

BILL ANALYSIS

Senate Research Center
77R13080 SMJ-D

H.B. 2122
By: Tillery (Armbrister)
State Affairs
5/9/2001
Engrossed

DIGEST AND PURPOSE

In 1997, the 75th Legislature redesignated the Texas Statewide Volunteer Fire Fighters Retirement Fund as the Texas Statewide Emergency Services Personnel Retirement Fund to extend benefits from a statewide retirement system to volunteer firefighters and other emergency services personnel. H.B. 2122 makes technical and administrative changes to the Texas Statewide Emergency Services Retirement Act to facilitate the efficient operation of the fund.

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 Sections 14(c) and (d), Texas Statewide Emergency Services Retirement Act (Article 6243e.3, V.C.T.S.), to require the state board of trustees to employ a professional investment manager (rather than counselor), a legal reserve life insurance company licensed to do business in the State of Texas, or a bank with trust powers under the laws of the State of Texas. Requires the investment manager or bank employed by the board to be a nationally known organization whose business includes managing investments (rather than investment counseling) for public pension and retirement funds. Makes conforming changes.

SECTION 2. Amends Section 19, Texas Statewide Emergency Services Retirement Act (Article 6243e.3, V.C.T.S.), to make nonsubstantive changes.

SECTION 3. Amends Section 20(a), Texas Statewide Emergency Services Retirement Act (Article 6243e.3, V.C.T.S.), to provide that there is a state board of trustees composed of nine persons (rather than active members). Requires six trustees to be active members of the fund.

SECTION 4. Amends Section 21(c), Texas Statewide Emergency Services Retirement Act (Article 6243e.3, V.C.T.S.), to require the board, after a hearing conducted by the State Office of Administrative Hearings on the appeal of a decision of a local board of trustees, to determine each appeal from a commissioner's decision based on the hearing record.

SECTION 5. Amends Section 22(a), Texas Statewide Emergency Services Retirement Act (Article 6243e.3, V.T.C.S.), to set forth guidelines regarding the composition of the local board of trustees.

SECTION 6. (a) Provides that Sections 20(a) and 22(a), Texas Statewide Emergency Services Retirement Act (Article 6243e.3, V.T.C.S.), as amended by this Act, apply only to the selection of a trustee of a board of trustees under the Texas Statewide Emergency Services Retirement Act that occurs on or after the effective date of this Act.

(b) Authorizes a person who is serving as a trustee immediately before the effective date of this Act to complete the trustee's term of office, and provides that the trustee's qualifications for

serving as a trustee are governed by the law in effect immediately before the effective date of this Act until the date that trustee's term expires.

SECTION 7. Effective date: September 1, 2001.