

BILL ANALYSIS

Senate Research Center

H.B. 1979
By: Rodriguez (Watson)
State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In January 2009, certain law enforcement employees were transferred from the City of Austin's Public Safety Emergency Management Department to the Austin Police Department. As currently written, the law does not allow these officers, who are working and contributing to the police retirement system, the opportunity to collect retirement benefits from the municipal retirement system.

H.B. 1979 provides that employees transferred from a position covered by one retirement system are afforded the same advantages as other participants in that program, even though they work in another position covered by a different retirement system. Under the bill, retirees who go back to work for the City of Austin in a job that requires them to participate in another retirement system would continue to receive their retirement allowance under the original system. However, retirees who go back to work in jobs that are not required to participate in another retirement system would automatically resume membership as a contributing member in the original system, meaning the city would terminate their retirement allowance. Also, allowances would be suspended if the retiree takes a job requiring participation in a new retirement system if they work at least six of any 12 consecutive months for more than 29 hours a week.

H.B. 1979 relates to retirement under public retirement systems for employees of certain municipalities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 2(32) and (33), Chapter 451, Acts of the 72nd Legislature, Regular Session, 1991 (Article 6243n, V.T.C.S.), to redefine "normal retirement age" and "normal retirement date."

SECTION 2. Amends Section 9(p), Chapter 451, Acts of the 72nd Legislature, Regular Session, 1991 (Article 6243n, V.T.C.S.), as follows:

(p) Entitles a member who retires after reaching normal retirement age and continues or resumes employment with the employer in a position that is required to participate in another retirement system to continue to receive the retirement allowance paid under this Act. Provides that a retired member who resumes regular full-time employment with an employer in a position that is not required to participate in another retirement system sponsored by the employer automatically resumes membership as an active contributory member, and requires the retirement board to terminate the person's retirement allowance. Requires that the retirement allowance of a retired member be suspended if the member is employed by an employer in a position in which the employee is required to participate in the retirement system for at least six months of any consecutive 12 calendar months and works, is budgeted, or is compensated for more than 29 hours in a calendar week.

SECTION 3. Effective date: upon passage or October 1, 2009.