

## BILL ANALYSIS

Senate Research Center  
77R4081 GJH-F

S.B. 372  
By: Barrientos  
State Affairs  
4/5/2001  
As Filed

### DIGEST AND PURPOSE

The Texas Proportionate Retirement System (system) was created in 1981 in recognition of the increased mobility of public employees transferring among governmental entities. As proposed, S.B. 372 amends provisions relating to the system to allow employees of a participating retirement system to re-establish service credit that was previously canceled in any other participating system without returning to the system from which the employee withdrew service credit.

### 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 follows:

Sec. 803.203. REESTABLISHMENT OF SERVICE CREDIT FOR PREVIOUS EMPLOYMENT. (a) Authorizes an eligible member of a retirement system to which this chapter applies to reestablish service credit, including prior service credit if applicable, previously canceled in another retirement system to which this chapter applies, except as provided by Subsections (d) and (e).

(b) Provides that a person eligible to reestablish service credit under this section is one who terminated service covered by, and withdrew contributions from, a retirement system to which this chapter applies and began service in a position covered by another retirement system to which this chapter applies and under which the person currently holds a position.

(c) Authorizes a person to apply to reestablish service credit under this section by filing an application with the retirement system in which the service was originally credited. Requires the system to grant the service credit when the system receives from an eligible applicant certain items.

(d) Provides that if service is reestablished under this section in the Texas County and District Retirement System or the Texas Municipal Retirement System, the service is creditable pro rata to the account of each subdivision or municipality for which the services was performed. Prohibits service credit from being reestablished under this section for service performed for a subdivision or municipality not participating in the proportionate retirement program.

(e) Prohibits service credit to which Section 805.002(e) applies from being reestablished under this section.

SECTION 2. Amends Sections 803.103(a) and (b), Government Code, as follows:

(a) Provides that participation in the proportionate retirement program by a subdivision participating in the Texas County and District Retirement System or a municipality participating in the Texas Municipal Retirement System does not include certain participation, including participation with regard to the reestablishment of service credit under Section 803.203 unless the subdivision or municipality has elected to be covered by that section.

(b) Authorizes a subdivision or municipality to elect to be covered by Section 803.203.

SECTION 3. Effective date: upon passage or September 1, 2001.