

BILL ANALYSIS

H.B. 408
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Pensions
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Elected state officials may, under certain conditions, transfer service from the elected class of the Employees Retirement System of Texas (ERS) to the employee class of ERS to establish the official's eligibility for a service retirement annuity. Concerned parties note that some elected state officials who establish eligibility in this manner may simultaneously receive a service retirement annuity as well as a state salary. Interested parties assert that elected state officials are stewards of the public trust and taxpayer money and, as such, should not be paid twice by Texas taxpayers. H.B. 408 seeks to address this issue regarding such transfers.

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. 408 amends the Government Code to prohibit a member or retiree of the employee class of the Employees Retirement System of Texas (ERS) who takes the oath of office for a position included in the elected class of membership of ERS, other than a district attorney or criminal district attorney, from transferring service to the employee class until the person no longer holds that position. The bill establishes that a member of the employee class who takes the oath of office for a position included in the elected class of membership, other than a district attorney or criminal district attorney, is not eligible to retire and receive a service retirement annuity that is based on service credit transferred to the employee class from the elected class until the member no longer holds that position and specifies that such ineligibility does not prohibit a member from retiring and receiving a service retirement annuity that is based on service credit earned in a position included in the employee class of membership.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.