

1-1 By: Truitt (Senate Sponsor - Harris) H.B. No. 2870
1-2 (In the Senate - Received from the House April 30, 2007;
1-3 May 2, 2007, read first time and referred to Committee on State
1-4 Affairs; May 11, 2007, reported favorably by the following vote:
1-5 Yeas 9, Nays 0; May 11, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to member contributions to certain retirement,
1-9 disability, and death benefit systems provided by certain cities
1-10 and towns.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 2, Chapter 426, Acts of the 64th
1-13 Legislature, Regular Session, 1975 (Article 6243k, Vernon's Texas
1-14 Civil Statutes), is amended to read as follows:

1-15 Sec. 2. (a) An incorporated city or town may create a
1-16 retirement, disability, and death benefit system for its appointive
1-17 officers and employees if a majority of the qualified voters of the
1-18 city or town voting on the proposition approve the creation at an
1-19 election called for that purpose. Each member of the system shall
1-20 contribute to the system an amount determined by the city or town,
1-21 which, except as provided by Subsection (b), may not exceed 10
1-22 percent of the member's annual compensation paid by the city or
1-23 town, and the city or town shall contribute for each member an
1-24 amount that at least equals but is not more than twice the amount of
1-25 the member's contribution. A member of a municipal system is
1-26 eligible for disability benefits if he is disabled in the course of
1-27 his employment with the city or town. A member is eligible for
1-28 retirement benefits if he is 65 years old or older, or he is 60 years
1-29 old but less than 65 years old and has been employed by the city or
1-30 town for 25 years or more.

1-31 (b) Each member of a retirement, disability, and death
1-32 benefit system provided under this section by a city or town shall
1-33 contribute to the system an amount determined by the city or town
1-34 that may exceed 10 percent of the annual compensation paid to the
1-35 member by the city or town if the city or town:

1-36 (1) has a population of 500,000 or more; and

1-37 (2) is located in a county:

1-38 (A) that has a population of 1.4 million or more;

1-39 and

1-40 (B) in which two or more cities or towns that each
1-41 have a population of 300,000 or more are predominately located.

1-42 SECTION 2. This Act takes effect September 1, 2007.

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