BILL ANALYSIS

H.B. 604 By: Hopson Pensions & Investments Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2001, the 77th Legislature passed Senate Bill 292, an omnibus Employees Retirement Services bill that, among other things, improved insurance benefits for ERS members. A dozen employees of the Windham School District (WSD) were hired prior to SB 292's enactment on September 1, 2001, but their effective date of employment was after September 1, 2001. Therefore, some members of the WSD, which operates schools at facilities of the Texas Department of Criminal Justice, were promised a set of retirement benefits that were not enacted by the changes in SB 292.

House Bill 604 "grandfathers" certain individuals that may qualify for the group benefits outlined in Senate Bill 292 of the 77th Legislature, provided they were employed within a tenday period from September 1 to September 10, are still employed by the Windham School District, and meet the guidelines that SB 292 stipulated upon its enactment.

RULEMAKING AUTHORITY

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

ANALYSIS

SECTION 1. This section allows an individual to participate in a group benefits program as stipulated by Chapter 1551 of the Insurance Code, provided that the individual had an effective starting date on or after September 1, 2001 but before September 10, 2001, has been continuously employed by that school district by which they were hired and meets eligibility requirements of the Insurance Code as they existed before the amending of Section 3 (a) (2) of the Texas Employees Uniform Group Insurance Benefits Act by the Acts of the 77th Legislature.

SECTION 2. This section states that this Act expires December 31, 2011.

EFFECTIVE DATE

SECTION 3. This Act takes effect September 1, 2005.