

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 27, 2021

TO: Honorable Rafael Anchia, Chair, House Committee on Pensions, Investments & Financial Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2741 by Raymond (Relating to eligibility for a service retirement annuity of 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 the Government Code to change the eligibility for a service retirement annuity for certain members of the elected class of the Employees Retirement System (ERS) by allowing members who have at least two years of military service to count that service as two years of service credit for retirement eligibility. Due to the small number of persons anticipated to be affected by the bill, it is assumed any additional cost to ERS associated with the provisions of the bill could be absorbed within existing resources. The bill may conflict with Government Code 811.006, which relates to actions increasing the amortization period of ERS and requires ERS to be actuarially sound both before and after any benefit increases are made.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 327 Employees Retirement System, 403 Veterans Commission

LBB Staff: JMc, AAL, LCO, JPO