

By: McReynolds

H.B. No. 2368

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the establishment of service credit within the
3 Employees Retirement System of Texas for service as a federal peace
4 officer.

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

6 SECTION 1. Section 811.001, Government Code, is amended by
7 adding Subdivision (8-a) and amending Subdivision (16) to read as
8 follows:

9 (8-a) "Federal peace officer" means any employee or
10 agent of the United States government who has the authority to carry
11 firearms and make warrantless arrests and whose duties involve
12 enforcement of the criminal laws of the United States.

13 (16) "Service credit" means the amount of membership
14 service, ~~and~~ military service, and federal peace officer service
15 ascribed to a person's account in the retirement system for which
16 all required contributions have been made to, and are being held by,
17 the retirement system.

18 SECTION 2. Section 813.001, Government Code, is amended to
19 read as follows:

20 Sec. 813.001. TYPES OF CREDITABLE SERVICE. The types of
21 service creditable in the retirement system are membership service,
22 military service, federal peace officer service, and equivalent
23 membership service.

24 SECTION 3. Section 813.101, Government Code, is amended to

1 follows:

2 (a-1) Federal peace officer service creditable in the
3 retirement system is active federal employment as a federal peace
4 officer.

5 (b) A member may establish one month of service credit for
6 each month or fraction of a month of duty, but not more than 60
7 months of service credit in the retirement system for military
8 service or for federal peace officer service.

9 SECTION 8. The heading to Section 813.302, Government Code,
10 is amended to read as follows:

11 Sec. 813.302. MILITARY SERVICE OR FEDERAL PEACE OFFICER
12 SERVICE NOT PREVIOUSLY ESTABLISHED.

13 SECTION 9. Section 813.302, Government Code, is amended by
14 amending Subsection (a) and adding Subsection (b-1) to read as
15 follows:

16 (a) An eligible member may establish service credit in the
17 retirement system for military service or federal peace officer
18 service performed that is creditable as provided by Section
19 813.301.

20 (b-1) A member eligible to establish federal peace officer
21 service credit is one who:

22 (1) does not receive and is not eligible to receive
23 federal retirement payments based on 20 years or more of active
24 federal peace officer duty or its equivalent; and

25 (2) has credit in the retirement system for membership
26 service performed after the date the member ended employment as a
27 federal peace officer.

1 SECTION 10. Section 813.303, Government Code, is amended to
2 read as follows:

3 Sec. 813.303. SERVICE CREDITED TO MEMBERSHIP
4 CLASS. (a) Except as provided by Subsection (b) or Section
5 813.304(d), military service or federal peace officer service is
6 creditable in a class of membership that includes a position held by
7 the member who performed the service after the date of release from
8 active military duty or employment as a federal peace officer.

9 (b) Military service or federal peace officer service
10 performed by a person who was a contributing member immediately
11 before the date the member began military duty or employment as a
12 federal peace officer may be credited, at the option of the member,
13 in the class of membership that includes the position held by the
14 member immediately before the date the member began the military
15 duty or federal peace officer employment.

16 SECTION 11. Section 813.304, Government Code, is amended to
17 read as follows:

18 Sec. 813.304. USE OF MILITARY SERVICE CREDIT OR FEDERAL
19 PEACE OFFICER SERVICE CREDIT. (a) The retirement system shall use
20 military service credit and federal peace officer service credit in
21 computing occupational disability retirement benefits and death
22 benefits and in determining eligibility to select an optional death
23 benefit plan.

24 (b) The retirement system shall use military service credit
25 and federal peace officer service credit in computing service
26 retirement or nonoccupational disability retirement benefits of a
27 member of the employee class only if the member has, without

1 military service credit and federal peace officer service credit,
2 at least five years of service credit in that class.

3 (c) The retirement system shall use military service credit
4 and federal peace officer service credit in computing service
5 retirement or nonoccupational disability retirement benefits of a
6 member of the elected class:

7 (1) only if the member has, without military service
8 credit and federal peace officer service credit, at least six years
9 of service credit in that class, if the military service credit or
10 federal peace officer service credit was established before January
11 1, 1978; or

12 (2) only if the member has enough service credit,
13 exclusive of the military service credit and federal peace officer
14 service credit, to be eligible for service retirement benefits at
15 age 60, if the military service credit or federal peace officer
16 service credit was established on or after January 1, 1978.

