

BILL ANALYSIS

Senate Research Center

S.B. 481
By: Armbrister
Intergovernmental Relations
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As Filed

DIGEST

Currently, surplus funds are authorized to be invested by the state board of trustees of the Fire Fighters' Relief and Retirement Fund in specific types of investments for the fire fighters' retirement fund. A specific list of investments limits the board in its investment options. This bill removes the specified list of investment instruments authorized for use by the state board of trustees and allows the board to make investments exercising judgment and care that a "prudent" person would use in investing personal funds.

PURPOSE

As proposed, S.B. 481 removes the specified list of investment instruments authorized for use by the state board of trustees and allows the board to make investments exercising judgment and care that a "prudent" person would use in investing personal funds.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 6243e.3, V.T.C.S. (Texas Statewide Volunteer Fire Fighter Retirement Act), to require the fire fighters' pension commissioner and the state board of trustees of the Fire Fighters' Relief and Retirement Fund to exercise judgment and care in making investments to the Fire Fighters' Relief and Retirement Fund. Deletes specific types of investments in which surplus funds may be invested.

SECTION 2. Emergency clause.
Effective date: upon passage.