

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 24, 2015

TO: Honorable Dan Flynn, Chair, House Committee on Pensions

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3461 by Fallon (Relating to the standard service retirement annuity for certain members of the elected class of the Employees Retirement System of Texas.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Government Code to modify the service retirement annuity for members who join the elected class on or after September 1, 2015. The bill would limit the service retirement annuity for service credited in the elected class of membership, all of which was earned as member of the legislature, to the number of years of service times two percent of \$140,000. The bill would reduce the annuity paid to an elected member in the future, creating some savings, however The Employees Retirement System indicates that the bill would not have a significant impact on the ERS trust since the elected class represents a small portion of total members in the system.

The bill would take effect 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