

BILL ANALYSIS

H.B. 3493
By: Bonnen
Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 87th Texas Legislature enacted legislation reforming the Employees Retirement System of Texas. That legislation, S.B. 321, was amended late in the process to add language establishing a policy for state employees and the elected class of members who are over the age of 60 and have accrued enough service credit to receive the maximum annuity permitted allowing these members to retire and collect their annuity without separating from employment. Although this policy would impact fewer than 50 individuals, as reported by the *Houston Chronicle*, a desire exists to remove it. H.B. 3493 seeks to do so.

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

H.B. 3493 repeals Section 814.109, Government Code, which provides the following:

- a member of the Employees Retirement System of Texas (ERS) may retire without separating from a position in the class of membership from which the member is eligible to retire if the member is at least 60 years old and has accrued enough service credit in the class to receive the maximum annuity permitted by ERS; and
- a member who so retires without separating from the applicable position is not entitled to earn any additional ERS retirement benefits.

The bill applies only to an individual who retires on or after the bill's effective date.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.