

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 14, 2011

TO: Honorable Vicki Truitt, Chair, House Committee on Pensions, Investments & Financial Services

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

IN RE: HB1061 by Otto (Relating to the expiration of certain investment authority of the Teacher Retirement System of Texas.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would remove the statutory expiration date of September, 2012 for use of external managers and would re-authorize the TRS board of trustees to delegate investment authority over a portion of the assets of the Retirement Trust Fund to external managers. According to the agency, the bill would provide more flexibility with the TRS investment portfolio and increase the likelihood of TRS achieving a higher rate of return.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System

LBB Staff: JOB, AG, JGM, JW