By: Eckhardt, Zaffirini

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S.B. No. 574

A BILL TO BE ENTITLED

AN ACT

2 relating to an annual adjustment for inflation to the monthly 3 amount of longevity pay for state employees.

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

5 SECTION 1. Section 659.044, Government Code, is amended by 6 amending Subsection (a) and adding Subsections (a-1) and (a-2) to 7 read as follows:

8 (a) Except as provided by Subsections (e) and (f) and 9 Section 659.0445, the monthly amount of longevity pay is <u>the amount</u> 10 <u>set by the comptroller under Subsection (a-1)</u> [\$20] for every two 11 years of lifetime service credit.

12 (a-1) Not later than July 1 of each year, the comptroller shall set the amount of longevity pay for purposes of Subsection (a) 13 14 in the manner provided by this subsection. The comptroller shall increase the amount of longevity pay in effect on the date the 15 16 increase is made by an amount equal to the product of the amount of longevity pay in effect on that date and the percentage increase, if 17 any, in an index considered by the comptroller to most accurately 18 report annual changes in the purchasing power of the dollar for 19 consumers in this state. The increased amount of longevity pay is 20 effective for the 12-month period beginning on September 1 of the 21 year in which the increase is made. Not later than August 1 of each 22 23 year, the comptroller shall publish notice of the increased amount of longevity pay determined under this subsection and the period 24

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1 for which that amount will be effective in the Texas Register and 2 post that information in a prominent location on the comptroller's 3 Internet website.

4 (a-2) Notwithstanding Subsection (a-1), for the state 5 fiscal year beginning September 1, 2025, and ending August 31, 2026, the comptroller shall set the amount of longevity pay for 6 purposes of Subsection (a) in an amount equal to the sum of \$20 and 7 8 the product of \$20 and the percentage increase, if any, in an index considered by the comptroller to most accurately report annual 9 changes in the purchasing power of the dollar for consumers in this 10 state. This subsection expires September 1, 2026. 11

12 SECTION 2. The comptroller of public accounts shall calculate the amount of longevity pay in effect for the state fiscal 13 year beginning September 1, 2025, in the manner required by Section 14 15 659.044(a-2), Government Code, as added by this Act. In the state fiscal year beginning September 1, 2026, and in subsequent state 16 17 fiscal years, the comptroller of public accounts shall calculate the amount of longevity pay in effect for the applicable state 18 fiscal year in the manner required by Section 659.044(a-1), 19 Government Code, as added by this Act. 20

SECTION 3. 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, 2025.

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