

1-1 By: Truitt (Senate Sponsor - Deuell) H.B. No. 2283
1-2 (In the Senate - Received from the House May 1, 2009;
1-3 May 6, 2009, read first time and referred to Committee on State
1-4 Affairs; May 14, 2009, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 8, Nays 1;
1-6 May 14, 2009, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2283 By: Deuell

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to increasing state employee participation in the
1-11 TexaSaver program.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 609.006(a), Government Code, is amended
1-14 to read as follows:

1-15 (a) A deferred compensation plan must conform to federal law
1-16 to provide that deferred amounts and investment income are not
1-17 includable, for federal income tax purposes, in the gross income of
1-18 a participating employee until distributed to the employee, subject
1-19 to the employee's option to designate all or a portion of deferred
1-20 amounts as Roth contributions under Section 609.5021, the federal
1-21 income tax treatment of which is governed by Section 402A, Internal
1-22 Revenue Code of 1986.

1-23 SECTION 2. Subchapter C, Chapter 609, Government Code, is
1-24 amended by adding Section 609.5021 to read as follows:

1-25 Sec. 609.5021. ROTH CONTRIBUTION PROGRAMS. The board of
1-26 trustees may:

1-27 (1) establish a qualified Roth contribution program in
1-28 accordance with Section 402A, Internal Revenue Code of 1986, under
1-29 which an employee may designate all or a portion of the employee's
1-30 contribution under a 401(k) plan as a Roth contribution at the time
1-31 the contribution is made; and

1-32 (2) if authorized by federal law, establish a program
1-33 in accordance with the applicable federal law under which an
1-34 employee may designate all or a portion of the employee's
1-35 contribution under a 457 plan as a Roth contribution at the time the
1-36 contribution is made.

1-37 SECTION 3. Section 609.5025(d), Government Code, is amended
1-38 to read as follows:

1-39 (d) At any time, an employee participating in a 401(k) plan
1-40 under this section may, in accordance with rules adopted by the
1-41 board of trustees, elect to end participation in the 401(k) plan, to
1-42 contribute to a different investment product, ~~or~~ to contribute a
1-43 different amount to the plan, or to designate all or a portion of
1-44 the employee's contribution as a Roth contribution subject to the
1-45 availability of a Roth contribution program under Section 609.5021.

1-46 SECTION 4. Subchapter C, Chapter 609, Government Code, is
1-47 amended by adding Section 609.5026 to read as follows:

1-48 Sec. 609.5026. STATE MATCHING CONTRIBUTIONS. Subject to a
1-49 separate legislative appropriation for that purpose, the Employees
1-50 Retirement System of Texas may make matching contributions to a
1-51 401(k) plan on behalf of employees participating in the plan solely
1-52 from, and in an amount specified by, the appropriation.

1-53 SECTION 5. This Act takes effect September 1, 2009.

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