

1-1 By: Bonnen, et al. H.J.R. No. 2  
 1-2 (Senate Sponsor - Huffman)  
 1-3 (In the Senate - Received from the House May 1, 2023;  
 1-4 May 2, 2023, read first time and referred to Committee on Finance;  
 1-5 May 19, 2023, reported adversely, with favorable Committee  
 1-6 Substitute by the following vote: Yeas 17, Nays 0; May 19, 2023,  
 1-7 sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23	X			
1-24	X			
1-25	X			
1-26	X			

1-27 COMMITTEE SUBSTITUTE FOR H.J.R. No. 2 By: Huffman

1-28 HOUSE JOINT RESOLUTION

1-29 proposing a constitutional amendment limiting the authority of the  
 1-30 legislature to provide cost-of-living adjustments or other benefit  
 1-31 enhancements to certain annuitants of the Teacher Retirement System  
 1-32 of Texas and providing a one-time transfer of funds to the  
 1-33 retirement system to provide a cost-of-living adjustment.

1-34 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-35 SECTION 1. Article XVI, Texas Constitution, is amended by  
 1-36 adding Section 67-a to read as follows:

1-37 Sec. 67-a. (a) Only as authorized by this section, the  
 1-38 legislature by general law may provide one or more cost-of-living  
 1-39 adjustments or supplemental payments as benefit enhancements to  
 1-40 annuitants of the Teacher Retirement System of Texas who are  
 1-41 eligible for the enhancements, as determined by that law.

1-42 (b) The legislature may provide a benefit enhancement as  
 1-43 described by this section and, as necessary, direct the comptroller  
 1-44 of public accounts to transfer funds to the Teacher Retirement  
 1-45 System of Texas for the payment of the benefit enhancement only if:

1-46 (1) the retirement system is actuarially sound, as  
 1-47 determined by general law; and

1-48 (2) subject to Subsection (c) of this section, the  
 1-49 legislature appropriates money in an amount sufficient to ensure  
 1-50 that providing the benefit enhancement does not increase the  
 1-51 unfunded actuarial liabilities of the retirement system, as  
 1-52 determined by the board of trustees of the retirement system.

1-53 (c) In determining the amount that is sufficient to ensure  
 1-54 that providing a benefit enhancement does not increase the unfunded  
 1-55 actuarial liabilities of the Teacher Retirement System of Texas  
 1-56 under Subsection (b)(2) of this section, the board of trustees of  
 1-57 the retirement system shall reduce that amount by the amount by  
 1-58 which the actuarial value of the retirement system's assets exceeds  
 1-59 the actuarial accrued liability of the retirement system.

1-60 SECTION 2. The following temporary provision is added to

2-1 the Texas Constitution:  
2-2 TEMPORARY PROVISION. (a) This temporary provision applies  
2-3 to the constitutional amendment proposed by the 88th Legislature,  
2-4 Regular Session, 2023, limiting the authority of the legislature to  
2-5 provide cost-of-living adjustments or other benefit enhancements  
2-6 to certain annuitants of the Teacher Retirement System of Texas and  
2-7 providing a one-time transfer of funds to the retirement system to  
2-8 provide a cost-of-living adjustment.

2-9 (b) As soon as practicable after the effective date of the  
2-10 amendment to which this temporary provision applies, the  
2-11 comptroller of public accounts shall transfer \$3.323 billion from  
2-12 the general revenue fund to an account in the trust fund of the  
2-13 Teacher Retirement System of Texas established for that purpose.  
2-14 Money transferred to an account under this temporary provision may  
2-15 be spent by the retirement system only for the purpose of providing  
2-16 a cost-of-living adjustment of not less than two percent and not  
2-17 more than four percent of each eligible annuitant's annuity, as  
2-18 provided by general law. The transfer made under this temporary  
2-19 provision is not:

2-20 (1) an appropriation of state tax revenues for the  
2-21 purposes of Section 22, Article VIII, of this constitution; or

2-22 (2) a contribution by the state to the retirement  
2-23 system under Section 67(b)(3), Article XVI, of this constitution,  
2-24 or any other law.

2-25 (c) This temporary provision expires on the earlier of:

2-26 (1) the date all money transferred to an account in the  
2-27 trust fund of the Teacher Retirement System of Texas under this  
2-28 temporary provision has been expended; or

2-29 (2) the date on which:

2-30 (A) no annuitants who are eligible for the  
2-31 cost-of-living adjustment authorized under this temporary  
2-32 provision remain; and

2-33 (B) any unexpended balance has been transferred  
2-34 to the general revenue fund under Subsection (d) of this temporary  
2-35 provision.

2-36 (d) If no annuitants who are eligible for the cost-of-living  
2-37 adjustment authorized under this temporary provision remain, the  
2-38 board of trustees of the Teacher Retirement System of Texas shall  
2-39 notify the comptroller and the comptroller shall transfer any  
2-40 unexpended money to the general revenue fund.

2-41 SECTION 3. This proposed constitutional amendment shall be  
2-42 submitted to the voters at an election to be held November 7, 2023.  
2-43 The ballot shall be printed to permit voting for or against the  
2-44 proposition: "The constitutional amendment limiting the authority  
2-45 of the legislature to provide cost-of-living adjustments or other  
2-46 benefit enhancements to certain annuitants of the Teacher  
2-47 Retirement System of Texas and providing a one-time transfer of  
2-48 funds to the retirement system to provide a cost-of-living  
2-49 adjustment."

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