AN ACT
relating to participation in the proportionate retirement program
by certain public employees.

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

SECTION 1. Section 803.101, Government Code, is amended by
adding Subsections (g) and (h) to read as follows:

(g) The governing body of a municipality described by
Section 803.0021(1) that finances a public retirement system for
police officers or firefighters may not approve the retirement
system's election under Subsection (f) to participate in the
proportionate retirement program unless an actuary acting on behalf
of the municipality reviews the initial cost to the municipality of
making the election.

(h) If the governing body of a public retirement system
under Subsection (g) adopts a resolution to participate in the
proportionate retirement program, the governing body of the
municipality that finances the retirement system shall appropriate
and pay to the retirement system, at the same time the municipality
makes the municipality's monthly contribution to the retirement
system, the additional amount necessary, as determined by the
retirement system's actuary, to fund the additional liabilities
incurred by the retirement system as a result of participating in
the proportionate retirement program.

SECTION 2. This Act takes effect immediately if it receives
S.B. No. 1626

1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2007.

David Dewhurst
President of the Senate

I hereby certify that S.B. No. 1626 passed the Senate on
April 24, 2007, by the following vote: Yeas 31, Nays 0.

Tom Craddick
Speaker of the House

I hereby certify that S.B. No. 1626 passed the House on
May 17, 2007, by the following vote: Yeas 143, Nays 0, two
present not voting.

Robert Haney
Chief Clerk of the House
I am allowing the following bills related to local retirement systems to become law without my signature: House Bill No. 1318, Austin Police Retirement System; House Bill No. 2751, San Antonio Retirement Health Care Fund for Firefighters and Police Officers; House Bill No. 2752, San Antonio Firefighter and Police Retirement Fund; House Bill No. 2870, City of Fort Worth Municipal Retirement System; House Bill No. 3355, El Paso Fire and Policemen's Pension Fund; Senate Bill No. 976, City of Fort Worth Municipal Retirement System; and Senate Bill No. 1626, City of Austin Police and Firefighters Retirement.

Each of these bills changes provisions of local retirement systems, which receive no administrative support or funding from the state. Codifying or approving changes to these systems at the state level is unnecessary as the municipalities have the ability to make changes under laws that have already been passed. Local retirement systems should be managed locally without state interference.

Following the Seventy-Eighth Legislative Session, I allowed House Bill No. 752 and Senate Bill No. 1696 to become law without my signature and stated that, “The Texas legislature should get out of the business of approving local retirement benefits for cities and municipalities. It is time that local officials take responsibility for their own programs and make fiscally responsible decisions.” I am disappointed that the practice of approving changes to local retirement systems continues and will not sign these bills.

IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 15th day of June, 2007.

Rick Perry
Governor of Texas

ATTESTED BY:

Roger Williams
Secretary of State