

BILL ANALYSIS

Senate Research Center

S.B. 528
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As Filed

DIGEST

Currently, the Texas Local Firefighters Retirement Act covers fire fighters in 141 fire departments in mid-sized cities. Each fire department has its own retirement plan and invests its own funds. The board of trustees of each local retirement system can adopt or change benefit and eligibility requirements as necessary. S.B. 528 would allow the board of trustees of paid and partly paid fire fighter retirement systems to make retroactive changes to maintain a retirement plan's tax status.

PURPOSE

As proposed, S.B. 528 outlines provisions regarding the administration of retirement systems for paid or partially paid firefighters.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 7(f), Article 6243e, V.T.C.S. (Texas Local Fire Fighters Retirement Act), to prohibit a change or addition adopted under this section from being applied retroactive to its effective date unless required to maintain a retirement plan's tax qualification status.

SECTION 2. Amends Section 19(a), Article 6243e, V.T.C.S., to provide that the fire fighters' retirement system is governed by a board of trustees consisting of, among others, two persons, rather than residents of the municipality or other political subdivision, who are not officers or employees of the municipality, in each municipality and other political subdivision to which this Act applies and that has a fire department that does not consist exclusively of volunteers.

SECTION 3. Emergency clause.
Effective date: upon passage.