

BILL ANALYSIS

Senate Research Center
84R6034 KFF-F

H.B. 1725
By: Stephenson (Huffman)
State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Emergency Services Retirement System (TESRS) requires that local pension boards be in operation in order to review/authorize rosters and required reports, and ensure compliance with TESRS rules. Local pension board composition is prescriptive according to statute and designed to ensure representation by active volunteers, local governing bodies, and communities served by volunteer fire or emergency response departments.

Currently, statute requires that three members of the local pension board be active members of the TESRS. However, there are occasions where there may not be as many as three active volunteers available to sit on the board, due to a volunteer department in decline or a combination paid and volunteer department that does not currently have at least three active members. This results in inefficiency at the local level, due to pension boards being unable to operate properly because their composition is either incomplete or out of compliance with statute.

H.B. 1725 amends Section 865.012 of the Government Code to allow retirees or beneficiaries of TESRS to be appointed as members of the local pension board to the extent there are not as many as three active members of TESRS.

H.B. 1725 amends current law relating to the composition of local boards of the Texas Emergency Services Retirement System.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 865.012, Government Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Provides that a local board of the Texas Emergency Services Retirement System is composed of:

- (1) Makes no change to this subdivision;
- (2) except as provided by Subsection (a-1), three trustees who are active members representing a participating department chosen by a majority of the emergency services personnel in the department who are eligible to participate in the pension system; and
- (3) Makes no change to this subdivision.

(a-1) Requires the other members of the local board, or if there are no other members of the local board, the governing body of the political subdivision of which the department is a part, if a participating department does not have a sufficient number of active members to serve on a local board under Subsection (a)(2), to select one or more trustees

to serve under that subdivision. Requires a person selected under this subsection to serve as a trustee to be:

(1) a retiree of the pension system; or

(2) a beneficiary of the pension system who is the surviving spouse of a former member or retiree.

SECTION 2. Effective date: upon passage or September 1, 2015.