

By: Vasut

H.B. No. 1659

A BILL TO BE ENTITLED

AN ACT

relating to the payment of employment compensation to state employees.

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

SECTION 1. Section 659.081, Government Code, is amended to read as follows:

Sec. 659.081. STATE OFFICERS: PAYMENT ONCE A MONTH. Except as provided by [~~this subchapter or~~] the General Appropriations Act, annual salaries for state officers [~~and employees~~] shall be paid once a month.

SECTION 2. Section 659.082, Government Code, is amended to read as follows:

Sec. 659.082. STATE EMPLOYEES: PAYMENT TWICE A MONTH. Except as provided by the General Appropriations Act, annual salaries for state employees shall [~~(a) An employee is entitled to~~] be paid [~~employment compensation~~] twice a month [~~if:~~

[~~(1) the employee is employed by:~~

[~~(A) the Texas Department of Mental Health and Mental Retardation,~~

[~~(B) the Texas Department of Transportation,~~

[~~(C) the Texas Department of Human Services,~~

[~~(D) the Texas Workforce Commission,~~

[~~(E) the Department of Public Safety, or~~

[~~(F) any other state agency designated by the~~

1 comptroller;

2           ~~[(2) the employee holds a classified position under the~~  
3 ~~state's position classification plan;~~

4           ~~[(3) the employee's position is classified below salary~~  
5 ~~group A12 under classification salary Schedule A in the General~~  
6 ~~Appropriations Act;~~

7           ~~[(4) the employing state agency satisfies the~~  
8 ~~comptroller's requirements relating to the payment of compensation~~  
9 ~~twice a month; and~~

10           ~~[(5) at least 30 percent of the eligible employees of~~  
11 ~~the agency choose to be paid twice a month].~~

12           ~~[(b) Employees of an institution of higher education as~~  
13 ~~defined by Section 61.003, Education Code, may be paid twice a month~~  
14 ~~at the election of the employing institution of higher education.]~~

15           SECTION 3. Sections 659.083(a) and (b), Government Code,  
16 are amended to read as follows:

17           (a) The ~~[Except as provided by Subsection (b), the]~~  
18 comptroller may not pay the salary of a state officer ~~[or employee]~~  
19 before the first working day of the month following the payroll  
20 period.

21           (b) The comptroller may not pay the salary of a state  
22 employee before ~~[shall pay an employee who is paid twice a month~~  
23 ~~under Section 659.082 on]:~~

24           (1) the first working day of the month following the  
25 payroll period that covers the last half of the preceding month; and

26           (2) the 15th day of the month or the first working day  
27 after the 15th for the payroll period that covers the first half of

1 the month.

2 SECTION 4. Section 659.084, Government Code, is amended to  
3 read as follows:

4 Sec. 659.084. ELECTRONIC FUNDS TRANSFER. Salaries for  
5 state officers and employees [~~paid once a month~~] shall be paid  
6 through electronic funds transfer under Section 403.016 unless paid  
7 on warrant as permitted under that section.

8 SECTION 5. Section 659.085(d), Government Code, is amended  
9 to read as follows:

10 (d) An agency that may contract with its employees for  
11 employment for less than a 12-month period may make equal [~~monthly~~]  
12 salary payments under the contract during the contract period or  
13 during the fiscal year in accordance with the General  
14 Appropriations Act and equitable rules adopted by the comptroller,  
15 provided that the salary payments are made twice a month to the  
16 employees.

17 SECTION 6. Section 825.405(c), Government Code, is amended  
18 to read as follows:

19 (c) Monthly, employers shall:

20 (1) report to the retirement system in a form  
21 prescribed by the system a certification of the total amount of  
22 salary paid above the statutory minimum salary and the total amount  
23 of employer contributions due under this section for the [~~payroll~~]  
24 period covered by the report; and

25 (2) retain information, as determined by the  
26 retirement system, sufficient to allow administration of this  
27 section, including information for each employee showing the

1 applicable minimum salary as well as aggregate annual compensation.

2 SECTION 7. Section 825.407(c), Government Code, is amended  
3 to read as follows:

4 (c) The designated disbursing officer of each general  
5 academic teaching institution and the designated disbursing  
6 officer of each medical and dental unit shall:

7 (1) submit to the retirement system, at a time and in  
8 the manner prescribed by the retirement system, a monthly report  
9 containing a certification of the total amount of salary paid from  
10 noneducational and general funds and the total amount of employer  
11 contributions due under this section for the ~~[payroll]~~ period  
12 covered by the report; and

13 (2) maintain and retain the following information:

14 (A) the name of each member employed by the  
15 institution or unit who, for the ~~[most recent payroll]~~ period  
16 covered by the report, was paid wholly or partly from  
17 noneducational and general funds;

18 (B) the amount of the employee's salary for the  
19 ~~[most recent payroll]~~ period covered by the report that was paid  
20 from noneducational and general funds; and

21 (C) any other information the retirement system  
22 determines is necessary to administer this section.

23 SECTION 8. Section 825.4071(c), Government Code, is amended  
24 to read as follows:

25 (c) The designated disbursing officer of each public junior  
26 college and each public junior college district shall:

27 (1) submit to the retirement system, at a time and in

1 the manner prescribed by the retirement system, a monthly report  
2 containing a certification that includes:

3 (A) the total amount of compensation paid;

4 (B) the total amount of employer contributions  
5 due under this section for the [~~payroll~~] period covered by the  
6 report; and

7 (C) any other information the retirement system  
8 determines is necessary to administer this section; and

9 (2) maintain and retain the following information:

10 (A) the name of each member employed by the  
11 public junior college or public junior college district;

12 (B) the amount of the member's salary for the  
13 [~~most recent payroll~~] period covered by the report;

14 (C) whether the member is a qualifying employee  
15 under Section 825.404(a-1)(1); and

16 (D) any other information the retirement system  
17 determines is necessary to administer this section.

18 SECTION 9. A state agency may adopt rules to implement this  
19 Act.

20 SECTION 10. The changes in law made by this Act apply only  
21 to the payment of compensation to a state employee for services  
22 provided by the employee on or after September 1, 2025. The payment  
23 of compensation to a state employee for services provided by the  
24 employee before September 1, 2025, is governed by the law in effect  
25 on the date the employee provided the services, and the former law  
26 is continued in effect for that purpose.

27 SECTION 11. This Act takes effect September 1, 2025.