

BILL ANALYSIS

Senate Research Center
82R16660 KFF-F

H.B. 2120
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State Affairs
5/17/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties assert that the number of retiree members on the board of trustees of the Teacher Retirement System of Texas (board; TRS) should be increased because TRS is experiencing an increase in the number of retirees in its membership, many of whom are actively working on issues affecting TRS. In support of that assertion, H.B. 2120 proposes to change the composition of the board to provide an additional opportunity for the appointment of a retiree member.

H.B. 2120 amends current law relating to the composition of the board of trustees of the Teacher Retirement System of Texas.

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 825.002, Government Code, by amending Subsection (e) and adding Subsection (e-1), as follows:

(e) Requires the governor to appoint one member of the board of trustees of the Teacher Retirement System of Texas (board; TRS) from a slate of three persons who have been nominated in accordance with Subsection (f) (relating to nomination by written ballot at an election conducted under rules adopted by the board) by the following groups collectively:

- (1) members of TRS whose most recent credited service was performed for an institution of higher education;
- (2) members of TRS whose most recent credited service was performed for a public school district; and
- (3) persons who have retired and are receiving benefits from TRS.

Deletes existing text requiring the governor to appoint one member from a slate of three members of TRS who are currently employed by an institution of higher education and who have been nominated in accordance with Subsection (f) by the members of TRS whose most recent credited service was performed for an institution of higher education.

(e-1) Authorizes a person to be nominated for appointment to the board under Subsection (e) if the person is:

- (1) a member of TRS who is currently employed by an institution of higher education;
- (2) a member of TRS who is currently employed by a public school district; or

(3) a former member of TRS who has retired and is receiving benefits from the system.

SECTION 2. Amends Sections 825.010(a) and (c), Government Code, as follows:

(a) Provides that it is a ground for removal from the board that a trustee:

(1) does not have at the time of taking office the qualifications required for the trustee's position;

(2) does not maintain during service on the board the qualifications required for the trustee's position;

(3) violates a prohibition established by Section 825.002(b) (relating to the appointment of certain persons to the board) or 825.0032 (Ineligibility for Board and of Certain Employees) applicable to the trustee;

(4) cannot because of illness or disability discharge the trustee's duties for a substantial part of the term for which the trustee is appointed; or

(5) is absent from more than half of the regularly scheduled board meetings that the person is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

(c) Requires the executive director of TRS, if the executive director has knowledge that a potential ground for removal exists, to notify the presiding officer of the board of the ground. Requires the presiding officer to then notify the governor, rather than the appropriate appointing officer, and the attorney general that a potential ground for removal exists. Requires the executive director, if the potential ground for removal involves the presiding officer, to notify the next highest officer of the board, who is required to notify the governor, rather than the appropriate appointing officer, and the attorney general that a potential ground for removal exists.

SECTION 3. (a) Provides that this Act applies only to the appointment of a trustee of the board that occurs on or after the effective date of this Act.

(b) Authorizes a person who is serving as a trustee immediately before the effective date of this Act to complete the trustee's term of office, and the trustee's qualifications for serving as a trustee are governed by the law in effect immediately before the effective date of this Act until the date that trustee's term expires.

SECTION 4. Effective date: September 1, 2011.