87R10077 BDP-D

By:  Morales Shaw H.B. No. 3891

A BILL TO BE ENTITLED

AN ACT

relating to the inclusion of compensation received by teachers under the teacher allotment incentive in salary and wages under the Teacher Retirement System of Texas.

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

SECTION 1.  Section 822.201(b), Government Code, is amended to read as follows:

(b)  "Salary and wages" as used in Subsection (a) means:

(1)  normal periodic payments of money for service the right to which accrues on a regular basis in proportion to the service performed;

(2)  amounts by which the member's salary is reduced under a salary reduction agreement authorized by Chapter 610;

(3)  amounts that would otherwise qualify as salary and wages under Subdivision (1) but are not received directly by the member pursuant to a good faith, voluntary written salary reduction agreement in order to finance payments to a deferred compensation or tax sheltered annuity program specifically authorized by state law or to finance benefit options under a cafeteria plan qualifying under Section 125 of the Internal Revenue Code of 1986, if:

(A)  the program or benefit options are made available to all employees of the employer; and

(B)  the benefit options in the cafeteria plan are limited to one or more options that provide deferred compensation, group health and disability insurance, group term life insurance, dependent care assistance programs, or group legal services plans;

(4)  performance pay awarded to an employee by a school district as part of a total compensation plan approved by the board of trustees of the district and meeting the requirements of Subsection (e);

(5)  the benefit replacement pay a person earns under Subchapter H, Chapter 659, except as provided by Subsection (c);

(6)  stipends paid to teachers in accordance with former Section 21.410, 21.411, 21.412, or 21.413, Education Code;

(7)  amounts by which the member's salary is reduced or that are deducted from the member's salary as authorized by Subchapter J, Chapter 659;

(8)  a merit salary increase made under Section 51.962, Education Code;

(9)  amounts received under the relevant parts of the educator excellence awards program under Subchapter O, Chapter 21, Education Code, or a mentoring program under Section 21.458, Education Code, that authorize compensation for service;

(10)  salary amounts designated as health care supplementation by an employee under Subchapter D, Chapter 22, Education Code; [~~and~~]

(11)  to the extent required by Sections 3401(h) and 414(u)(12), Internal Revenue Code of 1986, differential wage payments received by an individual from an employer on or after January 1, 2009, while the individual is performing qualified military service as defined by Section 414(u), Internal Revenue Code of 1986; and

(12)  increased compensation paid to a teacher by a school district using funds received by the district under the teacher incentive allotment under Section 48.112, Education Code.

SECTION 2.  This Act takes effect September 1, 2021.