

1-1 By: Rodriguez S.B. No. 1133  
1-2 (In the Senate - Filed March 5, 2013; March 12, 2013, read  
1-3 first time and referred to Committee on State Affairs;  
1-4 April 22, 2013, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; April 22, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	Duncan	X		
1-9	Deuell	X		
1-10	Ellis	X		
1-11	Fraser	X		
1-12	Huffman	X		
1-13	Lucio	X		
1-14	Nichols	X		
1-15	Van de Putte	X		
1-16	Williams	X		

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to contributions to certain fire and police pension funds.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-21 SECTION 1. Section 14, Chapter 101 (H.B. 31), Acts of the  
1-22 43rd Legislature, 1st Called Session, 1933 (Article 6243b, Vernon's  
1-23 Texas Civil Statutes), is amended to read as follows:

1-24 Sec. 14. USE OF PUBLIC FUNDS. Except as provided by Section  
1-25 14A of this Act, no ~~[No]~~ funds shall be paid out of the public  
1-26 treasury of any such incorporated city or town, in carrying out any  
1-27 of the provisions of this law, except on a majority vote of the  
1-28 voters of such city or town, and where such funds have been voted on  
1-29 as provided by law, said city or town shall contribute such amount.

1-30 SECTION 2. Subsection (a), Section 14A, Chapter 101 (H.B.  
1-31 31), Acts of the 43rd Legislature, 1st Called Session, 1933  
1-32 (Article 6243b, Vernon's Texas Civil Statutes), is amended to read  
1-33 as follows:

1-34 (a) If at any time a qualified actuary that meets the  
1-35 requirements of Subdivision (1), Subsection (b), Section 10A of  
1-36 this Act, determines that the total contribution rate, expressed as  
1-37 a percentage of wages, is insufficient to amortize the unfunded  
1-38 actuarial accrued liability, as defined under the Governmental  
1-39 Accounting Standards Board Statement No. 25, over a 40-year period  
1-40 ~~[not to exceed forty (40) years]~~:

1-41 (1) the city's or town's governing body may increase  
1-42 the city or town contribution rate; and

1-43 (2) to the extent that the city or town contribution  
1-44 rate increases under Subdivision (1) of this subsection, the member  
1-45 contribution rate must increase by an amount equal to the member  
1-46 contribution rate before the increase multiplied by a fraction:

1-47 (A) the numerator of which is the increase in the  
1-48 amount of the city or town contribution rate; and

1-49 (B) the denominator of which is the amount of the  
1-50 city or town contribution rate before the increase.

1-51 SECTION 3. Chapter 101 (H.B. 31), Acts of the 43rd  
1-52 Legislature, 1st Called Session, 1933 (Article 6243b, Vernon's  
1-53 Texas Civil Statutes), is amended by adding Section 14B to read as  
1-54 follows:

1-55 Sec. 14B. CONTRIBUTION DECREASES. (a) If at any time a  
1-56 qualified actuary that meets the requirements of Section 10A(b)(1)  
1-57 of this Act determines that the total contribution rate, expressed  
1-58 as a percentage of wages, is sufficient to amortize the unfunded  
1-59 actuarial accrued liability, as defined under the Governmental  
1-60 Accounting Standards Board Statement No. 25, over a 25-year period:

1-61 (1) the city's or town's governing body may decrease

2-1 the city or town contribution rate; and  
 2-2 (2) to the extent that the city or town contribution  
 2-3 rate decreases under Subdivision (1) of this subsection, the member  
 2-4 contribution rate must decrease by an amount equal to the member  
 2-5 contribution rate before the decrease multiplied by a fraction:  
 2-6 (A) the numerator of which is the decrease in the  
 2-7 amount of the city or town contribution rate; and  
 2-8 (B) the denominator of which is the amount of the  
 2-9 city or town contribution rate before the decrease.  
 2-10 (b) The sum of the city or town contribution rate and the  
 2-11 member contribution rate after a decrease under this section may  
 2-12 not be less than the total contribution rate determined by the  
 2-13 qualified actuary to be necessary to amortize the unfunded  
 2-14 actuarial accrued liability over a 25-year period.  
 2-15 SECTION 4. This Act takes effect immediately if it receives  
 2-16 a vote of two-thirds of all the members elected to each house, as  
 2-17 provided by Section 39, Article III, Texas Constitution. If this  
 2-18 Act does not receive the vote necessary for immediate effect, this  
 2-19 Act takes effect September 1, 2013.

2-20 \* \* \* \* \*