

## **BILL ANALYSIS**

Senate Research Center  
79R2127 MCK-D

S.B. 1574  
By: Williams  
State Affairs  
3/28/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Current law grants longevity pay and benefit replacement pay to state employees who served long enough to obtain them, including those individuals who have retired and subsequently returned to state employment.

As proposed, S.B. 1574 discontinues the policy of allowing return-to-work employees to continue receiving the benefit replacement pay, longevity pay, and increased vacation accrual they received prior to retirement. These changes will lead to approximately \$11 million in savings in general revenue in the 2006-2007 biennium. These savings are assumed in S.B. 1.

### **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 659.042, Government Code, by excluding from longevity pay a state employee who receives an annuity based wholly or partly on service as a state officer or state employee in a public retirement system, as defined by Section 802.001, that was credited to the state employee.

SECTION 2. Amends Section 659.126, Government Code, by adding Subsection (c) to provide that an eligible state employee who receives an annuity based wholly or partly on service as a state officer or state employee in a public retirement system, as defined by Section 802.001, that was credited to the state employee is ineligible to receive benefit replacement pay.

SECTION 3. Amends Section 661.152, Government Code, by adding Subsection (1) to provide that, for the purposes of computing vacation leave under Subsection (d) for a state employee who receives an annuity based wholly or partly on service as a state officer or state employee in a public retirement system, as defined by Section 802.001, that was credited to the state employee, years of total state employment includes only the length of state employment after the date the state employee retired.

SECTION 4. Effective date: September 1, 2005.