

BILL ANALYSIS

Senate Research Center

S.B. 1209
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Intergovernmental Relations
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As Filed

DIGEST

Currently, participation in the proportionate retirement program for public employees is contingent upon the fulfillment of specific qualifications. This bill provides amended guidelines for the participation process in the proportionate retirement programs for public employees.

PURPOSE

As proposed, S.B. 1209 provides guidelines for the participation process in the proportionate retirement programs for public employees.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 803.0021, Government Code, to provide that this chapter applies to a retirement system that makes an election under Section 803.101(f), Government Code, among other provisions. Makes a conforming change.

SECTION 2. Amends Section 803.101, Government Code, by amending Subsection (a) and adding Subsection (f), to authorize the governing body of a public retirement system in this state for municipal employees that is a qualified plan under Section 401(a) of the Internal Revenue Code of 1986 (26 U.S.C. Section 401) to elect to participate in the proportionate retirement program by adopting a resolution to that effect. Prohibits a resolution from being adopted under this subsection without the approval of the governing body of the municipality that finances the retirement system. Requires the governing body of the retirement system to notify all other participating retirement systems of the election. Provides that the effective date of participation in the proportionate retirement program by a retirement system for which an election is made under this subsection is the first day of the third month after the month in which notice is given under this subsection.

SECTION 3. Effective date: September 1, 1997.

SECTION 4. Emergency clause.