LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 11, 2015

TO: Honorable Joan Huffman, Chair, Senate Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB408 by Turner, Chris (Relating to the retirement benefits for certain elected state

officials.), As Engrossed

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to prevent members of the elected class, other than district attorneys and criminal district attorneys, from transferring elected class service to the employee class to receive employee class retirement benefits until the member is no longer in office. The bill would not restrict the ability of elected class members to retire and receive benefits as an employee-class member while in office, if they are eligible to retire with their employee class service. The Employees Retirement System indicates that the bill would lead to a decrease in costs to the system; however, this amount is not anticipated to be significant.

The bill would affect certain current and future elected-class members, other than a current elected-class member who is receiving a service retirement annuity based on service transferred to the employee class on the effective date of the bill. The bill would take effect immediately if it receives the required votes; otherwise, it would take effect on September 1, 2015.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 327 Employees Retirement System

LBB Staff: UP, AG, EP, EMo