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OFFICE OF

Fire Fighters' Pension Commissioner

HELEN CAMPBELL
COMMISSIONER

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June 4, 1992

The Honorable Dan Morales
Attorney General
State of Texas
Price Daniel Sr. Building
Austin, TX 78701

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Opinion Committee

Re: Opinions Request
Article 6243.e3 - The Statewide Volunteer
Fire fighters' Retirement Act - Termination
of Fire Department from Fund

Dear Attorney General Morales,

A member volunteer fire department participating in the Statewide volunteer Fire Fighters' Retirement Act has ceased to exist as of December 31, 1991.

Section 12 of Article 6243.e3, WITHDRAWING FROM THE PENSION SYSTEM does not address the matter of a department ceasing to exist. However, Section 12(c) states:

"If a fire fighter terminates service before retirement, vested retirement benefits must be paid to the fire fighter at retirement age."

The Lancaster Volunteer Fire Department has been in the fund longer than the five years in which a department can cease participation. Section 12(a) states:

"A current pension plan that merges with the pension system may withdraw from the pension system within five years after the date of merger..."

The Lancaster VFD no longer has a local board. (Section 22)

They have several retirees receiving benefits under The Texas Local Fire fighters' Retirement Act (TLFFRA) from which the department merged into the Statewide System. They also have vested retired members of the Statewide System. Section 6(b)

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The questions that arise for Lancaster and possibly other departments in the future are:

1. Can we (the Fund) continue to bill the governing entity (City of Lancaster) for the retirees who retired from the TLFFRA plan? Section 11, 2(g) states:

"Any benefits being paid by the current pension plan at the date of merger will be paid by the pension system following merger."

2. Does the Fund continue to pay current retirees and maintain records for the current vested fire fighters and begin their pensions at the qualified and appropriate time? Section 6(b) states:

"Vested retirement benefits are nonforfeitable."

3. Do we return their funds to the City and the City assumes the responsibility for administering the funds?
4. Since a Board of Trustees no longer exists, whom do we deal with if we are to maintain activity with them?

Your opinion on these issues is requested in order for us to provide proper and legal response to those departments who are involved or could be involved in these activities.

These questions are not subject to pending litigation at this time.

Sincerely,



Helen L. Campbell
Commissioner

HLC/lh

xc: Molly D. Shannon
Assistant Attorney General