

By: Duncan

S.B. No. 1812

A BILL TO BE ENTITLED

AN ACT

1
2 relating to state contributions for participation by certain junior
3 college employees in the state employees group benefits program,
4 Teacher Retirement System of Texas, and Optional Retirement System.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter G, Chapter 1551, Insurance Code, is
7 amended by adding Section 1551.3111 to read as follows:

8 Sec. 1551.3111. AMOUNT OF STATE CONTRIBUTION FOR CERTAIN
9 JUNIOR COLLEGE EMPLOYEES. (a) In determining the amount to be
10 certified under Section 1551.311, the board of trustees shall
11 include fifty percent of the cost associated with instructional or
12 administrative employees of public junior colleges.

13 SECTION 2. Sec. 825.404. COLLECTION OF STATE CONTRIBUTIONS
14 AND APPROPRIATED OPERATING EXPENSES. (a) During each fiscal
15 year, the state shall contribute to the retirement system an amount
16 equal to at least six and not more than 10 percent of the aggregate
17 annual compensation of all members of the retirement system during
18 that fiscal year. The amount of the state contribution made under
19 this section may not be less than the amount contributed by members
20 during that fiscal year in accordance with Section 825.402.

21 (b) Before November 2 of each even-numbered year, the board
22 of trustees shall certify to the comptroller of public accounts for
23 review and adoption an estimate of the amount necessary to pay the
24 state's contributions to the retirement system for the following

1 biennium. The board of trustees shall only include fifty percent of
2 the cost associated with instructional or administrative employees
3 of public junior colleges.

4 (c) The amount certified under Subsection (b) shall be
5 included in the state budget that the governor submits to the
6 legislature.

7 (d) The legislature shall appropriate from the general
8 revenue fund a specified amount of money to be used to pay operating
9 expenses of the retirement system for each fiscal year.

10 (e) All money appropriated by the state to the retirement
11 system shall be paid to the state contribution account in equal
12 monthly installments as provided by Section 403.093(c), Government
13 Code, except money appropriated under Subsection (d), which remains
14 in the general revenue fund until expenses are approved under
15 Chapter 2103.

16 SECTION 3. Section 825.407, Government Code, is amended to
17 read as follows:

18 Sec. 825.407. COLLECTION OF CONTRIBUTIONS FROM
19 NONEDUCATIONAL AND GENERAL FUNDS. (a) In this section:

20 (1) "General academic teaching institution" has the
21 meaning assigned by Section 61.003, Education Code.

22 (2) "Medical and dental unit" has the meaning assigned
23 by Section 61.003, Education Code.

24 (3) "Noneducational and general funds" means all funds
25 of an institution of higher education except those funds used as a
26 method of financing for an institutional appropriation in the
27 General Appropriations Act or dedicated by the Constitution of the

1 State of Texas.

2 (4) "Public junior college" has the meaning assigned
3 by Section 61.003, Education Code.

4 (b) The governing board of each general academic teaching
5 institution, the governing board of each public junior college or
6 each public junior college district, and the governing board of
7 each medical and dental unit shall reimburse the state, from
8 noneducational and general funds of the institution, public junior
9 college, or unit, for state contributions that are made based on any
10 portion of a member's salary that is paid from the noneducational
11 and general funds.

12 (c) The designated disbursing officer of each general
13 academic teaching institution, public junior college, and [~~the~~
14 ~~designated disbursing officer of each~~] medical and dental unit
15 shall:

16 (1) submit to the retirement system, at a time and in
17 the manner prescribed by the retirement system, a monthly report
18 containing a certification of the total amount of salary paid from
19 noneducational and general funds and the total amount of employer
20 contributions due under this section for the payroll period; and

21 (2) maintain and retain the following information:

22 (A) the name of each member employed by the
23 institution, public junior college, or unit who, for the most
24 recent payroll period, was paid wholly or partly from
25 noneducational and general funds;

26 (B) the amount of the employee's salary for the
27 most recent payroll period that was paid from noneducational and

1 general funds; and

2 (C) any other information the retirement system
3 determines is necessary to administer this section.

4 (d) A monthly report required under Subsection (c) shall be
5 accompanied by payment of the amount certified under Subdivision
6 (1) [~~(3)~~] of that subsection.

7 (e) After the end of each fiscal year, the retirement system
8 shall report to the comptroller of public accounts and the State
9 Auditor the name of any general academic teaching institution, any
10 public junior college, and any medical and dental unit delinquent
11 in the reimbursement of contributions under this section for the
12 preceding fiscal year and the amount by which each reported
13 institution, public junior college, or unit is delinquent.

14 (f) Any portion of the reimbursement required under this
15 section to be made for a fiscal year by a general academic teaching
16 institution, public junior college, or a medical and dental unit
17 that remains unpaid on the first day of the next fiscal year accrues
18 interest, beginning on that day or the due date for the portion,
19 whichever is later, at an annual rate, compounded monthly, equal to
20 the rate established under Section 825.313(b)(1), plus two percent.

21 (g) The retirement system shall deposit all money it
22 receives under this section in the state contribution account.

23 SECTION 4. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2013.