

BILL ANALYSIS

Senate Research Center

S.B. 1039
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State Affairs
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires school districts to begin the school year no earlier than the fourth Monday in August. Schools that start later in August have to extend the school year into June. The changes in the school year calendar and current policies relating to the rehiring of retired teachers lead to an inadvertent forfeiture of the annuity checks currently received by these teachers in June. Many school retirees return to work under the six-month exemption, which allows retiree teachers to return to teaching for up to six months in a full-time position without losing benefits. After six months, the Teacher Retirement System (TRS) forfeits the annuity checks in any month that the retired, rehired teachers work even one day.

S.B. 1039 prohibits TRS from withholding a monthly benefit payment from a retiree who is employed in one or more positions on as much as a full-time basis in a Texas public education institution, even if the work performed by a retiree extends into June of a school year, if the work the retiree agreed to complete under the contract or work agreement cannot be completed by May 31, and the retiree does not work beyond June 15 of the year.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 824.602, Government Code, by adding Subsections (p) and (q), as follows:

(p) Provides that the exception provided by Subsection (a)(3) (prohibiting the Teachers Retirement System from withholding a monthly benefit payment if the retiree is employed in a Texas public education institution in one or more positions on as much as a full-time basis, if the work occurs in not more than six months of a school year that begins after the retiree's effective date of retirement) continues to apply to work performed by a retiree in June of a school year under certain conditions.

(q) Provides that time spent by a retiree attending professional development classes or activities is not considered work for purposes of Subsection (a)(3).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2007.