

BILL ANALYSIS

Senate Research Center
79R13558 SGA-F

H.B. 3200
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State Affairs
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Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Many governmental employers have provided their employees with a core retirement program and offer a supplemental retirement benefit to their employees under a separate plan. However, the Texas Constitution currently prohibits a person from receiving benefits from more than one system or program of retirement for public employees for the same service but does not grant the legislature the power to authorize benefits for service covered by more than one system.

H.B. 3200 establishes in the Government Code that an employer who participates in the Texas County and District Retirement System or the Texas Municipal Retirement System may offer a supplemental retirement program established before January 1, 2005. The bill clarifies instances in which separate retirement programs may be funded by a governmental employer without constituting a prohibited crediting of the same service under more than one public retirement system.

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 Section 810.001, Government Code, by adding Subsection (j), as follows:

(j) Provides that a single government employer is not considered to be permitting a person who is a public employee, officer, or retiree of that employer to be receiving benefits from more than one system or program of retirement for the same service if certain circumstances apply.

SECTION 2. Provides that all acts and proceedings of a political entity to establish, finance, or administer a supplemental plan established before January 1, 2005, that occurred before the effective date of this Act and that would have been authorized by Section 810.001, Government Code, as amended by this Act, are validated as of the dates the acts and proceedings occurred. Prohibits the acts and proceedings from being held invalid because they were not performed in accordance with law.

SECTION 3. Effective date: upon passage or September 1, 2005.