

By: Dean

H.B. No. 1284

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the payment of certain employer contributions for
3 retirees of the Teacher Retirement System of Texas who resume
4 service.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 825.408(a), Government Code, is amended
7 to read as follows:

8 (a) An [~~Except as provided by Subsection (a-1), an~~] employer
9 that fails to remit, before the seventh day after the last day of a
10 month, all member and employer deposits and documentation of the
11 deposits required by this subchapter to be remitted by the employer
12 for the month shall pay to the retirement system, in addition to the
13 deposits, interest on the unpaid amounts at an annual rate
14 compounded monthly and a late fee in an amount determined by the
15 retirement system that is based on the size of the employer and may
16 not exceed \$1,000 for each business day after the deadline imposed
17 by this subsection that the employer fails to submit the
18 documentation of the deposits. The cumulative amount of late fees
19 assessed against an employer under this subsection may not exceed
20 \$25,000 per reporting period. The rate of interest is the rate
21 established under Section 825.313(b)(1), plus two percent.
22 Interest and late fees required under this section are creditable
23 to the interest account. On request, the retirement system may
24 grant a waiver of the deadline imposed by this subsection based on

1 an employer's financial or technological resources. The retirement
2 system may establish a process for filing an appeal to reduce or
3 waive a late fee imposed under this subsection.

4 SECTION 2. Section 825.4092(e), Government Code, is amended
5 to read as follows:

6 (e) The amounts required to be paid under Subsection
7 [~~Subsections (b) and~~] (c) are not required to be paid by a reporting
8 employer for a retiree who retired from the retirement system
9 before September 1, 2005.

10 SECTION 3. Section 825.4092(f), Government Code, as added
11 by Chapter 546 (S.B. 202), Acts of the 87th Legislature, Regular
12 Session, 2021, is amended to read as follows:

13 (f) A reporting employer is ultimately responsible for
14 payment of the amounts required to be contributed under Subsection
15 [~~Subsections (b) and~~] (c). The employer may not directly or
16 indirectly pass that cost on to the retiree through payroll
17 deduction, by imposition of a fee, or by any other means designed to
18 recover the cost.

19 SECTION 4. Section 825.4092(f), Government Code, as added
20 by Chapter 511 (S.B. 288), Acts of the 87th Legislature, Regular
21 Session, 2021, is redesignated as Section 825.4092(g), Government
22 Code, and amended to read as follows:

23 (g) [~~(f)~~] Notwithstanding any other provision of this
24 section, the amounts required to be paid under Subsection
25 [~~Subsections (b) and~~] (c) are not required to be paid by a reporting
26 employer for a retiree who retired from the retirement system on or
27 after September 1, 2005, and is employed in a position described by

1 Section 824.6021(a). This subsection expires February 1, 2025.

2 SECTION 5. The following provisions of the Government Code
3 are repealed:

4 (1) Sections 825.408(a-1) and (a-2); and

5 (2) Sections 825.4092(b) and (d).

6 SECTION 6. The changes in law made by this Act apply
7 beginning with the 2023-2024 school year.

8 SECTION 7. To the extent of any conflict, this Act prevails
9 over another Act of the 88th Legislature, Regular Session, 2023,
10 relating to nonsubstantive additions to and corrections in enacted
11 codes.

12 SECTION 8. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2023.