

1 AN ACT

2 relating to contributions to, benefits from, and the administration  
3 of the Texas Municipal Retirement System.

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

5 SECTION 1. Section 851.006, Government Code, is amended to  
6 read as follows:

7 Sec. 851.006. EXEMPTION FROM EXECUTION. (a) Except as  
8 provided by Subsection (b), all ~~[All]~~ retirement annuity payments,  
9 other benefit payments, and a member's accumulated contributions  
10 are unassignable and are exempt from execution, garnishment,  
11 attachment, and state and local taxation.

12 (b) The board of trustees by rule may authorize the  
13 retirement system to make distributions to pay the qualified health  
14 insurance premiums of a public safety officer in accordance with  
15 the provisions of Section 845, Pension Protection Act of 2006, Pub.  
16 L. No. 109-280.

17 SECTION 2. Section 853.402, Government Code, is amended by  
18 adding Subsection (a-1) to read as follows:

19 (a-1) The board of trustees by rule may limit the increase  
20 in a member's average updated service compensation from year to  
21 year.

22 SECTION 3. Section 855.110, Government Code, is amended by  
23 adding Subsection (c) to read as follows:

24 (c) The board of trustees, after consultation with the

1 actuary, by rule may set open or closed amortization periods not to  
2 exceed 25 years.

3 SECTION 4. Subchapter E, Chapter 855, Government Code, is  
4 amended by adding Section 855.4065 to read as follows:

5 Sec. 855.4065. ADDITIONAL EMPLOYER CONTRIBUTIONS. (a) In  
6 addition to the contributions a participating municipality is  
7 required to make under this subtitle, the board of trustees, after  
8 consultation with the actuary, by rule may authorize a  
9 participating municipality to make lump-sum or periodic employer  
10 contributions to the retirement system to be deposited in the  
11 municipality's account in the municipality accumulation fund.

12 (b) A contribution made under this section is not subject to  
13 the maximum contribution rates under Sections 855.407 and 855.501.

14 SECTION 5. Section 853.402(g), Government Code, is  
15 repealed.

16 SECTION 6. The change in law made by the repeal of Section  
17 853.402(g), Government Code, by this Act applies only to the  
18 computation of the updated service compensation of a person whose  
19 effective date of retirement under the Texas Municipal Retirement  
20 System is on or after September 1, 2007. The updated service  
21 compensation of a person whose effective date of retirement is  
22 before September 1, 2007, is computed according to the law in effect  
23 on the effective date of the person's retirement, and that law is  
24 continued in effect for that purpose.

25 SECTION 7. (a) Except as provided by Subsection (b) of this  
26 section, this Act takes effect September 1, 2007.

27 (b) The following sections take effect January 1, 2008:

1                   (1) Section 851.006, Government Code, as amended by  
2 this Act; and

3                   (2) Sections 853.402(a-1), 855.110(c), and 855.4065,  
4 Government Code, as added by this Act.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1244 was passed by the House on April 19, 2007, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1244 was passed by the Senate on May 15, 2007, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor