

BILL ANALYSIS

H.B. 2171
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Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Firefighters and emergency medical services (EMS) providers who are employed by municipalities in Texas are entitled to purchase continued health benefits coverage after retirement. The option to purchase this coverage is valuable for multiple reasons. First, most first responders tend to retire before the age of 65 and are ineligible for Medicare until then, and it can be difficult to find quality health coverage to fill the gap. Additionally, the ability to keep the same coverage is often worth the added cost.

Unfortunately, firefighters and EMS providers who retire from emergency services districts are not afforded this entitlement. Over the past two decades, professional fire departments funded by such districts have become more commonplace as suburban areas have absorbed rural areas formerly served by volunteer departments. As these departments mature, more firefighters and EMS providers are beginning to retire from district employment, and these individuals could benefit from being able to purchase continued health benefits coverage. H.B. 2171 seeks to address this issue by providing firefighter and EMS retirees of certain emergency services districts the option to purchase continued health benefits coverage.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2171 amends the Local Government Code to entitle a person who retires on or after January 1, 2022, from employment as a firefighter or emergency medical services provider by an emergency services district (ESD) located wholly or partly in a county with a population of 200,000 or more and who is eligible to receive retirement benefits from the ESD to purchase continued health benefits coverage for the person and their dependents through the ESD unless the person is eligible for group health benefits coverage through another employer. An ESD that is required to provide this continued coverage but is not allowed to provide the coverage under the terms of its existing group health plan must ensure that the required continued coverage is provided for in any new plan it adopts on or after January 1, 2022, unless exempted under applicable state law.

EFFECTIVE DATE

September 1, 2021.