

BILL ANALYSIS

Senate Research Center
80R3689 SLO-D

S.B. 676
By: Williams et al.
Finance
3/5/2007
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, there are 48 school districts in Texas that provide Social Security benefits to all or part of their employees. The federal Social Security Act of 1983 provides that a decision to participate in the Social Security program (program), once made, is irreversible. Thus the costs incurred by the participating districts place them at a financial disadvantage compared with districts that do not participate in the program.

As proposed, S.B. 676 provides state financial assistance of 50 percent of the total costs incurred by the districts participating in the program, putting them on an equitable basis with districts that do not incur participation costs.

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 Subchapter B, Chapter 606, Government Code, by adding Section 606.0261, as follows

Sec. 606.0261. PAYMENT OF SCHOOL DISTRICT CONTRIBUTIONS. (a) Requires the state to pay 50 percent of the total costs incurred by a school district's contributions for Social Security coverage for the district's employees, subject to Subsection (b).

(b) Sets forth limits on the payment of this state assistance.

(c) Requires the commissioner of education to distribute funds appropriated for this purpose to school districts entitled under this section to such money in accordance with rules adopted by the commissioner.

SECTION 2. Effective date: September 1, 2007.