

By: Menendez

H.B. No. 42

A BILL TO BE ENTITLED

AN ACT

relating to compensation supplementation for certain education employees.

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

SECTION 1. Subchapter D, Chapter 22, Education Code, as added by Senate Bill 1863 and Senate Bill 1691, Acts of the 79th Legislature, Regular Session, 2005, is reenacted and amended to read as follows:

SUBCHAPTER D. COMPENSATION SUPPLEMENTATION

Sec. 22.101. DEFINITIONS. In this subchapter:

(1) "Cafeteria plan" means a plan as defined and authorized by Section 125, Internal Revenue Code of 1986.

(2) "Employee" means an active, contributing member of the Teacher Retirement System of Texas who:

(A) is employed by a district, other educational district whose employees are members of the Teacher Retirement System of Texas, participating charter school, or regional education service center; and

(B) is not a retiree eligible for coverage under the program established under Chapter 1575, Insurance Code[+]

~~[(C) is not eligible for coverage by a group insurance program under Chapter 1551 or 1601, Insurance Code, and~~

~~[(D) is not an individual performing personal services for a district, other educational district that is a~~

1 ~~member of the Teacher Retirement System of Texas, participating~~
2 ~~charter school, or regional education service center as an~~
3 ~~independent contractor].~~

4 (3) "Participating charter school" means an
5 open-enrollment charter school established under Subchapter D,
6 Chapter 12, that participates in the program established under
7 Chapter 1579, Insurance Code.

8 (4) "Regional education service center" means a
9 regional education service center established under Chapter 8.

10 Sec. 22.102. AUTHORITY TO ADOPT RULES; OTHER AUTHORITY.

11 (a) The agency may adopt rules to implement this subchapter.

12 (b) The agency may enter into interagency contracts with any
13 other agency of this state for the purpose of assistance in
14 implementing this subchapter.

15 Sec. 22.103. ~~[ELIGIBILITY; WAITING PERIOD. A person is not~~
16 ~~eligible for a monthly distribution under this subchapter before~~
17 ~~the 91st day after the first day the person becomes an employee.~~

18 ~~[Sec. 22.104.] DISTRIBUTION BY AGENCY. Each [Subject to~~
19 ~~the availability of funds, each] month the agency shall deliver to~~
20 each district, including a district that is ineligible for state
21 aid under Chapter 42, each other educational district that is a
22 member of the Teacher Retirement System of Texas, each
23 participating charter school, and each regional education service
24 center state funds in an amount, as determined by the agency, equal
25 to the product of the number of ~~[eligible]~~ employees employed by the
26 district, school, or service center multiplied by \$1,000 or a
27 greater ~~[the]~~ amount specified in the General Appropriations Act

1 for purposes of this subchapter and divided by 12. The agency shall
2 distribute funding to only one entity for employees who are
3 employed by more than one entity listed in this section.

4 Sec. 22.104 [~~22.105~~]. FUNDS HELD IN TRUST. All funds
5 received by a district, other educational district, participating
6 charter school, or regional education service center under this
7 subchapter are held in trust for the benefit of the employees on
8 whose behalf the district, school, or service center received the
9 funds.

10 Sec. 22.105 [~~22.106~~]. RECOVERY OF DISTRIBUTIONS. The
11 agency is entitled to recover from a district, other educational
12 district, participating charter school, or regional education
13 service center any amount distributed under this subchapter to
14 which the district, school, or service center was not entitled.

15 Sec. 22.106 [~~22.107~~]. DETERMINATION BY AGENCY FINAL. A
16 determination by the agency under this subchapter is final and may
17 not be appealed.

18 Sec. 22.107 [~~22.108~~]. DISTRIBUTION BY SCHOOL. Each month,
19 each district, other educational district that is a member of the
20 Teacher Retirement System of Texas, participating charter school,
21 or [~~and~~] regional education service center must distribute to its
22 [~~eligible~~] employees the funding received under this subchapter.
23 To receive the monthly distribution, an individual must meet the
24 definition of an employee under Section 22.101 for that month.

25 Sec. 22.108 [~~22.109~~]. USE OF SUPPLEMENTAL COMPENSATION. An
26 employee may use a monthly distribution received under this
27 subchapter for any employee benefit, including depositing the

1 amount of the distribution into a cafeteria plan, if the employee is
2 enrolled in a cafeteria plan, or using the amount of the
3 distribution for health care premiums through a premium conversion
4 plan. The employee may take the amount of the distribution as
5 supplemental compensation.

6 Sec. 22.109 [~~22.110~~]. SUPPLEMENTAL COMPENSATION. An
7 amount distributed to an employee under this subchapter must be in
8 addition to the rate of compensation that:

9 (1) the district, other educational district,
10 participating charter school, or regional education service center
11 paid the employee in the preceding school year; or

12 (2) the district, school, or service center would have
13 paid the employee in the preceding school year if the employee had
14 been employed by the district, school, or service center in the same
15 capacity in the preceding school year.

16 SECTION 2. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect on the 91st day after the last day of the
21 legislative session.