

1-1 By: Madla S.B. No. 1658  
1-2 (In the Senate - Filed March 14, 2003; March 20, 2003, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; May 6, 2003, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;  
1-6 May 6, 2003, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1658 By: Madla

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the application of changes in benefits received by  
1-11 members and retirees of retirement systems for paid, partly paid,  
1-12 and volunteer fire fighters and their beneficiaries.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Section 2, Texas Local Fire Fighters Retirement  
1-15 Act (Article 6243e, Vernon's Texas Civil Statutes), is amended by  
1-16 adding Subdivisions (10) and (11) to read as follows:

1-17 (10) "Determination date" means:

1-18 (A) the day before the effective date of an  
1-19 addition or change adopted by the board of trustees of a retirement  
1-20 system under Section 7 of this Act; or

1-21 (B) the date of divorce for a member or retiree  
1-22 whose benefits under this Act are subject to a qualified domestic  
1-23 relations order.

1-24 (11) "Vested accrued benefit" means the amount of the  
1-25 monthly benefit that a person is entitled to receive based on the  
1-26 person's service credit and compensation history as of the  
1-27 determination date under the benefit formula and other terms  
1-28 established by a retirement system, including a vested percentage  
1-29 where applicable, as those terms exist on the determination date.  
1-30 The vested accrued benefit of a member is calculated without regard  
1-31 to any optional form of payment the member may select at retirement.  
1-32 The term does not include cost-of-living increases that may be  
1-33 applied to a benefit after the determination date.

1-34 SECTION 2. Subsection (e), Section 7, Texas Local Fire  
1-35 Fighters Retirement Act (Article 6243e, Vernon's Texas Civil  
1-36 Statutes), is amended to read as follows:

1-37 (e) An addition or change adopted under this section may  
1-38 not, without the ~~member's~~ written consent of the member, retiree,  
1-39 or eligible survivor under Section 15 of this Act, deprive a member  
1-40 of the retirement system, a retiree, or an eligible survivor of a  
1-41 right to receive a vested accrued benefit.

1-42 SECTION 3. Section 14, Texas Local Fire Fighters Retirement  
1-43 Act (Article 6243e, Vernon's Texas Civil Statutes), is amended by  
1-44 adding Subsections (g) and (h) to read as follows:

1-45 (g) The vested accrued benefit of a retiree under this  
1-46 section who is retired as of the determination date is subject to  
1-47 the terms established by the retirement system as those terms exist  
1-48 on the determination date and is payable to the retiree only if the  
1-49 retiree meets the eligibility requirements established by the board  
1-50 of trustees under this section.

1-51 (h) Notwithstanding any other provision of this Act, a  
1-52 disability retirement benefit is not a vested accrued benefit until  
1-53 a member becomes disabled under the terms of the retirement system.

1-54 SECTION 4. Section 15, Texas Local Fire Fighters Retirement  
1-55 Act (Article 6243e, Vernon's Texas Civil Statutes), is amended by  
1-56 adding Subsections (f) and (g) to read as follows:

1-57 (f) The vested accrued benefit that an eligible survivor  
1-58 receives under this section as the result of the death of a member  
1-59 or retiree on or before the determination date is subject to the  
1-60 terms established by the retirement system as those terms exist on  
1-61 the determination date.

1-62 (g) Notwithstanding any other provision of this Act, a death  
1-63 benefit is not a vested accrued benefit until the member or retiree

2-1 for whom death benefits are payable dies.

2-2 SECTION 5. This Act takes effect immediately if it receives  
2-3 a vote of two-thirds of all the members elected to each house, as  
2-4 provided by Section 39, Article III, Texas Constitution. If this  
2-5 Act does not receive the vote necessary for immediate effect, this  
2-6 Act takes effect September 1, 2003.

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