

By: Martinez

H.B. No. 3014

A BILL TO BE ENTITLED

AN ACT

relating to employer and retiree contributions for certain employed retirees under the Teacher Retirement System of Texas.

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

SECTION 1. Section 824.603, Government Code, is amended to read as follows:

Sec. 824.603. EXCLUSION FROM CREDIT. Employment of a retiree described by Section 824.602(a) does not entitle a retiree to additional service credit, and, except as provided by Section 825.4092, the retiree so employed is not required to make contributions to the system from compensation for that employment.

SECTION 2. Section 825.4092, Government Code, is amended by amending Subsections (b) and (e) and adding Subsections (b-1) and (f) to read as follows:

(b) Except as provided by Subsection (e), during each payroll period for which a retiree is reported:

(1) ~~the~~ employer shall contribute to the retirement system for each retiree reported an amount based on the retiree's salary equal to ~~the sum of:~~

~~[(1) the current contribution amount that would be contributed by the retiree if the retiree were an active, contributing member, and~~

~~[(2)]~~ the current contribution amount authorized by the General Appropriations Act that the state would contribute for

1 that retiree if the retiree were an active, contributing member;  
2 and

3 (2) each retiree reported shall contribute to the  
4 retirement system an amount based on the retiree's salary equal to  
5 the current contribution amount that would be contributed by the  
6 retiree if the retiree were an active, contributing member.

7 (b-1) In addition to the amounts contributed under  
8 Subsection (b) and except as provided by Subsection (e), during  
9 each payroll period for which an employer reports a retiree  
10 employed in a position other than as a full-time librarian, a  
11 full-time counselor, a full-time school nurse, or a classroom  
12 teacher described by Section 5.001, Education Code, the employer  
13 shall contribute to the retirement system for the retiree an amount  
14 based on the retiree's salary equal to the current contribution  
15 amount that would be contributed by the retiree if the retiree were  
16 an active, contributing member.

17 (e) The amounts required to be paid under Subsections (b),  
18 (b-1), and (c) are not required to be paid by a reporting employer  
19 for a retiree who was reported under the retirement system rules in  
20 effect for the report month of January 2005 by:

21 (1) that reporting employer; or

22 (2) another employer, if both employers are school  
23 districts that consolidated into a consolidated school district on  
24 or before September 1, 2005.

25 (f) A retiree's contribution under this section shall be  
26 made in the same manner as a member's contribution is collected  
27 under Section 825.403. Except as provided by Section 824.602, a

1 retiree who makes contributions as required by this section is not  
2 entitled to receive a monthly benefit payment during the period the  
3 retiree is employed in a Texas public education institution. The  
4 retiree is not entitled to additional service credit for the period  
5 the retiree is employed as described by this section.

6         SECTION 3. The changes in law made by this Act apply  
7 beginning with the 2007-2008 school year.

8         SECTION 4. This Act takes effect immediately if it receives  
9 a vote of two-thirds of all the members elected to each house, as  
10 provided by Section 39, Article III, Texas Constitution. If this  
11 Act does not receive the vote necessary for immediate effect, this  
12 Act takes effect September 1, 2007.