

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 20, 2011**

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

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

**IN RE: SB1664** by Duncan (Relating to the powers and duties of and benefits available under the Employees Retirement System of Texas.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend several sections of Government Code and Insurance Code relating to the Employees Retirement System (ERS). The bill would do the following: (a) clarify that a beneficiary convicted of, or found civilly liable of, causing the death of a member of ERS or the Judicial Retirement Systems is not entitled to any of that member's retirement, insurance, or TexaSaver benefits; (b) make the interest rate on certain retirement service purchases equal to the employee contribution for service; (c) extend the required retirement service credit for those members hired on or after September 1, 2009; (d) clarify that ERS is allowed to invest in U.S. Government Agency securities; (e) add an age limit to wards who are qualified dependents in the Group Benefits Program (GBP); (f) clarify that the GBP be administered to comply with applicable federal insurance laws; and (g) clarify that members of the GBP may not receive two state health plan contributions.

It is anticipated that the provisions of the legislation would not have a significant fiscal impact on the Employees Retirement System's retirement and insurance trust funds, and would not result in changes to the state contribution for these programs.

The bill would take effect on September 1, 2011.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 327 Employees Retirement System

**LBB Staff:** JOB, KJG, MS, DEH