

By: Parker

S.B. No. 1559

A BILL TO BE ENTITLED

AN ACT

relating to contributions to, benefits under, and administration of Texas local fire fighters' retirement systems.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 29(b), Texas Local Fire Fighters Retirement Act (Article 6243e, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) A municipality or other political subdivision that has employees who are participating members of a retirement system shall make contributions to the system each payroll period. Except as provided by Subsection (d) of this section, contributions required under this subsection are computed on the total compensation paid to the employees who are participating members of the system. A municipality or other political subdivision is required to make contributions under this subsection at the same rate paid by employees or 12 percent, whichever is the smaller rate. The governing body of a municipality or other political subdivision by ordinance or, in accordance with Section 29A of this Act, by contract may adopt a rate of employer contributions that is greater than the rate required by this subsection.

SECTION 2. Texas Local Fire Fighters Retirement Act (Article 6243e, Vernon's Texas Civil Statutes), is amended by adding Section 29A to read as follows:

Sec. 29A. CONTRACT TO INCREASE EMPLOYER CONTRIBUTIONS AND

1 MAKE CERTAIN RELATED SYSTEM MODIFICATIONS. (a) A municipality or
2 other political subdivision may contract with the board of trustees
3 of a retirement system to adopt a rate of employer contributions
4 that is greater than the rate required by Section 29(b) of this Act.

5 (b) Notwithstanding any other law, a contract entered into
6 under this section may include provisions modifying the following
7 with respect to a retirement system:

8 (1) employee contributions;

9 (2) actuarial assumptions, provided the actuarial
10 assumptions are approved by an actuary who meets the qualifications
11 prescribed by Section 7(c) of this Act; and

12 (3) benefits.

13 SECTION 3. (a) Except as provided by Subsection (b) of this
14 section, a contract described by Section 29A, Texas Local Fire
15 Fighters Retirement Act (Article 6243e, Vernon's Texas Civil
16 Statutes), as added by this Act, that was entered into by a
17 municipality or other political subdivision and the board of
18 trustees of a retirement system before the effective date of this
19 Act is validated as of the date the contract was made or attempted
20 to be made.

21 (b) This section does not validate:

22 (1) an act that, under the law of this state at the
23 time the act occurred, was a misdemeanor or felony; or

24 (2) a matter that on the effective date of this Act:

25 (A) is involved in litigation if the litigation
26 ultimately results in the matter being held invalid by a final
27 judgment of a court; or

1 (B) has been held invalid by a final judgment of a
2 court.

3 SECTION 4. This Act takes effect September 1, 2023.