

BILL ANALYSIS

Senate Research Center

H.B. 3169
By: Crownover (Duncan)
State Affairs
5/18/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, participants in the Teacher Retirement System of Texas (TRS) have the ability to buy back up to three years of service credit if the member has at least seven years of actual membership service. The member purchases each year credit at the actuarial present value of the additional standard retirement annuity benefits that would be attributable to the purchase of the service credit. H.B. 3169 eliminates the option of buying back years of service so as to alleviate escalating costs to TRS.

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 Section 825.307(a), Government Code, to delete text requiring the Teacher Retirement System of Texas to deposit in a member's individual savings account the portion of a deposit to establish equivalent membership service credit required by Sections 823.405 (Credit Purchase Option) or 823.3021(f)(1).

SECTION 2. Repealer: Section 823.405 (Credit Purchase Option), Government Code.

SECTION 3. Makes application of this Act prospective to January 1, 2006.

SECTION 4. (a) Effective date: September 1, 2005, except as provided by Subsections (b) and (c) of this section.

(b) Provides that the change in law made by this Act to Section 825.307(a), Government Code, is effective January 1, 2009.

(c) Provides that Section 2 is effective January 1, 2006.