](#)
- [LECOSRF overview page](#)



Service Purchase Request



Service Credit for State of Texas Retirement

Service credit is credit for time worked. It is one of the factors used to calculate when you can retire and how much your annuity will be. As a state agency employee, you earn credit for each eligible payroll period in which you work and a retirement contribution is made. That is, you earn credit every month money from your paycheck is deposited into the ERS Retirement Trust Fund.

You can meet ERS retirement eligibility by earning and/or purchasing service credit in the following ways.

Earned Service Credit

- Optional Retirement Program (ORP)
Contribute to the ORP while working at a State of Texas higher education institution.
- Proportionate Retirement Program (PRP)
Contribute to another retirement system that participates in the PRP
- Sick and Annual Leave
Have unused leave balances when you retire from a State of Texas agency, if you were hired before September 1, 2009. (Employees hired on or after September 1, 2009 cannot use sick or annual leave balances to meet ERS retirement eligibility.)
- TRS and ERS

Purchased Service Credit

- Additional Service Credit (ASC)
Purchase up to three years of ASC if you have at least 10 years of earned ERS service credit, not including military and unused sick/annual leave.
- Military Service Credit
Purchase up to 60 months of active duty United States military service credit.
- Waiting Period Service Credit
This is the time early in your state employment when you didn't contribute to ERS. You can buy this time to help you retire earlier and increase your monthly payment.
- Withdrawn (Refunded) Service Credit
If you worked for the State of Texas before and withdrew your retirement account when you left, you can buy back the service credit you withdrew. (Please note that if you returned to work for the State of Texas after September 1, 2009, buying withdrawn service credit will not reinstate you to the retirement group (PDF) you



Purchasing Service

Payment Options

- A personal check or money order
- A rollover from your Texa\$aver account or another pre-tax retirement account



TEXA\$AVERSM
401(k) / 457 Program



Resources

- ✓ Website: **www.ers.texas.gov**

- ✓ ERS OnLine account:
<https://ers.texas.gov/my-account-login>

- ✓ Webinars:
<https://ers.texas.gov/Contact-ERS/Full-Events-Calendar>

- ✓ Email: **<https://ers.texas.gov/contact-ers>**

- ✓ Phone: **(877) 275-4377**, Monday – Friday, 8 a.m. to 5 p.m., CT



We appreciate the opportunity to share this information with you.