BILL ANALYSIS

Senate Research Center 76R8859 GCH-D

H.B. 3008 By: Greenberg (Barrientos) State Affairs 5/5/1999 Engrossed

DIGEST

Currently, the Teacher Retirement System of Texas (TRS) allows the purchase of out-of-state experience in a public school; however, a teacher who has worked in an out-of-state public school system may not purchase credit in the Employees Retirement System of Texas (ERS) for that service. This provision may impede out-of-state teachers from seeking employment with the Texas School for the Blind and Visually Impaired or with the Texas School for the Deaf; both schools are members of ERS, rather than TRS. H.B. 3008 would allow a person with service in an out-of-state public school to purchase credit in ERS for that service

PURPOSE

As proposed, H.B. 3008 sets forth eligibility requirements and contributions necessary for the establishment of credit.

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 Chapter 813F, Government Code, by adding Section 813.511, as follows:

Sec. 813.511. CERTAIN OUT-OF-STATE SERVICE. (a) Authorizes an eligible member to establish service credit in the Employees Retirement System of Texas (ERS) for employment with a public school system maintained wholly or partly by another state or territory of the United States or by the United States for children of its citizens, except as provided by Subsection (b). Provides that a school receiving funds under 22 U.S.C. Section 2701 is considered a public school for the purposes of this section.

- (b) Prohibits a member from establishing credit under this section for service performed for a public school while a member of the armed forces and for which the member was compensated by the United States or for service credited in the Teacher Retirement System of Texas (TRS).
- (c) Provides that a member eligible to establish credit under this section is one who has at least five years of service credit in ERS and is an employee of the Texas School for the Deaf or the Texas School for the Blind and Visually Impaired.
- (d) Sets forth requirements to establish credit with ERS.
- (e) Provides that the amount of service credit a member may establish under this section may not exceed the lesser of the number of months of service credit the member has in ERS.
- (f) Requires ERS to deposit the compensation contribution in the member's individual account in the employees saving account, interest in the state accumulation account, and membership fees in the expense account.
- (g) Requires ERS to determine the amount to be deposited in each case and may not grant service credit under this section until the member provides proof of eligibility for the credit that is satisfactory to ERS.

(h) Prohibits ERS from using service credit granted under this section in computing a member's average monthly compensation.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.