

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 21, 2009**

**TO:** Honorable Robert Duncan, Chair, Senate Committee on State Affairs

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4446** by Alvarado (Relating to the investment authority of the Teacher Retirement System of Texas and the Employees Retirement System of Texas.), **As Engrossed**

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| <b>No significant fiscal implication to the State is anticipated.</b> |
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The bill would amend Chapters 815 and 825 of the Government Code to require the Employees Retirement System (ERS) and the Teacher Retirement System (TRS) to make a good faith effort to award contracts or acquire financial services from qualified emerging fund managers. Emerging fund managers are defined as private professional investment managers that manage assets of not more than \$2 billion. Both ERS and TRS report there would be no significant fiscal implication due to the provisions of the bill.

The bill would become effective September 1, 2009, or immediately upon a two-thirds vote of all members elected to each house of the Legislature.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 323 Teacher Retirement System, 327 Employees Retirement System

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