

BILL ANALYSIS

Senate Research Center
82R7427 KFF-F

H.B. 2561
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a member of the Teacher Retirement System of Texas (TRS) must render sufficient service in a school year to earn one year of membership of service credit. The school year varies from member to member because the law allows a member's school year for TRS purposes to be based on the member's contract year for employment purposes. It is asserted that the different 12-month periods constituting a school year complicate the crediting of compensation and the establishment of TRS service credit, making it difficult to automate retirement processes for approximately 1.3 million members and retirees and requiring TRS to spend considerable time manually processing retirements. Interested parties note that legislation is required to enable TRS to determine service credit and member benefits more efficiently and accurately and to credit service compensation in an automated manner by standardizing the school year for TRS benefit purposes only.

H.B. 2561 amends current law relating to the definition of "school year" for purposes 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 821.001(15), Government Code, to redefine "school year."

SECTION 2. Provides that this Act applies beginning with the 2012-2013 school year.

SECTION 3. Effective date: September 1, 2011.