

By: Rose

H.B. No. 2561

A BILL TO BE ENTITLED

AN ACT

relating to the administration of retirement systems for paid,
partly paid, or volunteer fire fighters.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2, Texas Local Fire Fighters Retirement Act (Article 6243e, Vernon's Texas Civil Statutes), is amended by adding the following:

(10) "Accrued benefit" means the dollar amount of the monthly service retirement benefit a member would have received if the member had terminated employment as of the determination date, based on service credit, compensation history and retirement system benefit provisions as of the determination date. The accrued benefit is the benefit that would be payable at the date first eligible for an unreduced service retirement benefit or, if later, the determination date. The accrued benefit would be payable in the normal form of benefit payment without regard to any optional form of payment. Disability or death benefits are not accrued benefits until the member becomes disabled under the terms of the retirement system or dies. The accrued benefit of a retiree or eligible survivor of a deceased member or retiree is the benefit being paid on the determination date. The accrued benefit of a retiree or eligible survivor shall include the retirement system terms under which such benefit is being paid at the determination date. The benefit being paid to a disability retiree on the determination

1 date is an accrued benefit subject to the terms of the retirement
2 system, including any subsequent reduction, and only as long as the
3 disability retiree meets all requirements of the retirement system
4 for the benefit. No future increases under an automatic
5 cost-of-living provision are part of the accrued benefit on the
6 determination date.

7 (11) "Vested accrued benefit" means a member's accrued
8 benefit multiplied by the member's vested percentage. The vested
9 percentage is as of the date of determining the accrued benefit and
10 for a retiree or eligible survivor shall be 100 percent.

11 (e) An addition or change adopted under this section may
12 not, without the member's written consent, deprive a member of the
13 retirement system of a right to receive a vested accrued benefit.
14 For purposes of determining such vested accrued benefit, the
15 determination date will be the day before an addition or change is
16 adopted.

17 SECTION 2. This Act takes effect September 1, 2003.