

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1287
By: Gallegos
Education
4-10-97
Committee Report (Substituted)

DIGEST

Currently, Texas law does not consider incentive pay earned by school personnel as salary and wages for purposes of computing benefits under the Teacher Retirement System. Because incentive pay is not considered in computing retirement benefits, a person who earns incentive pay has a retirement salary based on a smaller percentage of actual compensation than a person who did not qualify for incentive pay. This bill redefines "salary and wages" so that certain incentive pay received from a school district can be added to a person's regular salary for retirement purposes.

PURPOSE

As proposed, C.S.S.B. 1287 redefines "salary and wages" so that certain incentive pay received from a school district can be added to a person's regular salary for retirement purposes.

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 822.201(b), Government Code, to redefine "salary and wages," to include performance pay awarded to an employee by a school district as a part of a total compensation plan approved by the board of trustees of the district.

SECTION 2. Provides that this Act applies beginning with the 1997-1998 school year.

SECTION 3. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 822.201(b), Government Code, to redefine "salary and wages," to include performance pay awarded to an employee by a school district as a part of a total compensation plan approved by the board of trustees of the district, rather than a local school district.

SECTION 2.

Redesignates the emergency clause to SECTION 3. Provides that this Act applies beginning with the 1997-1998 school year.

SECTION 3.

Sets forth the emergency clause. Requires the Act to take effect upon passage, rather than 90 days after adjournment.