

BILL ANALYSIS

H.B. 1651
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Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Juvenile Justice Department has a staffing crisis and this has led to a steep decline in its ability to fulfill its duties to the state and to taxpayers. According to the State Auditor's Office employee turnover report for fiscal year 2022, juvenile correctional officers experienced the highest turnover of all job classifications at a rate of 70 percent. This is well above the state average turnover rate of 22.7 percent and the adult correctional officer turnover rate of 39 percent. The report cites that, according to exit surveys, the top reason for leaving state employment in fiscal year 2022 was for better pay and benefits. H.B. 1651 seeks to reduce turnover in, and increase the recruitment capabilities of, the Texas Juvenile Justice Department by providing for the inclusion of TJJD employees in the law enforcement and custodial officer supplemental retirement fund and allowing these individuals in high-turnover and high-risk positions an opportunity to retire at a younger age than regular state employees.

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 rulemaking authority is expressly granted to the board of trustees of the Employees Retirement System of Texas in SECTION 2 of this bill.

ANALYSIS

H.B. 1651 amends the Government Code to authorize the board of trustees of the Employees Retirement System of Texas (ERS) to adopt by rule an alternative definition of "custodial officer" to allow participation in the law enforcement and custodial officer supplemental retirement fund by juvenile justice officers employed by the Texas Juvenile Justice Department (TJJD) and certified by TJJD as holding a position as a juvenile correctional officer, caseworker, or other position the primary duties of which include the custodial supervision of or other close, regularly planned contact with youth in TJJD custody, if the board makes the following determinations after conducting an actuarial valuation:

- the amortization period for the unfunded actuarial liabilities of ERS and the fund does not exceed 30 years by one or more years; and
- approving juvenile justice officers for participation in the fund would not reduce or negatively impact current benefits paid to members of ERS and the fund.

If the board adopts such a rule, the board must also adopt by rule, after consulting with the Texas Juvenile Justice Board, standards for determining eligibility of a juvenile justice officer for service credit as a custodial officer, based on the need to encourage early retirement of persons whose duties are hazardous and require them to have routine contact with youth in TJJD custody. The bill requires the ERS board of trustees to determine a juvenile justice officer's eligibility to receive credit as a custodial officer and prohibits an employee from appealing the determination.

H.B. 1651 requires the board to provide notice to TJJD of the adoption of a rule allowing juvenile justice officers to participate in the law enforcement and custodial officer supplemental retirement fund and requires TJJD, after receiving that notice, to do the following:

- certify to ERS, in the manner ERS prescribes, the name of each person employed by TJJD in the position of juvenile justice officer and any other information ERS determines is necessary to credit service and finance benefits; and
- beginning with the first pay period that occurs after the board provides the notice, begin making deductions and collecting the contributions for the fund.

The bill requires the board to ensure that service credit established by a juvenile justice officer before the adoption date of such a rule is considered service credit established as a custodial officer for purposes of determining the officer's eligibility for benefits under the fund.

EFFECTIVE DATE

September 1, 2023.