

By: Eiland

H.B. No. 2945

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the predicted retirement of and participation in the
3 optional retirement program by certain employees of institutions of
4 higher education.

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

6 SECTION 1. Subchapter B, Chapter 830, Government Code, is
7 amended by adding Section 830.1015 to read as follows:

8 Sec. 830.1015. EXPANDED ELIGIBILITY TO PARTICIPATE FOR
9 CERTAIN EMPLOYEES. (a) An institution of higher education that
10 participates in the optional retirement program may submit a list
11 to the Texas Higher Education Coordinating Board of employment
12 positions at the institution that:

13 (1) do not otherwise meet established eligibility for
14 participation in the optional retirement program; and

15 (2) the institution proposes to include for
16 eligibility for participation in the program.

17 (b) A list submitted under Subsection (a) must be based on
18 the competitive labor market requirements of the institution of
19 higher education.

20 (c) The Texas Higher Education Coordinating Board may
21 approve for participation in the optional retirement program one or
22 more of the employment positions at an institution of higher
23 education included on a list submitted under Subsection (a). A
24 person holding an employment position on a list submitted under

1 this section is eligible to participate in the optional retirement
2 program, in accordance with this section, only if the Texas Higher
3 Education Coordinating Board approves in writing that position for
4 participation.

5 (d) The Texas Higher Education Coordinating Board by rule
6 shall periodically require the institution of higher education to
7 reapply for continued approval of each employment position at that
8 institution that is approved for participation in the optional
9 retirement program under this section.

10 (e) If the Texas Higher Education Coordinating Board
11 terminates the eligibility of an employment position for
12 participation in the optional retirement program under Subsection
13 (d), an employee hired into the position before the date of the
14 termination and participating in the program on that date remains
15 in the program, subject to the rules of the retirement system. An
16 employee hired into that position after the date of the termination
17 shall participate in the retirement system if the employee is
18 otherwise eligible.

19 (f) Notwithstanding Subchapter C, the state contribution
20 for an employee in an employment position that participates in the
21 optional retirement program under this section is equal to the
22 contribution made for a participant in the retirement system.

23 (g) The total employer contribution for an employee in an
24 employment position at an institution of higher education that
25 participates in the optional retirement program under this section
26 is the same as the amount contributed for other employees of the
27 institution participating in the program. The institution shall

1 contribute an amount equal to the difference between the amount
2 contributed under Subsection (f) and the total employer
3 contribution required under this subsection. If the institution
4 contributes at different rates for different participants, the
5 total employer contribution required under this subsection is based
6 on the contribution applicable to a new participant at the time
7 contributions under the program begin for that participant.

8 SECTION 2. Subchapter H, Chapter 51, Education Code, is
9 amended by adding Section 51.4021 to read as follows:

10 Sec. 51.4021. STUDY AND REPORT OF PREDICTED FACULTY
11 RETIREMENT. (a) In this section, "general academic teaching
12 institution," "governing board," and "university system" have the
13 meanings assigned by Section 61.003.

14 (b) To address the predicted retirement of a growing portion
15 of university faculty in the coming years as a result of aging and
16 the potential problems associated with that retirement, each
17 general academic teaching institution shall conduct a study
18 relating to faculty member retirements that may occur through the
19 end of the 2025 academic year, including projections of the number
20 and proportion of faculty members expected to retire during that
21 period, the first academic year in which increasing retirements are
22 expected to result in faculty shortages, and methods that the
23 institution could reasonably implement to address those retirement
24 issues through recruitment of new faculty members or other means.
25 The governing board of an institution may appoint a committee to
26 conduct the study. A university system may carry out the
27 requirements prescribed by this subsection for the system's

1 component institutions or may direct one or more component
2 institutions to conduct the study for the system.

3 (c) Each general academic teaching institution or
4 university system, as applicable, shall prepare a report based on
5 the study required by Subsection (b). The institution or system
6 shall submit the report to the Texas Higher Education Coordinating
7 Board not later than September 1, 2006.

8 (d) This section expires January 1, 2007.

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