

BILL ANALYSIS

Senate Research Center
86R13138 KFF-D

H.B. 3522
By: Murphy (Creighton)
State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The funeral planning process can leave a heavy burden on families when no planning prior to death has taken place. It has been suggested that certain benefits available to state employees could be assigned in a way that mitigates this burden on a decedent's family. H.B. 3522 seeks to address this issue by authorizing a beneficiary to whom a member or retiree death benefit is payable by the Employees Retirement System of Texas to assign part or all of the benefit to services provided in connection with the member's or retiree's death.

H.B. 3522 amends current law relating to assignment of certain death benefits payable by the Employees Retirement System of Texas.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of trustees of the Employees Retirement System of Texas in SECTION 1 (Section 814.404, Government Code) and SECTION 2 (Section 814.504, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 814, Government Code, by adding Section 814.404, as follows:

Sec. 814.404. ASSIGNMENT OF DEATH BENEFIT FOR FUNERAL SERVICES. (a) Authorizes a beneficiary to whom a benefit is payable under this subchapter (Member Death Benefits) to by assignment provide that part or all of the benefit be paid in consideration for services provided in connection with the death of the member directly to a funeral director or funeral establishment licensed under:

(1) Chapter 651 (Cemetery and Crematory Services, Funeral Directing, and Embalming), Occupations Code; or

(2) the comparable law of another state.

(b) Authorizes the board of trustees of the Employees Retirement System of Texas (board of trustees; ERS) by rule to establish requirements for forms, documentation, and procedures necessary for an effective assignment under this section.

SECTION 2. Amends Subchapter F, Chapter 814, Government Code, by adding Section 814.504, as follows:

Sec. 814.504. ASSIGNMENT OF DEATH BENEFIT FOR FUNERAL SERVICES. (a) Authorizes a beneficiary to whom a benefit is payable under this subchapter to by assignment provide that part or all of the benefit be paid in consideration for services provided in connection with the death of the retiree directly to a funeral director or funeral establishment licensed under:

(1) Chapter 651, Occupations Code; or

(2) the comparable law of another state.

(b) Authorizes the board of trustees by rule to establish requirements for forms, documentation, and procedures necessary for an effective assignment under this section.

SECTION 3. (a) Requires the board of trustees, as soon as practicable after the effective date of this Act, but not later than January 1, 2020, to adopt rules to implement Sections 814.404 and 814.504, Government Code, as added by this Act.

(b) Makes application of Sections 814.404 and 814.504, Government Code, as added by this Act, prospective to January 1, 2020.

SECTION 4. (a) Effective date, except as provided by Subsection (b) of this section: September 1, 2019.

(b) Effective date, Sections 814.404 and 814.504, Government Code, as added by this Act: January 1, 2020.