

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 18, 2007**

**TO:** Honorable Kim Brimer, Chair, Senate Committee on Administration

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB3609** by Talton (Relating to membership and service credit in the Employees Retirement System of Texas for certain employees. ), **Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill provides that a person who retired from the employee class of the Employees Retirement System (ERS) with more than 14 years of service credit, and who resumed employment with a house of the legislature, not as an employee of an individual member, is entitled to apply for and receive an additional employee class retirement annuity for the period served in that position after retirement.

The bill would also provide elected class credit to a member of ERS who is an appointed or elected officer of the 80th Senate who has at least 20 years of service credit.

Based on the analysis by the Employees Retirement System, no additional state contributions are required to meet the provisions of this bill; however, enactment of this bill without sufficient funding to achieve the 31-year funding period would violate statutory funding requirements. The cost for the state to fund the contribution rate required to achieve the 31-year funding period is estimated at \$15.4 million in General Revenue in fiscal year 2008 and \$15.7 million in General Revenue in fiscal year 2009.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 327 Employees Retirement System

**LBB Staff:** JOB, WM, CT, KJG, JW