

## **BILL ANALYSIS**

Senate Research Center  
76R9104 GCH-F

H.B. 1207  
By: Naishtat (Barrientos)  
Intergovernmental Relations  
5/3/1999  
Engrossed

### **DIGEST**

Currently, firefighters in certain municipalities have established benefits and restrictions in the administration of their retirement systems. H.B. 1207 expands regulation of certain agreements, including DROP accounts, and benefit adjustments.

### **PURPOSE**

As proposed, H.B. 1207 expands regulation of certain agreements, including DROP accounts, and benefit adjustments.

### **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 Article 1, Chapter 183, Article 6243e.1, V.T.C.S., by adding Section 1.05, as follows:

Sec. 1.05. AGREEMENT MAY NOT SUPERSEDE THIS ACT. Prohibits an agreement between a public employer and an association from superseding or preempting any provision of this Act and from altering any right, benefit, privilege, or obligation.

SECTION 2. Amends Section 8.04, Chapter 183, Article 6243e.1, V.T.C.S., to require, rather than prohibit, an increase in the amount credited monthly to the member's DROP account, before the effective date of the member's retirement.

SECTION 3. Amends Section 8.06, Chapter 183, Article 6243e.1, V.T.C.S., by adding Subsections (d) and (e), to set forth provisions regarding a DROP account to benefit a surviving spouse of the individual who was eligible for a DROP account. Sets forth payments required to be made by the board of trustees if a surviving spouse makes an election under this subsection. Sets forth provisions regarding a DROP account to benefit surviving dependent children. Sets forth payments required to be made by the board of trustees if the surviving dependent children make an election under this subsection.

SECTION 4. Amends Section 9.04(b), Chapter 183, Article 6243e.1, V.T.C.S., to specify a prohibition against an adjustment which would exceed certain limits. Prohibits an adjustment which would be one-half of one percent or less of a person's benefit from being made, and provides an exception.

SECTION 5. Effective date: September 1, 1999.

SECTION 6. Emergency clause.