

By: Truitt

H.B. No. 3322

A BILL TO BE ENTITLED

AN ACT

relating to a plan-to-plan transfer of certain assets from the TexaSaver 457 plan administered by the Employees Retirement System of Texas to a 457 plan created by an institution of higher education.

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

SECTION 1. Subchapter C, Chapter 609, Government Code, is amended by adding Section 609.515 to read as follows:

Sec. 609.515. TRANSFER TO 457 PLAN OF INSTITUTION OF HIGHER EDUCATION. (a) The board of trustees, as authorized by 26 C.F.R. Section 1.457-10(b)(1) and (3), shall allow the transfer from its TexaSaver 457 plan to the plan administrator of a 457 plan created by an institution of higher education under Subchapter D of all deferred amounts and investment income administered by the TexaSaver 457 plan for employees of the institution of higher education who are participating in or eligible to participate in the institution's 457 plan at the time of the transfer.

(b) The board of trustees and the institution of higher education desiring the transfer shall cooperate with each other to ensure that the transfer is accomplished as expeditiously as possible. The institution of higher education must make a request to the board of trustees in order to begin a transfer under this Section. After the transfer, the plan administrator for the 457 plan created by an institution of higher education shall be

1 responsible for all fiduciary duties, plan administration and other
2 responsibilities regarding the deferred amounts and investment
3 income that have been transferred, and the board of trustees is
4 relieved of all fiduciary duties, plan administration duties,
5 liability, and any other responsibility with regard to such
6 deferred amounts and investment income that were transferred.

7 SECTION 2. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2007.