HOUSE RESEARCH ORGANIZATION bill analysis

4/12/2007

SUBJECT:	Pension eligibility for Emergency Service District firefighters
COMMITTEE:	Pensions and Investments — favorable, without amendment
VOTE:	4 ayes — Truitt, Burnam, Macias, Rodriguez
	0 nays
	3 absent — Villarreal, McClendon, Keffer
WITNESSES:	For — Mike Higgins, Texas State Association of Fire Fighters; Glenn Trubee, Hudson Bend Firefighter Association; (<i>Registered, but did not testify:</i> Randy Cain, Texas Fire Chiefs Association)
	Against — None
	On — Lisa Ivie Miller, Office of the Fire Fighters' Pension Commissioner
BACKGROUND:	The Firemen's Relief Pension Fund (V.T.C.A., Title 109, art. 6243e) was created by the 45th Legislature in 1937 to provide pension benefits for volunteer and paid firefighters. In 1989, the 71st Legislature amended the act and renamed it the Texas Local Firefighters' Retirement Act (TLFFRA). In 1995, TLFFRA was amended to specify that the act applies to a political subdivision outside of a municipality.
	Government Code, Title 8, subtitle H governs the Texas Emergency Services Retirement System (TESRS), a pension system for fire departments made up entirely of volunteers.
DIGEST:	HB 2799 would eliminate the language "outside the boundaries of a municipality" from art. 6243e(e) so that the Texas Local Firefighters' Retirement Act would apply to a political subdivision that had a fire department made up of both paid and volunteer firefighters, except a political subdivision with a fire department governed by another state law providing benefits for full-time paid fire department personnel.
	The bill would specify that if a fire department consisted of both paid and volunteer firefighters, the volunteer firefighters could participate in the TESRS while the paid firefighters could participate in TLFFRA.

HB 2799 House Research Organization page 2

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

SUPPORTERS SAY: HB 2799 would clear up confusion over whether paid firefighters who work for Emergency Service Districts (ESDs), political subdivisions that that may serve one or more municipalities, can establish and participate in a pension fund governed by TLFFRA. The bill would affect 15 of the state's 200 ESDs, but only one has tried to establish a pension fund for its firefighters. This ESD has been unable to do so because the county fire commissioner has interpreted current law as prohibiting ESDs from participating in TLFFRA. By eliminating the reference to political subdivisions outside the boundaries of a municipality, the bill would clear up this confusion and allow eligible ESDs to provide pension plans for their paid employees through TLFFRA.

OPPONENTS No apparent opposition. SAY: