

## CHAPTER 346

H.B. No. 1278

## AN ACT

relating to administration of retirement systems for municipal employees in certain cities.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 5(b), Chapter 358, Acts of the 48th Legislature, 1943 (Article 6243g, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) The Pension Board shall be composed of eleven (11) members as follows:

(1) The Mayor of the City, or the Director of the Civil Service Commission as his representative.

(2) The Treasurer of the City or person performing the duties of Treasurer.

(3) Four (4) employees of the city having membership in the Pension System and elected by the active members of such System. No city department shall have more than two (2) representatives. Persons elected as employee members of the Board shall continue in office until the expiration of their terms if they retire during their terms. *Persons elected as employee members of the Board serve staggered terms of four (4) years, with the terms of two (2) of the members expiring in each even-numbered year. Each employee [The term of office of members so elected shall be four (4) years and each such]* member shall continue to serve until his successor is duly elected and qualified. Vacancies occurring by death, resignation or removal of such representative shall be filled by appointments made by any three (3) of the Board members elected by the members of the Pension System. Such appointees shall serve for the remainder of the unexpired term of the member they replace. The first election of employee members in cities hereafter coming under this Act shall be held in such city at such time and place as shall be fixed by the governing body of the city, and to be not more than seventy-five (75) days from the date such city comes under the terms of this Act.

(4) Three (3) legally qualified taxpayers of such city, who have been residents of the county in which such city is located for the preceding five (5) years, to be chosen by the governing body of the city, being neither employees nor officers of such city. The three (3) members so chosen by the governing body of the city shall serve for two (2) years and until their successors are duly appointed and qualified. Vacancies occurring by death, resignation, or removal of such representative shall be filled by the governing body of the city. Public members now on the Boards of cities having established Systems shall continue in office until the expiration of their terms.

(5) Two (2) retirees of the Pension System elected by the retirees of the System. *Persons elected as retiree members of the Board serve staggered terms of four (4) years, with the term of one (1) member expiring in each even-numbered year. Each retiree member serves [A board member elected by retirees serves a term of four (4) years and]* until the retiree's successor is elected and has qualified. A vacancy occurring by death, resignation, or removal

of a board member normally chosen by retiree election shall be filled by appointment made by the other member normally chosen by retiree election.

SECTION 2. Section 5(d)(4), Chapter 358, Acts of the 48th Legislature, 1943 (Article 6243g, Vernon's Texas Civil Statutes), is amended to read as follows:

(4) The Pension Board shall *adopt* [~~prepare~~] a detailed annual budget showing its proposed administrative expenditures under Subdivision (2) of this subsection for the next fiscal year [~~and submit it to the governing body of the city for approval~~].

SECTION 3. To implement the staggering of board member terms provided by this Act, not later than October 1, 1993, persons serving on the effective date of this Act as employee or retiree members of the pension board established by Section 5, Chapter 358, Acts of the 48th Legislature, 1943 (Article 6243g, Vernon's Texas Civil Statutes), shall draw lots to determine the length of their terms. Two of the employee board members and one retiree board member shall serve terms expiring after the regularly scheduled board elections in 1996, and two employee board members and one retiree board member shall serve terms expiring after the regularly scheduled board elections in 1998.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 7, 1993, by a non-record vote; the House concurred in Senate amendments to H.B. No. 1278 on May 18, 1993, by a non-record vote; passed by the Senate, with amendments, on May 12, 1993: Yeas 31, Nays 0.

Approved May 29, 1993.

Effective Aug. 30, 1993, 90 days after date of adjournment.