



Employer Notice

Action Required

TRS Reporting of High School Students Working as Paraprofessionals

The Teachers' Retirement System (TRS) is issuing this notice to employers who employ students¹ as paraprofessionals. **There is no student-specific exclusion from TRS membership for individuals working in TRS-covered roles.**

Under Mont. Code Ann. § 19-20-302(4), individuals working as a substitute teacher, part-time teacher's aide, or paraprofessional, who are not already TRS members, are required to make an irrevocable written election using [TRS Form 106](#) to become an active TRS member or opt out on the first day of employment. An individual who opts out of TRS membership must still be reported as an elective membership deferral (EMD). Once an EMD completes 210 hours of TRS service in a fiscal year, that individual becomes a compulsory, active TRS member and contributions must be made to TRS on the member's behalf the first of the month after that 210-hour threshold is crossed.

If you believe the payment to the student for the role is an allowance, reimbursement, or is a conditional payment tied to something other than hours worked, you should contact TRS for further clarification. However, **if an individual (student or not) is legally employed by a TRS employer and is paid wages to work as a paraprofessional, the payments are reportable as earned compensation to TRS and that individual will qualify for TRS membership subject to their election made on Form 106 and the 210-hour threshold.**

If a student is already working in a TRS-covered role and has not made an election to participate or opt-out of TRS, the employer must request that the election be made immediately, and the individual must be reported with the next payroll as an EMD or an active member of TRS as appropriate.

Questions

If you have questions about this notice, please contact one of our accounting staff members:

Nolan Brilz, Accounting & Fiscal Manager (406) 444-3679

Christian Ward, Accountant (406) 444-3323

Ali Holland, Accountant (406) 444-2540

¹ This does not include part-time post graduate instructors in the university system. ARM Section 2.44.307