

BILL ANALYSIS

C.S.H.B. 2880
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Pensions & Investments
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, Teacher Retirement System (TRS) retirees who are reemployed by a TRS-covered employer are subject to the suspension of their TRS benefits if they exceed six months of work in a school year. Any additional time that a retiree works beyond the sixth month results in the withholding of that month's annuity payment. Due to later school year start dates, some school districts' school years extend into the month of June, resulting in the suspension of the annuity payment.

This bill would allow a retired member of the TRS who returns to work at a Texas public educational institution to work into the month of June of a school year if the work cannot be completed by May 31 and the retiree does not work beyond June 15 of that year.

Also under current law, return to work retirees may be required to attend professional development classes or activities, which could cause them to lose their annuity for that month. This bill would provide that time spent by a retiree attending professional development classes or activities is not considered work for the purpose of causing retirees' annuities to be forfeited.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

This bill amends the Government Code to allow a TRS retiree who returns to work at a Texas public educational institution to continue their employment beyond May 31 but not later than June 15 and receive a monthly annuity payment in June.

This bill also provides that professional development classes or activities are not considered work for the purposes of the provisions of this bill.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute adds Subsection (q) to the original to provide that professional development classes are not considered work for the purposes of Subsection (a)(3).