

BILL ANALYSIS

H.B. 442
By: Gonzales, Larry
Pensions
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerns have recently been raised by interested parties who note that, on occasion, expenses related to funeral services for a member or retiree of the Employees Retirement System of Texas (ERS) go unpaid and that this results in the loss of revenue for the funeral establishment. The parties further note that certain death benefits payable by ERS are currently not assignable directly to a funeral director or funeral establishment. H.B. 442 seeks to provide for such a direct assignment in order to establish a more efficient process for the provision of funeral services and to ensure funeral establishments are paid for their services.

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 rulemaking authority is expressly granted to the board of trustees of the Employees Retirement System of Texas in SECTIONS 1 and 2 of this bill.

ANALYSIS

H.B. 442 amends the Government Code, effective January 1, 2016, to authorize a beneficiary to whom a member death benefit or a retiree death benefit is payable by the Employees Retirement System of Texas (ERS) to provide, by assignment, that part or all of the applicable benefit be paid in consideration for services provided in connection with the death of the member or retiree directly to a funeral director or funeral establishment licensed under state law or the comparable law of another state. The bill authorizes the ERS board of trustees by rule to establish requirements for forms, documentation, and procedures necessary for an effective assignment and requires the board of trustees, as soon as practicable after the bill's effective date but not later than January 1, 2016, to adopt rules to implement the bill's provisions.

EFFECTIVE DATE

Except as otherwise provided, September 1, 2015.