LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 6, 2005

TO: Honorable Craig Eiland, Chair, House Committee on Pensions & Investments

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB3200 by Madden (Relating to single employer benefit plans.), As Introduced

No fiscal implication to the State is anticipated.

A provision in the Texas Constitution prohibits public employees from receiving benefits from more than one public retirement system for the same service. The bill would establish in Government Code that an employer who participates in a statewide public retirement system could offer certain additional benefits that would explicitly be allowable under this provision. These additional benefits would include a supplemental retirement program uniformly available to all qualified employees, or benefits established as a result of the employer's withdrawal from the Social Security program.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2005.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: LBB Staff: JOB, SR, WM, DLBa, WP