5/3/1999

Telford (CSHB 1999 by Greenberg)

HB 1999

SUBJECT: Designating county for adult probation department employee benefits

COMMITTEE: Pensions and Investments — committee substitute recommended

VOTE: 6 ayes — Greenberg, Tillery, Clark, George, Rangel, Williams

0 nays

3 absent — Bonnen, Salinas, Telford

WITNESSES: For — Tom Plumee, Potter-Randall and Armstrong Counties Community

Supervision and Corrections Department

Against — None

BACKGROUND: Under Government Code, sec. 76.002, district judges in each judicial district

establish community supervision and corrections departments to assist in presentence investigations, supervision and rehabilitation of defendants placed on community supervision, and enforcement of the conditions of community supervision and to staff community corrections facilities. These departments usually are called adult probation departments. A department may serve more than one county. Department employees are not employees of

the state but of the judicial district.

Under current law, adult probation departments must contract for employees' insurance and retirement plans with the most populous county served by the department. Benefit plans are administered under the Texas County and District Retirement System, a multiple-employer system based on the sum of 502 single-employer retirement plans. These plans pool their administrative and investment functions. Separate accounts are maintained for each employer so that the employer's contributions provide benefits only for the

employees of that employer.

DIGEST: CSHB 1999 would amend the Government Code to require an adult probation

department to contract for all employee benefits with one county served by the department and designated for that purpose by the district judge or judges.

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If the district judge or judges changed the designation of the county providing employee benefits, the judge or judges could not change that designation subsequently until at least 10 years after the date of the previous designation.

CSHB 1999 would take immediate effect if finally approved by a two-thirds record vote of the membership in each house.

SUPPORTERS SAY:

CSHB 1999 would solve problems related to the potential shifting of existing benefits packages from the "most populous county" to another county as a result of the 2000 census. Under current law, an adult probation department must contract for insurance and retirement plans with the most populous county served. After the 2000 census, the most populous county served could change. This would require a department to contract with another county, potentially diminishing and disrupting the delivery of benefits.

CSHB 1999 would allow the district judge who oversees adult probation departments to designate a county to provide all employee benefits. This authority would provide a better opportunity to preserve a department's current benefits so that county corrections and supervision employees do not suffer any disruptions or losses. It also would prohibit any change in the designated county before the 10th anniversary of the date of the previous designation. This would help ensure continuity in the delivery of benefits to adult probation department employees.

OPPONENTS SAY: Allowing a community supervision department's employee benefits plan to be shifted from one county to another would cause a rise in the contribution rate for the retirement programs of counties that participate in an annually determined contribution plan. Of the 252 counties that participate in the Texas County and District Retirement System, 243 maintain an annually determined contribution plan. This rise in the contribution rate for a county could result in higher costs for the members that remain in that system.

NOTES:

The committee substitute changed the original bill by adding the requirement that a department contract for all employee benefits rather than only for insurance and retirement plans. The substitute also added the provision prohibiting a judge from changing a designated county before the 10th anniversary of the date of the previous designation.