

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 25, 2007

TO: Honorable Vicki Truitt, Chair, House Committee on Pensions & Investments

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2870 by Truitt (Relating to member contributions to certain retirement, disability, and death benefit systems provided by certain cities and towns.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Article 6243k, Vernon's Texas Civil Statutes, to authorize a city or town with a population of 500,000 or more that provides a retirement, disability, and death benefit system under the article to require each member to contribute an amount that may exceed 10 percent of the annual compensation paid to the member by the city or town, as determined by the city or town.

The bill would take effect September 1, 2007.

Local Government Impact

Because a city or town is required under the article to contribute for each member an amount that at least equals but is not more than twice the amount of the member's contribution, the fiscal impact to the town or city meeting the population requirement of the bill would depend on the percentage of contributions decided by the town or city.

Source Agencies:

LBB Staff: JOB, KJG, DB