

AN ACT

relating to the participation in the Texas Municipal Retirement System of certain employees of certain municipalities subject to the Texas Local Fire Fighters Retirement Act.

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

SECTION 1. The Texas Local Fire Fighters Retirement Act (Article 6243e, Vernon's Texas Civil Statutes) is amended by adding Section 31A to read as follows:

Sec. 31A. AUTHORITY OF CERTAIN RETIREMENT SYSTEMS TO EXCLUDE CERTAIN PERSONS FROM COVERAGE. (a) In this section, "closure effective date" means the first day of the second month after the month in which the Texas Municipal Retirement System receives retirement system plan documents under Subsection (f)(2) of this section.

(b) This section applies only to a municipality:

(1) with a population of less than 200,000;

(2) that is located in a county with a population of not less than 2 million and not more than 4 million;

(3) that has a regularly organized fire department for which a retirement system and fund have been established under Section 4 of this Act; and

(4) that before January 1, 2017, has one or more departments participating in the Texas Municipal Retirement System.

1 (c) Subject to the requirements of this section, the
2 governing body of a municipality subject to this section may adopt
3 one or more ordinances to exclude from participation in the
4 retirement system employees of the fire department first hired on
5 or after the closure effective date.

6 (d) If the governing body of a municipality adopts an
7 ordinance under Subsection (c) of this section, the governing body
8 shall concurrently adopt an ordinance to allow the employees
9 described by the ordinance to participate in the Texas Municipal
10 Retirement System.

11 (e) Not later than the 60th day after the date an ordinance
12 is adopted under Subsection (c) of this section, the municipality
13 shall submit the ordinance to an election of the participating
14 members of the retirement system established in the municipality.
15 To be approved at the election, a majority of the participating
16 members must vote in favor of the ordinance.

17 (f) If the voting members approve an ordinance under
18 Subsection (e) of this section, as soon as practicable after the
19 date of the election:

20 (1) the board of trustees of the retirement system
21 shall amend the retirement system plan documents as necessary to be
22 consistent with the approved ordinance; and

23 (2) the municipality shall give written notice of the
24 results of the election to the Texas Municipal Retirement System
25 and include copies of the relevant ordinances and any amended
26 retirement system plan documents.

27 (g) If a municipality adopts ordinances under Subsections

1 (c) and (d) of this section, all subsequent actions authorized or
2 required by this section must be completed before October 1, 2018.
3 If all subsequent actions are not completed before October 1, 2018:

4 (1) as soon as practicable after that date, the Texas
5 Municipal Retirement System shall publish notice to that effect in
6 the Texas Register; and

7 (2) Section 851.0011, Government Code, this section,
8 and the ordinances adopted under Subsections (c) and (d) of this
9 section expire on October 1, 2018.

10 SECTION 2. Subchapter A, Chapter 851, Government Code, is
11 amended by adding Section 851.0011 to read as follows:

12 Sec. 851.0011. ALTERNATIVE DEFINITION OF DEPARTMENT. (a)
13 This section applies only with respect to a municipality:

- 14 (1) with a population of less than 200,000;
15 (2) that is located in a county with a population of
16 not less than 2 million and not more than 4 million;
17 (3) that has a regularly organized fire department for
18 which a retirement system and fund have been established under
19 Section 4, Texas Local Fire Fighters Retirement Act (Article 6243e,
20 Vernon's Texas Civil Statutes); and
21 (4) that before January 1, 2017, has one or more
22 departments participating in the retirement system.

23 (b) Notwithstanding Section 851.001(7), "department" in
24 this subtitle includes employees of a municipality described by
25 Subsection (a) who are allowed to participate in the retirement
26 system under Section 31A, Texas Local Fire Fighters Retirement Act
27 (Article 6243e, Vernon's Texas Civil Statutes), because the

1 municipality completed all actions authorized or required by that
2 section within the time prescribed by that section.

3 (c) If a municipality fails to complete all actions
4 authorized or required by Section 31A, Texas Local Fire Fighters
5 Retirement Act (Article 6243e, Vernon's Texas Civil Statutes),
6 before October 1, 2018, this section expires on October 1, 2018, in
7 accordance with Section 31A(g), Texas Local Fire Fighters
8 Retirement Act (Article 6243e, Vernon's Texas Civil Statutes).

9 SECTION 3. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 3056 was passed by the House on May 6, 2017, by the following vote: Yeas 141, Nays 1, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3056 was passed by the Senate on May 22, 2017, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor