

1-1 By: Shapleigh S.B. No. 1913
1-2 (In the Senate - Filed March 9, 2007; March 22, 2007, read
1-3 first time and referred to Committee on State Affairs;
1-4 April 4, 2007, reported favorably by the following vote: Yeas 8,
1-5 Nays 0; April 4, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to employer contributions for certain retirees under the
1-9 Teacher Retirement System of Texas who are employed by a school
1-10 district affected by base realignment and closure.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 825.4092, Government Code, is amended by
1-13 amending Subsections (b) and (c) and adding Subsection (f) to read
1-14 as follows:

1-15 (b) Except as provided by Subsections [Subsection] (e) and
1-16 (f), during each payroll period for which a retiree is reported, the
1-17 employer shall contribute to the retirement system for each retiree
1-18 reported an amount based on the retiree's salary equal to the sum
1-19 of:

1-20 (1) the current contribution amount that would be
1-21 contributed by the retiree if the retiree were an active,
1-22 contributing member; and

1-23 (2) the current contribution amount authorized by the
1-24 General Appropriations Act that the state would contribute for that
1-25 retiree if the retiree were an active, contributing member.

1-26 (c) Except as provided by Subsections [Subsection] (e) and
1-27 (f), each payroll period, for each retiree who is enrolled in the
1-28 Texas Public School Employees Group Insurance Program under Chapter
1-29 1575, Insurance Code, the employer who reports the employment of a
1-30 retiree shall contribute to the trust fund established under that
1-31 chapter any difference between the amount the retiree is required
1-32 to pay for the retiree and any enrolled dependents to participate in
1-33 the group program and the full cost of the retiree's and enrolled
1-34 dependents' participation in the group program, as determined by
1-35 the retirement system. If more than one employer reports the
1-36 retiree to the retirement system during a month, the amount of the
1-37 required payment shall be prorated among the employers.

1-38 (f) The amounts required to be paid under Subsections (b)
1-39 and (c) are not required to be paid by a school district that has
1-40 been required to expand classroom facilities to accommodate an
1-41 increased number of students resulting from the United States
1-42 Department of Defense base realignment and closure process. The
1-43 total number of employed retirees subject to the exemption
1-44 established by this subsection may not exceed 500 and, if
1-45 necessary, the board of trustees shall by rule establish a method to
1-46 equitably allocate that number to each school district described by
1-47 this subsection. This subsection expires December 31, 2011.

1-48 SECTION 2. Section 1575.204, Insurance Code, is amended by
1-49 adding Subsection (c) to read as follows:

1-50 (c) The amounts required to be paid under Subsection (b) are
1-51 not required to be paid by a school district that has been required
1-52 to expand classroom facilities to accommodate an increased number
1-53 of students resulting from the United States Department of Defense
1-54 base realignment and closure process. The total number of employed
1-55 retirees subject to the exemption established by this subsection
1-56 may not exceed 500 and, if necessary, the board of trustees shall by
1-57 rule establish a method to equitably allocate that number to each
1-58 school district described by this subsection. This subsection
1-59 expires December 31, 2011.

1-60 SECTION 3. This Act takes effect September 1, 2007.

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