

BILL ANALYSIS

S.B. 288
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Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Some Teacher Retirement System of Texas (TRS) members have faced serious consequences for violating the return to work restrictions that apply to retired teachers, despite being unaware that such a violation could result in an automatic loss of a monthly benefit payment. Under current law, TRS is unable to offer adequate warning or recourse to its members relating to those consequences. S.B. 288 seeks to address this issue by providing for certain warnings regarding such a violation before TRS withholds a retiree's monthly benefits in order to offer retirees who resume service a chance to correct their actions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Teacher Retirement System of Texas in SECTION 3 of this bill.

ANALYSIS

S.B. 288 amends the Government Code to prohibit the Teacher Retirement System of Texas (TRS) from withholding a monthly benefit payment for a retiree who retired with a service retirement annuity, qualified for an exception to the withholding, and resumes service unless the following conditions are met:

- TRS issued a written warning regarding the first occurrence of the retiree's employment that does not qualify for the exception, notifying the retiree of that fact; and
- in a month following the month in which TRS issued that warning, TRS issued a written notice warning the retiree regarding a subsequent occurrence of the nonqualifying continued employment and requiring the retiree to pay to TRS, in a form and manner prescribed by TRS, either of the following amounts elected by the retiree:
 - the total sum the retiree earned for all employment by Texas public educational institutions for each month occurring after the issuance of the initial warning and before the month TRS began withholding benefit payments; or
 - the total sum the retiree received in retirement benefit payments for each of those months.

S.B. 288 requires TRS to adopt rules as necessary to implement the bill's provisions.

EFFECTIVE DATE

September 1, 2021.