

By: Shapleigh

S.B. No. 1913

A BILL TO BE ENTITLED

AN ACT

1
2 relating to employer contributions for certain retirees under the
3 Teacher Retirement System of Texas who are employed by a school
4 district affected by base realignment and closure.

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

6 SECTION 1. Section 825.4092, Government Code, is amended by
7 amending Subsections (b) and (c) and adding Subsection (f) to read
8 as follows:

9 (b) Except as provided by Subsections [~~Subsection~~] (e) and
10 (f), during each payroll period for which a retiree is reported, the
11 employer shall contribute to the retirement system for each retiree
12 reported an amount based on the retiree's salary equal to the sum
13 of:

14 (1) the current contribution amount that would be
15 contributed by the retiree if the retiree were an active,
16 contributing member; and

17 (2) the current contribution amount authorized by the
18 General Appropriations Act that the state would contribute for that
19 retiree if the retiree were an active, contributing member.

20 (c) Except as provided by Subsections [~~Subsection~~] (e) and
21 (f), each payroll period, for each retiree who is enrolled in the
22 Texas Public School Employees Group Insurance Program under Chapter
23 1575, Insurance Code, the employer who reports the employment of a
24 retiree shall contribute to the trust fund established under that

1 chapter any difference between the amount the retiree is required
2 to pay for the retiree and any enrolled dependents to participate in
3 the group program and the full cost of the retiree's and enrolled
4 dependents' participation in the group program, as determined by
5 the retirement system. If more than one employer reports the
6 retiree to the retirement system during a month, the amount of the
7 required payment shall be prorated among the employers.

8 (f) The amounts required to be paid under Subsections (b)
9 and (c) are not required to be paid by a school district that has
10 been required to expand classroom facilities to accommodate an
11 increased number of students resulting from the United States
12 Department of Defense base realignment and closure process. The
13 total number of employed retirees subject to the exemption
14 established by this subsection may not exceed 500 and, if
15 necessary, the board of trustees shall by rule establish a method to
16 equitably allocate that number to each school district described by
17 this subsection. This subsection expires December 31, 2011.

18 SECTION 2. Section 1575.204, Insurance Code, is amended by
19 adding Subsection (c) to read as follows:

20 (c) The amounts required to be paid under Subsection (b) are
21 not required to be paid by a school district that has been required
22 to expand classroom facilities to accommodate an increased number
23 of students resulting from the United States Department of Defense
24 base realignment and closure process. The total number of employed
25 retirees subject to the exemption established by this subsection
26 may not exceed 500 and, if necessary, the board of trustees shall by
27 rule establish a method to equitably allocate that number to each

1 school district described by this subsection. This subsection
2 expires December 31, 2011.

3 SECTION 3. This Act takes effect September 1, 2007.