

By: Schwertner

S.B. No. 1204

A BILL TO BE ENTITLED

1 AN ACT
2 relating to requiring the inclusion of certain recommendations in
3 reports on the actuarial experience of the Employees Retirement
4 System of Texas and the Teacher Retirement System of Texas.

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

6 SECTION 1. Section 815.206, Government Code, is amended by
7 adding Subsection (c-1) to read as follows:

8 (c-1) An actuarial experience study or other report on an
9 actuarial investigation of mortality, service, and compensation
10 experience conducted under Subsection (c) must include different
11 recommendations for achieving or maintaining an amortization
12 period that does not exceed 30 years by one or more years. The
13 recommendations may include:

14 (1) changes to benefits;

15 (2) requiring increased or additional contributions
16 from members or the members' employers;

17 (3) reasonable changes to the assumed rate of return
18 on investments; or

19 (4) appropriations of additional or increased
20 contributions from the state, but if such a recommendation is made
21 it must be accompanied by at least one of the recommendations
22 described by Subdivision (1), (2), or (3) that does not include
23 appropriations of additional or increased contributions from the
24 state.

1 SECTION 2. Section 825.206, Government Code, is amended by
2 adding Subsection (e-1) to read as follows:

3 (e-1) An actuarial experience study or other report on an
4 actuarial investigation of mortality, service, and compensation
5 experience conducted under Subsection (b) must include different
6 recommendations for achieving or maintaining an amortization
7 period that does not exceed 30 years by one or more years. The
8 recommendations may include:

9 (1) changes to benefits;

10 (2) requiring increased or additional contributions
11 from employers or members;

12 (3) reasonable changes to the assumed rate of return
13 on investments; or

14 (4) appropriations of additional or increased
15 contributions from the state, but if such a recommendation is made
16 it must be accompanied by at least one of the recommendations
17 described by Subdivision (1), (2), or (3) that does not include
18 appropriations of additional or increased contributions from the
19 state.

20 SECTION 3. This Act takes effect September 1, 2021.