

## **BILL ANALYSIS**

H.B. 1153  
By: Puente  
Pensions & Investments  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Fire and Police Fund was established to provide retirement security (including line of duty deaths and disability) for members of the police and fire departments in the City of San Antonio and their beneficiaries.

HB 1153 provides greater clarity to retirement and disability benefits and some specific benefits to public safety employees, both fire and police, in the City of San Antonio. Specifically, these changes provide:

- \*immediate coverage for new recruits rather than imposing a 60-day waiting period
- \*disability benefits for a member who is disabled as a result of military service
- \*re-entry into the fund upon certain conditions, including paying to the fund the refunded member contributions plus interest
- \*clarity in the definition of a "dependent child"
- \*additional clarifications to make the Act clearer to the members.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 1.02(7), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by providing a technical correction to provide a clear definition of "dependent children."

SECTION 2. Amends Sections 4.01(a) and (c), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by allowing membership to all recruits immediately upon fulfillment of statutory requirements rather than a two month waiting period and applying Section 4.05 of this Act.

SECTION 3. Amends Section 4.05, Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS), is amended by adding language to state that Subsection (a-1) applies to Subsection (a).

Adds Subsection (a-1) addressing the funding of municipal contribution for recruits for the first two years resulting from the change provided in Section 2.

SECTION 4. Amends Section 4.07(b), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by applying Section 4.08 of this Act to the terms of a refund of member's contribution.

SECTION 5. Amends Article 4, Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS), as follows:

Adds Section 4.08 (a) provides a mechanism for a member who cashed in their account to reestablish service credit repaying the money in a lump sum with actuarial interest included.

Adds Section 4.08 (b) stipulates the time frame the repayment may be made.

Adds Section 4.08 (c) states the requirement of receiving a repurchase intent in writing and the time frame it is to be received.

SECTION 6. Amends Section 5.03(b), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by allowing disability benefits under the statute to members who are disabled as a result of military service.

SECTION 7. Amends Section 5.05(b), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by increasing the minimum disability pension for prior disability retirees from 2 percent to 2.25 percent.

SECTION 8. Amends Section 6.02(a), (c), and (j), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by applying Section 1.02 (7) (B) of this Act for increased clarity in the definition of dependent children.

SECTION 9. Amends Section 6.13, Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) by allowing the Board the discretion to require guardianships for minor dependent children.

SECTION 10. Section 4.03(g), Chapter 824, Acts of the 73rd Legislature, Regular Session, 1993 (Article 6243o, VTCS) is repealed.

SECTION 11. Effective date.

**EFFECTIVE DATE**

This Act takes effect October 1, 2003.