

CHAPTER 96

S.B. No. 565

AN ACT

relating to pension allowances and beneficiaries under firemen's relief and retirement systems in certain cities.

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

SECTION 1. Subsections (a), (c), and (d), Section 4, Chapter 432, Acts of the 64th Legislature, Regular Session, 1975, as amended (Article 6243e.2, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) Any person who has been duly appointed and enrolled and who has attained the age of 50 years, and who has served actively for a period of 20 years or more and has participated in a fund in a city which is within the provisions of this Act, shall be entitled to be retired from the service or department and shall be entitled to be paid from the firemen's relief and retirement fund of that city or town, a monthly pension equal to 50 percent of his average salary for the highest 36 months of his service. Any fireman shall be entitled to be paid in addition to the benefits provided for in this subsection an additional pension allowance of one percent of his average monthly salary for the highest 36 months during his participation for each year of service after the date on which such fireman shall be entitled to be retired. *After September 1, 1987, any member entering the fund shall be entitled to benefits provided by this Act based upon years of service only.*

(c) (1) From and after July 1, 1986, a fireman who completes 20 years of service and participation in this fund may be retired from the department and receive a monthly pension allowance of 40 percent of his average monthly salary for the highest 36 months during his participation. If the fireman shall participate in the fund for a period in excess of 20 years he shall, in addition to the monthly pension allowance of 40 percent, be paid upon retirement an additional monthly pension allowance equal to two percent of his average monthly salary for the highest 36 months during his participation for each year of service in excess of 20 years until the fireman completes 30 years of service, thereby providing a monthly pension not to exceed 60 percent of the fireman's average monthly

salary for the highest 36 months during his participation. If the fireman remains in the active service for a period in excess of 30 years, he shall receive a monthly pension of 60 percent of his average monthly salary for the highest 36 months during his participation.

(2) *From and after September 1, 1987, a fireman who completes 20 years of service and participation in this fund may be retired from the department and receive a monthly pension allowance of 45 percent of his average monthly salary for the highest 36 months during his participation. If the fireman shall participate in the fund for a period in excess of 20 years, he shall, in addition to the monthly pension allowance of 45 percent, be paid upon retirement an additional monthly pension allowance equal to two percent of his average monthly salary for the highest 36 months during his participation for each year of service in excess of 20 years until the fireman completes 30 years of service, thereby providing a monthly pension not to exceed 65 percent of the fireman's average monthly salary for the highest 36 months during his participation. If the fireman remains in the active service for a period in excess of 30 years, he shall receive a monthly pension of 65 percent of his average monthly salary for the highest 36 months during his participation.*

(d) The maximum pension allowance to be received by any fireman shall not exceed 65 [60] percent of the fireman's average monthly salary for the highest 36 months during his participation, except as it may be adjusted pursuant to Subsection (g), (h), (i), or (j) of this section.

SECTION 2. Section 5, Chapter 432, Acts of the 64th Legislature, Regular Session, 1975 (Article 6243e.2, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 5. *REFUNDABILITY; PENSION ALLOWANCE AT AGE OF 50; CALCULATION.* (a) Any fireman who has served in such fire department for a period of at least 10 years and for a period of less than 20 years shall be entitled to a pension allowance at age 50 years. The pension allowance shall be calculated as follows:

(1) [(a)] The monthly pension allowance shall be equal to the sum of one and seven-tenths percent of his average monthly salary multiplied by the number of years of service of the fireman.

(2) [(b)] The average monthly salary shall be for the highest 36 months of service of the fireman.

(3) [(c)] In the event the fireman dies:

(A) [(1)] before he has reached the age of 50 years, his widow or other beneficiaries shall be eligible for a pension allowance on the date the deceased fireman would have been 50 years of age, [.]

(B) [(2)] after he reached 50 years of age, his widow or other beneficiaries shall be eligible for a pension allowance. The pension allowances shall be granted by the provisions of this section.

(b) *The trustees of the board may adopt by a majority vote of the board the following provisions:*

(1) *all firemen who have served in such fire department for a period of less than 10 years and who terminate their employment may receive a refund of their contributions without interest;*

(2) *all firemen who have served in such fire department for a period of at least 10 years and for a period of less than 20 years may elect to receive a refund of their contribution with interest computed at five percent or a pension allowance at age 50 years as calculated in Subsection (a) of this section.*

SECTION 3. Section 7, Chapter 432, Acts of the 64th Legislature, Regular Session, 1975, as amended (Article 6243e.2, Vernon's Texas Civil Statutes), is amended by adding Subsection (e) to read as follows:

(e) *Any fireman may designate a beneficiary to receive the total contribution made by the fireman to the fund if the fireman has no eligible survivors prescribed in Section 11 of this Act. The fireman shall file a written designation with the board of trustees of the Firemen's Relief and Retirement Fund stating his beneficiary. Such designation shall include the name and the address of the beneficiary. The board*

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*shall upon the death of the fireman pay only the amount contributed by the fireman to the stated beneficiary.*

SECTION 4. Subsection (f), Section 10, Chapter 432, Acts of the 64th Legislature, Regular Session, 1975 (Article 6243e.2, Vernon's Texas Civil Statutes), is amended to read as follows:

(f) If any member's employment by the city, as an employee of the fire department, is terminated for any reason other than those qualifying the employee for a pension, neither the employee nor his beneficiary or estate shall receive any amount paid by him into the pension fund or any interest his contributions may have accrued *unless the board of trustees has adopted the provisions of Subsection (b) of Section 5 of this Act.*

SECTION 5. 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 the Senate on April 9, 1987, by the following vote: Yeas 31, Nays 0. Passed the House on April 30, 1987, by a non-record vote.

Approved May 14, 1987.

Effective 90 days after date of adjournment.