

By: McCall

H.B. No. 4032

A BILL TO BE ENTITLED

AN ACT

relating to the composition of the board of trustees of the Teacher Retirement System of Texas.

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

SECTION 1. Sections 825.002(b) and (d), Government Code, are amended to read as follows:

(b) The governor shall appoint two [~~three~~] members of the board to hold office for staggered terms that expire [~~, with the term of one trustee expiring~~] on August 31 of [~~each~~] odd-numbered years [~~year~~]. These members must be persons who have demonstrated financial expertise, who have worked in private business or industry, and who have broad investment experience, preferably in investment of pension funds. None of the members appointed under this subsection may be a member or annuitant of the retirement system.

(d) The governor shall appoint two members [~~one member~~] of the board from a slate of four [~~three~~] former members of the retirement system who have retired and are receiving benefits from the retirement system and who have been nominated in accordance with Subsections (f) and (g) by the persons who have retired and are receiving benefits from the retirement system. The two members hold office for staggered terms.

SECTION 2. (a) Notwithstanding the term of six years stipulated by Section 825.004(a), Government Code, as soon as

1 practicable, the retired former members of the Teacher Retirement
2 System of Texas shall prepare a slate of three nominees and the
3 governor shall appoint from that slate an additional member to the
4 board of trustees of the Teacher Retirement System of Texas under
5 Section 825.002(d), Government Code, as amended by this Act, to
6 serve a term that expires August 31, 2015. Subsequent board of
7 trustee members appointed to that position shall serve the six-year
8 term.

9 (b) The governor may not appoint a successor to a member of
10 the board of trustees of the Teacher Retirement System of Texas who
11 was appointed under Section 825.002(b), Government Code, and whose
12 term expires August 31, 2009.

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