LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 26, 2021

TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1071 by Hinojosa (Relating to disability retirement benefits for certain peace officers under the Employees Retirement System of Texas.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill amends the Government Code to change the disability retirement benefits for certain peace officers under the Employees Retirement System of Texas (ERS). Under the provisions of the bill, the benefit would change from 100 percent of the officer's average monthly compensation to a monthly amount based on the maximum salary authorized under Schedule C of the position classification salary schedule prescribed in the General Appropriations Act. 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

LBB Staff: JMc, KK, LCO, JPO