

By: Harless

H.B. No. 2538

A BILL TO BE ENTITLED

AN ACT

relating to participation in the Texas County and District Retirement System.

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

SECTION 1. Section 841.001(17), Government Code, is amended to read as follows:

(17) "Subdivision" means a political subdivision of the state that is not eligible to participate in any other statewide retirement system or that is not currently participating in a retirement system established by the legislature. The term includes ~~[the Texas Association of Counties,~~ the retirement system~~]~~ and a city-county hospital jointly managed under Subchapter B, Chapter 265, Health and Safety Code. The term does not include:

(A) a branch, division, department, employee classification group, or other separately identified component of a political subdivision; or

(B) an incorporated nongovernmental entity, nonprofit corporation, or other external service provider of a political subdivision.

SECTION 2. (a) The change in law made by this Act does not affect a person who is a retiree in the Texas County and District Retirement System before the effective date of this Act, and the former law is continued in effect for that purpose.

1 (b) On the effective date of this Act, an individual who is a
2 member of the Texas County and District Retirement System who is
3 employed by an entity that is not a subdivision for purposes of
4 Section 841.001(17), Government Code, as amended by this Act, is
5 treated as an individual who separates from employment with a
6 participating subdivision as a vested member of the system, as
7 defined by Section 841.001, Government Code.

8 SECTION 3. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2019.