



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 26

Agenda Date: February 27, 2025

In Control: City Council A Session

DEPARTMENT: Government Affairs

DEPARTMENT HEAD: Sally Basurto

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Amendment to the City's State Legislative Program.

SUMMARY:

An ordinance amending the City of San Antonio's State Legislative Program for the 89th Texas Legislative Session to include support for the San Antonio Fire and Police Retiree Healthcare Fund's 2025 legislative proposal.

BACKGROUND INFORMATION:

The Texas Legislature meets every two years in odd numbered years. The 89th Legislative Session began on January 14, 2025.

Prior to the convening of each regular Texas Legislative Session, the City of San Antonio identifies policy priorities and legislative initiatives for the State Session. These priorities and initiatives are incorporated into the City of San Antonio's State Legislative Program. City Council approved the 2025 State Legislative Program on October 31, 2024, through ordinance 2024-10-31-0822.

The Fire and Police Retiree Healthcare Fund (Healthcare Fund) Board approved their legislative initiatives in November 2024 in preparation for the 89th State Legislative Session. The Healthcare

Fund is seeking to file legislation to make changes to Article 6243q, the statute that governs the Healthcare Fund and its plan provisions.

The proposed changes include:

- Removing the Fire and Police Pension Fund's obligation to deduct post-retirement healthcare contribution for retirees under 30 years of service and allow the Healthcare Fund to bill directly
- Providing retirees under 30 years of service the option to pay in a lump sum their post-retirement contribution required to participate in the Healthcare Fund's plan
- Allowing the Healthcare Fund's Board the ability to change the plan to permit remarried surviving spouses the ability to remain on the plan
- Allowing the first retiree of a married couple, that are both active uniform members of the City, the ability to defer post-retirement contributions and participation in the plan so long as they do not divorce

The Healthcare Fund requested the City's support of their legislative initiatives. Finance Department staff and leadership has reviewed the request and recommended support of the Healthcare Fund's initiatives. The IGR Committee was briefed on the proposed amendment to the City's State Legislative Program on January 14, 2025. Both the San Antonio Professional Firefighters Association and the San Antonio Police Officers Association have endorsed the proposed legislative initiatives.

ISSUE:

The State Legislative Program guides the City's legislative efforts and aligns with City Council priorities. As additional issues are identified which support City Council policies, amendments to the City's Legislative Program are required to authorize staff to support those policies.

The legislative initiatives being pursued by the Healthcare Fund include member supported revisions to state law that governs the operation and the Healthcare Fund. The proposed changes have been analyzed and are not expected to impact the actuarial stability of the Healthcare Fund.

ALTERNATIVES:

City Council could choose not to adopt the amendment to the City's State Legislative Program and proceed with the issues identified in the program adopted by Council on October 31, 2024. Any filed legislation proposing amendments to the Healthcare Fund are less likely to be successful without the City's support.

FISCAL IMPACT:

There is no fiscal impact to the proposed amendment. However, City staff will analyze filed legislation to determine any fiscal impact to the City.

RECOMMENDATION:

Staff recommends approval of the amendment to the City's State Legislative Program.