

BILL ANALYSIS

H.B. 3849
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Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Firefighters and emergency medical services providers who are employed by certain municipalities in Texas are guaranteed the ability to purchase continued health coverage after retirement. While the municipality can charge the retired employee the full cost of the coverage, the option to purchase this coverage is valuable for several reasons. While most first responders tend to retire before the age of 65, they are ineligible for Medicare until that age and finding quality health coverage to fill the gap can be difficult. Also, having the ability to keep the same coverage is often worth the added cost.

Prior to the passage of H.B. 2171 in the last regular session, firefighters and emergency medical services providers who retire from an emergency services district were not afforded this guarantee. That bill added such districts in counties of a certain population to the list of entities that must offer continued health coverage to retired firefighters and emergency medical services providers. H.B. 3849 seeks to extend the opportunity for continued health coverage to another group of first responders, specifically firefighters, police officers, and emergency medical services providers that work in The Woodlands Township north of Houston.

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. 3849 amends the Local Government Code to extend the applicability of provisions providing for the right of employees of certain political subdivisions to purchase continued health coverage at retirement to a person who retires from employment as a firefighter, police officer, or emergency medical services provider by a township with a population of 110,000 or more and who is entitled to receive retirement benefits from the township. For the bill's purposes, a township means a special district with territory that only includes a census designated place, as designated by the U.S. Bureau of the Census.

H.B. 3849 applies to all eligible persons who leave employment with a township on or after January 1, 2024. The bill requires a township that is required by the bill to provide continued health benefits coverage but that is not allowed to provide the coverage under the terms of the township's existing group health plan to ensure that the coverage required by the bill is provided for in any new plan the township adopts on or after January 1, 2024, unless the township is otherwise exempt under applicable state law.

EFFECTIVE DATE

September 1, 2023.