H.B. No. 4141

AN ACT

relating to a study conducted by the Teacher Retirement System of Texas on the feasibility of offering alternative service retirement benefits to peace officers who are members of the retirement system.

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

SECTION 1.  Subchapter B, Chapter 825, Government Code, is amended by adding Section 825.1085 to read as follows:

Sec. 825.1085.  STUDY AND REPORT ON ALTERNATIVE SERVICE RETIREMENT BENEFITS FOR PEACE OFFICERS. (a) The retirement system shall conduct a study on the feasibility of offering members who are peace officers alternative service retirement benefits under the system.

(b)  In conducting the study, the retirement system shall assess the costs to and impact on the retirement system associated with offering members who are peace officers the following alternative service retirement benefits:

(1)  a service retirement benefit under the existing benefit plan that:

(A)  includes a supplemental benefit for peace officers that is substantially similar in design and cost structure to the supplemental retirement benefit payable from the law enforcement and custodial officer supplemental retirement fund established under Section 815.317; and

(B)  provides retirement eligibility at any age after the member attains 20 or 25 years of service;

(2)  a service retirement benefit under a cash balance benefit plan that:

(A)  is substantially similar in design and cost structure to the cash balance benefit plan established under Chapter 820, except that the plan considered under this subdivision may not offer a supplemental retirement benefit for peace officers similar to the supplemental retirement benefit for law enforcement and custodial officers provided under Chapter 820; and

(B)  provides retirement eligibility at any age after the member attains 20 or 25 years of service; and

(3)  a cash balance benefit plan that:

(A)  is substantially similar in design and cost structure to the cash balance benefit plan established under Chapter 820, including by providing a supplemental retirement benefit for peace officers similar to the supplemental retirement benefit provided to law enforcement and custodial officers provided under Chapter 820; and

(B)  provides retirement eligibility at any age after the member attains 20 or 25 years of service.

(c)  Not later than March 1, 2024, an employer who employs peace officers shall submit the following information to the retirement system:

(1)  the number of peace officers employed by the employer on December 31, 2023;

(2)  the number of unfilled peace officer positions on December 31, 2023;

(3)  for the 10-year period before December 31, 2023, the average years of service earned by peace officers who resigned before retirement; and

(4)  the compensation or salary scale for peace officers employed by the employer.

(d)  Not later than December 31, 2024, the retirement system shall prepare and submit a report to the legislature that contains the findings of the study and the information submitted to the retirement system under Subsection (c).

(e)  The Legislative Budget Board and the State Pension Review Board shall, as necessary:

(1)  assist the retirement system in conducting the study; and

(2)  provide the retirement system with any information needed to complete the report required under Subsection (d).

(f)  This section expires on September 1, 2025.

SECTION 2.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

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    President of the Senate Speaker of the House

I certify that H.B. No. 4141 was passed by the House on May 2, 2023, by the following vote:  Yeas 112, Nays 33, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 4141 was passed by the Senate on May 17, 2023, by the following vote:  Yeas 30, Nays 1.

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Secretary of the Senate

APPROVED:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                    Date

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                  Governor