

By: Eiland

H.B. No. 2945

A BILL TO BE ENTITLED

AN ACT

relating to participation in the optional retirement program by certain employees of institutions of higher education.

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

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

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

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

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

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

(c) The Texas Higher Education Coordinating Board may approve for participation in the optional retirement program one or more of the employment positions at an institution of higher education included on a list submitted under Subsection (a). A person holding an employment position on a list submitted under this section is eligible to participate in the optional retirement

1 program, in accordance with this section, only if the Texas Higher  
2 Education Coordinating Board approves in writing that position for  
3 participation.

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

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

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

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

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

7 SECTION 2. This Act takes effect September 1, 2005.