

BILL ANALYSIS

Senate Research Center
2001S0403/1

S.B. 802
By: Gallegos
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DIGEST AND PURPOSE

Currently, Texas law provides for county employees to take advantage of federal tax savings for qualified benefit plans. As proposed, S.B. 802 conforms state statutes to new federal legislation regarding the tax savings to allow county employees to take advantage of tax savings for qualified benefit plans specifically for transportation expenses.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 155C, Local Government Code, as follows:

SUBCHAPTER C. New heading: SALARY REDUCTIONS TO FINANCE CERTAIN BENEFIT
OPTIONS

Sec. 155.042. New heading: BENEFIT PROGRAM. Authorizes the commissioners court of a county by order or resolution to establish a program to provide benefits that qualify for a cafeteria plan or a bona fide compensation reduction arrangement under the federal Internal Revenue Code of 1986 and regulations adopted under that code. Deletes text referencing certain sections of the Internal Revenue Code.

Sec. 155.043. Requires the commissioners court, if it establishes a program, rather than a cafeteria plan program, under this subchapter, to authorize county employees to enter into voluntary agreements with the county to reduce the periodic compensation paid the employees by amounts to be used to finance benefit options provided under the program. Makes a conforming change.

Sec. 155.044. Makes a conforming change.

SECTION 2. Effective date: upon passage or September 1, 2001.

Provides that the change in law made by this Act applies to a benefit that is provided before, on, or after the effective date of this Act.