

## **BILL ANALYSIS**

Senate Research Center

S.B. 200  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The State Pension Review Board (PRB) oversees state and local public retirement systems through the ongoing assessment of the systems' actuarial and financial soundness. PRB also provides policymakers and the public with objective information on Texas's public pensions, and provides needed education to help pensions remain actuarially sound.

PRB is subject to the Sunset Act and will be abolished on September 1, 2013, unless continued by the legislature. The Sunset Advisory Commission concluded that Texas has an ongoing need for the functions of PRB, but that changes are needed to improve the efficiency of several of PRB's functions.

S.B. 200 continues PRB for 12 years and focuses PRB on its core mission of monitoring the actuarial soundness of traditional defined benefit pensions by exempting defined contribution and pay-as-you-go plans—identified as local volunteer firefighter pensions—from PRB reporting requirements except for registration and basic plan information.

The bill updates retirement system reporting requirements to ensure that PRB receives important data needed to detect funding problems. S.B. 200:

- requires public retirement systems to provide PRB a summary of significant changes within 30, rather than 270 days, of their adoption;
- requires public retirement systems that conduct actuarial experience studies to submit copies to PRB; and
- clarifies in statute that general city audits do not satisfy retirement systems' annual financial reporting requirements.

The bill provides needed flexibility to ensure PRB's training efforts reach the public retirement systems with the greatest needs by clarifying the agency's authority to provide training beyond its annual seminar, using live webinars and other technologies and archiving the sessions online.

S.B. 200 amends current law relating to the continuation and functions of the State Pension Review Board.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 801.102(a), Government Code, to provide that the State Pension Review Board (PRB) is composed of seven members, rather than nine members.

SECTION 2. Amends Section 801.1021, Government Code, as follows:

Sec. 801.1021. CONFLICT PROVISIONS. (a) Defines "Texas trade association" in this section.

(b)-(c) Redesignates existing Subsections (a) and (b) as Subsections (b) and (c).  
Makes no further change to these subsections.

(d) Prohibits a person from being a member of PRB and from being a PRB employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of pensions; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of pensions.

SECTION 3. Amends Section 801.106, Government Code, to provide that members of PRB hold office for staggered terms of six years, with the terms of two or three members, as appropriate, expiring on January 31 of each odd-numbered year.

SECTION 4. Amends Section 801.1061(a), Government Code, as follows:

(a) Provides that it is a ground for removal from PRB that a member:

(1) does not have at the time of taking office the qualifications required by Section 801.103 (Members Appointed by Governor), rather than by Section 801.103 or 801.104 (Members Appointed by Others);

(2) does not maintain during service on PRB the qualifications required by Section 801.103, rather than by Section 801.103 or 801.104; or

(3)-(5) Makes no change to these subdivisions;

SECTION 5. Amends Section 801.107, Government Code, to provide that unless continued in existence as provided by Chapter 325 (Sunset Law) (Texas Sunset Act), PRB is abolished and this chapter expires September 1, 2025, rather than September 1, 2013.

SECTION 6. Amends Subchapter C, Chapter 801, Government Code, by adding Section 801.2012, as follows:

Sec. 801.2012. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE RESOLUTION PROCEDURES. (a) Requires PRB to develop and implement a policy to encourage the use of negotiated rulemaking procedures under Chapter 2008 (Negotiated Rulemaking) for the adoption of PRB rules and appropriate alternative dispute resolution procedures under Chapter 2009 (Alternative Dispute Resolution for Use by Governmental Bodies) to assist in the resolution of internal and external disputes under PRB's jurisdiction.

(b) Requires that PRB's procedures relating to alternative dispute resolution conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings (SOAH) for the use of alternative dispute resolution by state agencies.

(c) Requires PRB to coordinate the implementation of the policy adopted under Subsection (a), provide training as needed to implement the procedures for negotiated rulemaking or alternative dispute resolution, and collect data concerning the effectiveness of those procedures.

SECTION 7. Amends Subchapter C, Chapter 801, Government Code, by adding Section 801.208, as follows:

Sec. 801.208. EDUCATION AND TRAINING. Authorizes PRB, as authorized by Section 801.113(e) (relating to authorizing PRB to conduct training sessions, schools, or other education activities for trustees and administrators of public retirement systems), to develop and conduct training sessions and other educational activities for trustees and administrators of public retirement systems. Authorizes PRB, in exercising PRB's authority under this section, to:

- (1) conduct live training seminars on an Internet website at intervals PRB considers necessary to keep trustees and administrators reasonably informed;
- (2) maintain archives of previous seminars reasonably accessible to trustees and administrators on the Internet website; and
- (3) use technologies and innovations PRB considers appropriate to educate the greatest practicable number of trustees and administrators.

