LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 30, 2015

TO: Honorable Dan Flynn, Chair, House Committee on Pensions

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2572 by Turner, Sylvester (Relating to the firefighters' relief and retirement fund in certain municipalities.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill would amend the Revised Statutes relating to the firefighters' relief and retirement fund in certain municipalities. The bill would require each member in active service to contribute to the fund in an amount equal to 9% of the member's salary at time of contribution and require each DROP participant to contribute to the fund an amount equal to 100% of the participant's unused leave pay as it becomes payable to the employee. Under the provisions of the bill, the fund would be required to credit any unused leave pay amount contributed by a participant to the participant's DROP account. The bill provides the effective date of the act, based on the passage of the bill.

Local Government Impact

The City of Houston reported an estimated savings of \$20.5 to \$25.7 million in Fiscal Year (FY) 2016 to FY 2018.

Source Agencies:

LBB Staff: UP, AG, SD, EK