

SLP 3

Authority for Subdivision to Increase or Decrease Matching Contributions, Termination and Creation of New Class of Member Participants in the Texas County and District Retirement Systems Bill Summary

Section 1: Creates Section 842.003 of the Government Code.

This Bill adds Section 842.003 of the Government Code. Subsection (a) provides that a participating subdivision may reduce or increase its matching contribution. And, if a participating subdivision decreases its matching contribution for members, the subdivision must honor its matching commitments made to the members prior to the date of a reduction in matching contributions.

Subsection (b) would allow a subdivision which participates in the Texas County and District Retirement System to create and fund additional and distinct membership classes which, in the discretion of the subdivision, provide for different contribution benefits.

Section 2: Amends Section Sec. 842.052(a) of the Government Code.

This Bill amends Section 842.052(a) to allow a County to terminate participation in the Texas County and District Retirement System as long as the County agrees to (1) fund all benefits accrued and payable to members before the date of termination, and (2) to fund any supplemental annuities belonging to members.

Section 3: Effective Date of the Act.

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.