

By: West

S.B. No. 1529

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to participation in a deferred retirement option plan by  
3 members of the retirement systems for police and fire fighters in  
4 certain municipalities.

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

6 SECTION 1. Section 6.14(c), Article 6243a-1, Revised  
7 Statutes, is amended to read as follows:

8 (c) Each month after a member has made an election to  
9 participate in the DROP and indicated a desire to receive a  
10 retirement pension under Sections 6.01(b) and (c), Section 6.01(e),  
11 or Section 6.02(b), (c), (d), or (e) of this article, whichever is  
12 applicable, and through the month before the month in which the  
13 member leaves active service, an amount equal to the retirement  
14 pension the member would have received under the applicable  
15 subsection for that month if the member had left active service and  
16 been granted a retirement pension by the board on the effective date  
17 of DROP participation shall be credited to a separate DROP account  
18 maintained within the fund for the benefit of the member. Amounts  
19 held in the DROP account of a member shall be credited at the end of  
20 each calendar month. Notwithstanding this section, effective  
21 January 1, 2018, a member on active service who has 20 [~~10~~] years or  
22 more of participation in DROP shall no longer have the amount of the  
23 member's retirement pension credited to the member's DROP account  
24 while the member is on active service.

1           SECTION 2. (a) Subject to Subsection (b) of this section,  
2 Section 6.14(c), Article 6243a-1, Revised Statutes, as amended by  
3 this Act, applies to a member who participates in the deferred  
4 retirement option plan established under that section regardless of  
5 whether the member began participation in the plan before, on, or  
6 after the effective date of this Act.

7           (b) A member described by Subsection (a) of this section  
8 whose retirement pension ceased being credited to the member's  
9 deferred retirement option plan account on or after January 1,  
10 2018, under Section 6.14(c), Article 6243a-1, Revised Statutes, as  
11 that section existed immediately before the effective date of this  
12 Act, is not entitled to have amounts credited to the member's  
13 account for the period beginning on the date the member's  
14 retirement pension ceased being credited and ending on August 31,  
15 2025.

16           SECTION 3. This Act takes effect September 1, 2025.