

BILL ANALYSIS

Senate Research Center
77R12217 GJH-D

H.B. 1428
By: Longoria (Barrientos)
State Affairs
5/10/2001
Engrossed

DIGEST AND PURPOSE

Currently, statewide retirement systems that offer proportionate retirement have different rules and regulations as to who is eligible to buy back service credit. Because the rules lack uniformity, some member employees may have mistakenly terminated membership in a retirement system and lost prior established service credit. H.B. 1428 establishes a uniform policy regarding purchasing prior service credit and sets forth provisions for the reestablishment of service credit previously canceled.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 803C, Government Code, by adding Section 803.203, as

Sec. 803.203. REESTABLISHMENT OF SERVICE CREDIT BY FORMER MEMBER. Sets forth guidelines regarding a person who is a member of a retirement system participating in the program provided by this chapter reestablishing service credit, including prior service credit if applicable, previously canceled in another retirement system that is participating in the program provided by this chapter. Sets forth guidelines regarding a subdivision participating in the Texas County and District Retirement System under Chapter 844H, or a municipality participating in the Texas Municipal Retirement System electing to authorize the reestablishment of service credit under this section. Sets forth guidelines regarding the use and value of certain service credit reestablished in the Texas County and District Retirement System or the Texas Municipal Retirement System, and provides that such credit is creditable to the member's and employer's accounts in each subdivision or municipality for which the service was performed. Prohibits service credit from being reestablished under this section under certain conditions.

SECTION 2. Effective date: January 1, 2002.