

By: Truitt

H.B. No. 2870

A BILL TO BE ENTITLED

1 AN ACT

2 relating to member contributions to certain retirement,
3 disability, and death benefit systems provided by certain cities
4 and towns.

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

6 SECTION 1. Section 2, Chapter 426, Acts of the 64th
7 Legislature, Regular Session, 1975 (Article 6243k, Vernon's Texas
8 Civil Statutes), is amended to read as follows:

9 Sec. 2. (a) An incorporated city or town may create a
10 retirement, disability, and death benefit system for its appointive
11 officers and employees if a majority of the qualified voters of the
12 city or town voting on the proposition approve the creation at an
13 election called for that purpose. Each member of the system shall
14 contribute to the system an amount determined by the city or town,
15 which, except as provided by Subsection (b), may not exceed 10
16 percent of the member's annual compensation paid by the city or
17 town, and the city or town shall contribute for each member an
18 amount that at least equals but is not more than twice the amount of
19 the member's contribution. A member of a municipal system is
20 eligible for disability benefits if he is disabled in the course of
21 his employment with the city or town. A member is eligible for
22 retirement benefits if he is 65 years old or older, or he is 60 years
23 old but less than 65 years old and has been employed by the city or
24 town for 25 years or more.

1 (b) Each member of a retirement, disability, and death
2 benefit system provided under this section by a city or town shall
3 contribute to the system an amount determined by the city or town
4 that may exceed 10 percent of the annual compensation paid to the
5 member by the city or town if the city or town:

6 (1) has a population of 500,000 or more; and

7 (2) is located in a county:

8 (A) that has a population of 1.4 million or more;

9 and

10 (B) in which two or more cities or towns that each
11 have a population of 300,000 or more are predominately located.

12 SECTION 2. This Act takes effect September 1, 2007.