SECTION 8. Amends Section 802.001, Government Code, by adding Subdivision (1-a), to define "defined contribution plan."

SECTION 9. Amends Section 802.002, Government Code, by amending Subsection (b) and adding Subsections (c) and (d), as follows:

(b) Requires the actuary making the valuation and the governing body publishing the information, if a public retirement system or program, rather than if an exempt retirement system or program, that is exempt under Subsection (a) (relating to providing that except as provided by Subsection (b), the Employees Retirement System of Texas (ERS), the Teacher Retirement System of Texas (TRS), the Texas County and District Retirement System (TCDRS), the Texas Municipal Retirement System (TMRS), and the Judicial Retirement System of Texas Plan Two are exempt from Sections 802.101(a), 802.101(b), 802.101(d), 802.102, 802.103(a), 802.103(b), 802.202, 802.203, 802.204, 802.205, 802.206, and 802.207; providing that the Judicial Retirement System of Texas Plan One is exempt from all of Subchapters B and C except Sections 802.104 and 802.105; and providing that the optional retirement program governed by Chapter 830 is exempt from all of Subchapters B and C except Section 802.106) is required by law to make an actuarial valuation of the assets of the system or program and publish actuarial information about the system or program, to include the information required by Section 802.101(b) (relating to requiring the actuary making recommendations to the governing body of the public retirement system to ensure the actuarial soundness of the system).

(c) Exempts a defined contribution plan, notwithstanding any other law, from Sections 802.101 (Actuarial Valuation), 802.1012 (Audits of Actuarial Valuations, Studies, and Reports), 802.1014, 802.103 (Annual Financial Report), 802.104 (Report of Members and Retirees), and 802.202(d) (relating to certain investment policy requirements of the governing body of a public retirement system). Prohibits this section from being construed to exempt any plan from Section 802.105 (Registration) or 802.106(h).

(d) Exempts a retirement system, notwithstanding any other law, that is organized under the Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.) for a fire department consisting exclusively of volunteers as defined by that Act from Sections 802.101, 802.1012, 802.1014, 802.102, 802.103, 802.104, and 802.202(d). Prohibits this section from being construed to exempt any plan from Section 802.105 or 802.106(h).

SECTION 10. Amends Subchapter B, Chapter 802, Government Code, by adding Section 802.1014, as follows:

Sec. 802.1014. ACTUARIAL EXPERIENCE STUDY. (a) Defines "actuarial experience study" in this section.

(b) Requires a public retirement system that conducts an actuarial experience study, except as provided by Subsection (c), to submit to PRB a copy of the

actuarial experience study before the 31st day after the date of the study's adoption.

(c) Provides that this section does not apply to ERS, TRS, TCDRS, TMRS, or the Judicial Retirement System of Texas Plan Two.

SECTION 11. Amends Section 802.102, Government Code, to provide that a general audit of a governmental entity, as defined by Section 802.1012, does not satisfy the requirement of this section.

SECTION 12. Amends Section 802.103, Government Code, by adding Subsection (d), to provide that a general audit of a governmental entity, as defined by Section 802.1012, does not satisfy the requirement of this section.

SECTION 13. Amends Section 802.106(h), Government Code, as follows:

(h) Requires a public retirement system to submit to PRB copies of the summarized information required by Subsections (a) (relating to requiring a public retirement system to provide a person with summaries of certain benefits, procedures, and provisions relating to the retirement system when the person becomes a members of the system) and (b) (relating to requiring a public retirement system to distribute to each active member and retiree a summary of certain changes regarding the retirement system and requiring that a distribution be made before the 271st day after the day the change is adopted) before the 31st day after the date of publication or the date a changes is adopted, as appropriate. Deletes existing text requiring a public retirement system to submit a copy of the information required by Subsection (a) and a copy of the information required by Subsection (b) before the 271st day after the date a change is adopted. Makes nonsubstantive changes.

SECTION 14. (a) Amends Subtitle A, Title 8, Government Code, by adding Chapter 807, as follows:

## CHAPTER 807. PROHIBITION ON INVESTMENT IN IRAN

### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 807.001. DEFINITIONS. Defines "active business operations," "board," "business operations," "company," "direct holdings," "inactive business operations," "indirect holdings," "listed company," "military equipment," "scrutinized company," and "state governmental entity" in this chapter.

