

BILL ANALYSIS

C.S.S.B. 1071
By: Hinojosa
Pensions, Investments & Financial Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

A recent news story reported on a community effort to raise funds to assist a former Department of Public Safety officer who was gravely wounded in a shooting over 30 years ago with the purchase of a new electric wheelchair to aid in his mobility. Had this former peace officer's retirement annuity been more substantial, he would have been able to afford the new wheelchair without relying on these community fundraising efforts. The current benefit for a peace officer who is catastrophically injured in the line of duty is based on an amount equal to 100 percent of the average monthly compensation at the time of the injury. However, this may not be sufficient to assist in the long-term financial needs of someone who has become totally disabled in the line of duty. The benefit also does not consider what the officer might have earned due to increases in pay over time had the officer's career not been cut short. C.S.S.B. 1071 seeks to ensure that the amount of the benefit keeps up with increases in salary for active officers by adjusting the amount of the increased occupational disability retirement annuity for certain law enforcement and custodial officers to an amount based on a monthly amount computed using the maximum salary authorized under the position classification salary schedule prescribed by the General Appropriations Act, as adjusted from time to time, applicable to the position from which the officer retired.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.S.B. 1071 amends the Government Code to change the amount of the increased occupational disability retirement annuity for retiring member or retiree of the Employees Retirement System of Texas (ERS) who is a law enforcement or custodial officer and who presents evidence satisfactory to ERS that the officer's occupational disability makes the officer incapable of substantial gainful activity solely because of the disability and is considered a total disability under federal social security law. The bill changes that amount from an amount that is 100 percent of the officer's average monthly compensation to a monthly amount computed based on the maximum salary authorized under the position classification salary schedule prescribed by the General Appropriations Act, as adjusted from time to time, applicable to the position from which the officer retired.

C.S.S.B. 1071 requires ERS to recompute an annuity that first became payable before September 1, 2021, as though the bill's provisions were in effect on the date the increased

annuity first became payable. The first payment of a recomputed annuity is payable on the first payment date occurring on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 1071 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

Both the engrossed and the substitute change the amount of the increased occupational disability retirement annuity for a retiring member or retiree of ERS who is a law enforcement or custodial officer and who presents evidence satisfactory to ERS that the officer's occupational disability makes the officer incapable of substantial gainful activity solely because of the disability and is considered a total disability under federal social security law. However, whereas the engrossed provided that the increased annuity was a monthly amount computed based on the maximum salary authorized under Schedule C of the position classification salary schedule prescribed by the General Appropriations Act, which contains salaries for state law enforcement positions, adjusted from time to time, the substitute instead provides, without the explicit reference to Schedule C, that the monthly amount is computed based on the maximum salary authorized under the position classification salary schedule applicable to the position from which the officer retired.

The substitute does not include the provision from the engrossed making mandatory the implementation of a provision of the bill by ERS only if a specific appropriation is made for that purpose.