

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 27, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB2751 by Truitt (Relating to participation and credit in, benefits from, and the administration of the Texas Emergency Services Retirement System.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend portions of the Texas Government Code governing the Texas Emergency Services Retirement System (TESRS), relating to participation and credit in, benefits from, and the administration of TESRS. The bill would allow participating departments in TESRS to include their support staff as members of TESRS, would allow the TESRS board of trustees by board rule to impose an interest charge on contributions that are late due to the correction of an error, would give the TESRS board of trustees the responsibility and flexibility to define nonservice death benefits by board rule, would give the TESRS board of trustees the authority not to pay a death benefit to a person convicted of causing that death, would authorize the TESRS board of trustees to designate a medical board to investigate applications for on-duty disability and on-duty death benefits, and would repeal the authority for TESRS board of trustees board rules for certain death benefit annuity provisions as a part of the changes that would authorize the TESRS board of trustees to define nonservice death benefits. The bill would repeal provisions involving the governor's involvement in appointing trustees to the state board of TESRS. The bill would take effect September 1, 2009.

The actuary for the Fire Fighters' Pension Commissioner reports that this bill would have either no economic effect or no material economic effect on the TESRS fund. Any additional cost from additional support staff members of participating departments would be funded by the contributions made on their behalf by their department. Any additional cost, if any, from death benefits defined by future board rules would be funded by the contributions made by all the participating departments.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 325 Fire Fighters' Pension Commissioner

LBB Staff: JOB, SZ, KJG, JRO, MS, DEH