

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**March 29, 2023**

**TO:** Honorable Giovanni Capriglione, Chair, House Committee on Pensions, Investments & Financial Services

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB4141** by Guillen (Relating to eligibility for membership and funding of benefits for certain law enforcement, custodial, and other peace officers.), **As Introduced**

The fiscal implications of the bill cannot be determined because of the number of peace officers that would elect to transfer to LECOS and information about peace officer salaries and service credit years is unknown. According to ERS, there are potential legal barriers which would prohibit an employee of one retirement system from being a member of another retirement system with regard to the same service.

The bill would amend Government Code to allow a member of the Teacher Retirement System (TRS) who is employed as a peace officer to elect membership in the Employees Retirement System (ERS) and Law Enforcement Custodial Officer Supplemental Retirement (LECOS).

According to TRS, there are an estimated 4,300 TRS members who are employed as peace officers. Assuming all 4,300 members transfer to ERS LECOS and leave TRS membership, the impact to the TRS Pension Trust Fund is estimated to be minimal and would not impact the funding period as of August 31, 2023. According to ERS, there would be a significant impact to the ERS and LECOS funds.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 323 Teacher Retirement System, 327 Employees Retirement System

**LBB Staff:** JMc, MOc, SD, MMo