

## **BILL ANALYSIS**

Senate Research Center  
78R8396 SMJ-F

C.S.S.B. 1658  
By: Madla  
Intergovernmental Relations  
5/5/2003  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

The legislative committee of the Texas Local Fire Fighters' Retirement Act invited local board members, staff, actuaries, and general counsel to propose certain amendments to said Act. C.S.S.B. 1658 defines "determination date" and "vested accrued benefit" while clarifying that, for purposes of determining a vested accrued benefit, the determination date will be the date before an addition or change is adopted. The bill also provides that a vested accrued benefit paid to a retiree or an eligible survivor is subject to terms established by the retirement system.

### **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 2, Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), to define "determination date" and "vested accrued benefit."

SECTION 2. Amends Section 7(e), Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), to prohibit an addition or change adopted under this section from, without the written consent of the member, retiree, or eligible survivor under Section 15 of this Act, depriving a member of the retirement system, a retiree, or an eligible survivor of a right to receive a vested accrued benefit.

SECTION 3. Amends Section 14, Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), by adding Subsections (g) and (h), as follows:

(g) Provides that the vested accrued benefit of a retiree under this section who is retired as of the determination date is subject to the terms established by the retirement system as those terms exist on the determination date and is payable to the retiree only if the retiree meets the eligibility requirements established by the board of trustees under this section.

(h) Provides that notwithstanding any other provision of this Act, a disability retirement benefit is not a vested accrued benefit until a member becomes disabled under the terms of the retirement system.

SECTION 4. Amends Section 15, Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), by adding Subsections (f) and (g), as follows:

(f) Provides that the vested accrued benefit that an eligible survivor receives under this section as the result of the death of a member or retiree on or before the determination date is subject to the terms established by the retirement system as those terms exist on the determination date.

(g) Provides that notwithstanding any other provision of this Act, a death benefit is not a vested accrued benefit until the member or retiree for whom death benefits are payable dies.

SECTION 5. Effective date: upon passage or September 1, 2003.