

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 15, 2003**

**TO:** Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB1442** by Barrientos (Relating to participation in, contributions to, and benefits and administration of retirement systems for police officers in certain municipalities.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

The bill has a provision which would allow the City of Austin Police Retirement System board to modify or eliminate the RETRO DROP benefit. If this benefit were improved, long-term increases in costs to the city of Austin would be expected. There is a requirement that at the time such a change were to be made, the amortization period for the retirement system's unfunded actuarial accrued liability could not exceed a standard; therefore, the benefit could only be improved if there were no immediate contribution increases required of the city.

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JK, DLBa, WM