17 (d) The board of trustees by rule may permit a person who
18 retires with at least 10 years of service credit, excluding
19 military service credit or federal peace officer service credit, to
20 receive service retirement benefits as an elected officer for the
21 percentage of the person's military service credit or federal peace
22 officer service credit, but not more than 100 percent, that is
23 derived by dividing the number of months served as an elected
24 officer by 96 months.

25 SECTION 12. Section 813.401, Government Code, is amended to
26 read as follows:

27 Sec. 813.401. SERVICE CREDITABLE IN ELECTED CLASS. Service

1 creditable in the elected class of membership is:

2 (1) membership service in an office included in that
3 class;

4 (2) military service or federal peace officer service
5 established as provided by Subchapter D; and

6 (3) equivalent membership service specifically made
7 creditable in that class.

8 SECTION 13. Section 813.501, Government Code, is amended to
9 read as follows:

10 Sec. 813.501. SERVICE CREDITABLE IN EMPLOYEE
11 CLASS. Service creditable in the employee class of membership is:

12 (1) membership service in a position included in that
13 class;

14 (2) military service or federal peace officer service
15 established as provided by Subchapter D;

16 (3) service creditable in or transferred from the
17 elected class as provided by Section 813.503; and

18 (4) administrative board service established as
19 provided by Section 813.502.

20 SECTION 14. Section 813.503(a), Government Code, is amended
21 to read as follows:

22 (a) A member may establish in, or have transferred to, the
23 employee class all service credited in the elected class, if the
24 contributions made to establish the service in the elected class
25 equal or exceed contributions required of a member of the employee
26 class for the same amount of service during the same time and at the
27 same rate of compensation. A member or retiree who has, or had at

1 the time of retirement, at least eight years of service credit in
2 the elected class of membership, exclusive of military service or
3 federal peace officer service, may transfer service credit between
4 classes before or after retirement.

5 SECTION 15. Section 814.1042(a), Government Code, is
6 amended to read as follows:

7 (a) For the sole purpose of determining eligibility to
8 receive a service retirement annuity under Section 814.104(a)(2),
9 the retirement system shall consider not more than 60 months, or
10 portions of months, of service performed for a Texas governmental
11 employer by a member who has at least five years of service credit,
12 excluding military service or federal peace officer service, in the
13 employee class as if it were service for which credit is established
14 in the retirement system.

15 SECTION 16. Section 814.202(a), Government Code, is amended
16 to read as follows:

17 (a) A member is eligible to retire for a nonoccupational
18 disability if the member has at least:

19 (1) 8 years of membership service credit in the
20 elected class of membership;

21 (2) 6 years of membership service credit in the
22 elected class plus 2 years of military service credit or federal
23 peace officer service credit established before January 1, 1978;
24 or

25 (3) 10 years of membership service credit in the
26 employee class of membership.

27 SECTION 17. Section 815.311(a), Government Code, is amended

1 to read as follows:

2 (a) The retirement system shall deposit in a member's
3 individual account in the employees saving account the following
4 amounts:

5 (1) the amount of contributions to the retirement
6 system that is deducted from the member's compensation;

7 (2) the portion of a deposit required to reinstate
8 service credit previously canceled that represents only the amount
9 withdrawn;

10 (3) the portion of a deposit required to establish
11 service credit not previously established that represents only the
12 required contribution; and

13 (4) the portion of a deposit required to establish
14 military service credit or federal peace officer service credit
15 that represents only the member's contribution for that credit.

16 SECTION 18. Section 815.312(b), Government Code, is amended
17 to read as follows:

18 (b) The retirement system also shall deposit in the state
19 accumulation account the interest portion of the following deposits
20 made by members:

21 (1) deposits required to reinstate service previously
22 canceled;

23 (2) deposits required to establish service credit not
24 previously established; and

25 (3) deposits required to establish military service
26 credit or federal peace officer service credit.

27 SECTION 19. This Act takes effect September 1, 2005.