

BILL ANALYSIS

Senate Research Center
80R10397 KFF-F

H.B. 2880
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Many school retirees return to work under the six-month exemption, which provides that a retiree can return for up to six months in a full-time position without losing benefits. After the six-month mark, the Teacher Retirement System of Texas forfeits the annuity checks in any month that the retire-rehire teacher works. However, the 79th Legislature, Regular Session, 2005, enacted legislation to require school districts to start school no earlier than the fourth Monday in August. The later school start extends school into the month of June, which, due to this current policy, leads to the inadvertent forfeiture of June annuity checks that retire-rehire teachers receive.

H.B. 2880 provides that a retire-rehire teacher who works less than one-half of the final month of the school calendar remains eligible to receive the teacher's annuity check.

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 824.602, Government Code, by adding Subsections (p) and (q), as follows:

(p) Provides that the exception provided by Subsection (a)(3) (regarding the prohibition on the retirement system withholding a monthly benefit payment from a retiree who works less than six months on a full-time basis of a school year that begins after the retiree's effective date of retirement) continues to apply to work performed by a retiree in June of a school year the work the retiree agreed to complete under the contract or work agreement cannot be completed by May 31 and the retiree does not work beyond June 15 of that year.

(q) Provides that time spent by a retiree attending professional development classes or activities is not considered work for purposes of Subsection (a)(3).

SECTION 2. Provides that the change in law made by this Act applies only to a retiree of the Teacher Retirement System of Texas who resumes employment with a Texas public education institution on or after the effective date of this Act.

SECTION 3. Effective date: upon passage or September 1, 2007.