

AN ACT

relating to hiring outside legal counsel to provide legal services to the Teacher Retirement System of Texas.

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

SECTION 1. Section 825.203, Government Code, is amended to read as follows:

Sec. 825.203. LEGAL REPRESENTATION [~~ADVISER~~]. (a) The attorney general of the state is the legal adviser of the board of trustees. The attorney general shall represent the board in all litigation.

(b) The board may not employ outside legal counsel to provide legal services to the retirement system except as provided by this section and Section 402.0212, regardless of the source of funds to be used to pay the outside counsel. For purposes of this section, "legal services" includes services provided by an attorney regarding ethics and fiduciary responsibilities.

(c) The attorney general shall timely act on a request to approve a contract for outside legal services under Section 402.0212. If the attorney general denies the board's request for approval of a contract for outside legal services:

(1) the attorney general shall provide the board with the reason for the denial; and

(2) the board may select alternative outside legal counsel, subject to approval by the attorney general in accordance

1 with this section and Section 402.0212.

2           SECTION 2. Section 825.203(c), Government Code, as added by  
3 this Act, applies only to a request to approve a contract for  
4 outside legal services submitted by the Teacher Retirement System  
5 of Texas on or after the effective date of this Act. A request  
6 submitted before the effective date of this Act is governed by the  
7 law in effect on the date the request was submitted and that law is  
8 continued in effect for that purpose.

9           SECTION 3. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2009.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1259 was passed by the House on May 12, 2009, by the following vote: Yeas 147, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1259 on May 29, 2009, by the following vote: Yeas 145, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1259 was passed by the Senate, with amendments, on May 27, 2009, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor