

BILL ANALYSIS

Senate Research Center
76R1688 GCH-D

S.B. 256
By: Barrientos
State Affairs
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As Filed

DIGEST

Currently, Texas law authorizes the legislature to provide a program of proportionate benefits to qualified members of more than one retirement system. All statewide retirement systems, the City of Austin Retirement System, and certain other cities not covered by the Municipal Retirement System are eligible to participate in the proportional retirement program. S.B. 256 would authorize an active member of a retirement system in the proportional retirement program to purchase services previously canceled by a refund from another retirement system in the proportional program without having to go back to work under the original system.

PURPOSE

As proposed, S.B. 256 reestablishes service credits in a public retirement system participating in the proportionate retirement program.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 803C, Government Code, by adding Section 803.203, as follows:

Sec. 803.203. REESTABLISHMENT OF SERVICE CREDIT FOR PREVIOUS EMPLOYMENT. Authorizes an eligible member of a retirement system to which this chapter applies to reestablish service credit, including prior service credit if applicable, previously canceled in another retirement system to which this chapter applies, except as provided by Subsections (d) and (e). Sets forth the eligibility for persons to reestablish service credits under this section. Authorizes a person to apply to reestablish service credit under this section by filing an application with the retirement system in which the service was originally credited. Requires a system to grant the service credit when the system receives from an eligible applicant certain contributions and certifications. Provides that the service is creditable pro rata to the account of each subdivision or municipality for which the service was performed, if service is reestablished in certain retirement systems. Prohibits service credit from being reestablished for service performed for a subdivision or municipality not participating in the proportionate retirement program. Prohibits service credit to which Section 805.002(e) from being reestablished.

SECTION 2. Emergency clause.

Effective date: upon passage.