

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 1, 2007

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

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

IN RE: SB1913 by Shapleigh (Relating to employer contributions for certain retirees under the Teacher Retirement System of Texas who are employed by a school district affected by base realignment and closure.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would exempt a school district required to expand classroom facilities as a result of the Department of Defense base realignment and closure process from payment of pension and insurance surcharge amounts to the Teacher Retirement System of Texas (TRS) on behalf of retired TRS members who return to work in public schools.

The bill would result in a loss of revenue to the TRS Retirement Trust Fund and the TRS-Care, Retired School Employees Group Insurance Trust Fund. Associated losses are not estimated to be significant.

Local Government Impact

The exemption provided by the bill would result in a savings to school districts affected by base realignment and closure that opt to employ TRS retirees in TRS-covered positions.

Source Agencies: 323 Teacher Retirement System

LBB Staff: JOB, KJG, UP, JSc