Sec. 807.002. SCRUTINIZED BUSINESS OPERATIONS. Provides that a company engages in scrutinized business operations if:

(1) the company has business operations that involve contracts with or providing supplies or services to the government of Iran, a company in which the government of Iran has any direct or indirect equity share, a consortium or project commissioned by the government of Iran, or a company involved in a consortium or project commissioned by the government of Iran; or

(2) the company supplies military equipment to Iran.

Sec. 807.003. EXCEPTION. Provides that notwithstanding any provision of this chapter, a company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Iran is not subject to divestment or the investment prohibition under this chapter.

Sec. 807.004. OTHER LEGAL OBLIGATIONS. Provides that with respect to actions taken in compliance with this chapter, including all good faith

determinations regarding companies as required by this chapter, a state governmental entity is exempt from any conflicting statutory or common law obligations, including any obligations with respect to making investments, divesting from any investment, preparing or maintaining any list of companies, or choosing asset managers, investment funds, or investments for the state governmental entity's securities portfolios.

Sec. 807.005. INDEMNIFICATION OF STATE GOVERNMENTAL ENTITIES, EMPLOYEES, AND OTHERS. Requires the state, in a cause of action based on an action, inaction, decision, divestment, investment, company communication, report, or other determination made or taken in connection with this chapter, to, without regard to whether the person performed services for compensation, indemnify and hold harmless for actual damages, court costs, and attorney's fees adjudged against, and defend:

- (1) an employee, a member of the governing body, or any other officer of a state governmental entity;
- (2) a contractor of a state governmental entity;
- (3) a former employee, a former member of the governing body, or any other former officer of a state governmental entity who was an employee or officer when the act or omission on which the damages are based occurred;
- (4) a former contractor of a state governmental entity who was a contractor when the act or omission on which the damages are based occurred; and
- (5) a state governmental entity.

Sec. 807.006. NO PRIVATE CAUSE OF ACTION. (a) Prohibits a person, including a member, retiree, or beneficiary of a retirement system to which this chapter applies, an association, a research firm, a company, or any other person from suing or pursuing a private cause of action against the state, a state governmental entity, an employee, a member of the governing body, or any other officer of a state governmental entity, or a contractor of a state governmental entity, for any claim or cause of action, including breach of fiduciary duty, or for violation of any constitutional, statutory, or regulatory requirement in connection with any action, inaction, decision, divestment, investment, company communication, report, or other determination made or taken in connection with this chapter.

- (b) Provides that a person who files suit against the state, a state governmental entity, an employee, a member of the governing body, or any other officer of a state governmental entity, or a contractor of a state governmental entity, is liable for paying the costs and attorney's fees of a person sued in violation of this section.

Sec. 807.007. INAPPLICABILITY OF REQUIREMENTS INCONSISTENT WITH FIDUCIARY RESPONSIBILITIES AND RELATED DUTIES. Provides that a state governmental entity is not subject to a requirement of this chapter if the state governmental entity determines that the requirement would be inconsistent with its fiduciary responsibility with respect to the investment of entity assets or other duties imposed by law relating to the investment of entity assets, including the duty of care established under Section 67 (State and Local Retirement Systems), Article XVI (General Provisions), Texas Constitution.

Sec. 807.008. RELIANCE ON COMPANY RESPONSE. Authorizes PRB and a state governmental entity to rely on a company's response to a notice or

communication made under this chapter without conducting any further investigation, research, or inquiry.

## SUBCHAPTER B. DUTIES REGARDING INVESTMENTS

Sec. 807.051. LISTED COMPANIES. (a) Requires PRB to prepare and maintain, and provide to each state governmental entity, a list of all scrutinized companies. Authorizes PRB, in maintaining the list, to review and rely, as appropriate in PRB's judgment, on publicly available information regarding companies with business operations in Iran, including information provided by the state, nonprofit organizations, research firms, international organizations, and governmental entities.

(b) Requires PRB to update the list annually or more often as PRB considers necessary, but not more often than quarterly, based on information from, among other sources, those listed in Subsection (a).

(c) Requires PRB, not later than the 30th day after the date the list of scrutinized companies is first provided or updated, to file the list with the presiding officer of each house of the legislature and the attorney general.

Sec. 807.052. IDENTIFICATION OF INVESTMENT IN LISTED COMPANIES. Requires the state governmental entity, not later than the 14th day after the date a state governmental entity receives the list provided under Section 807.051, to notify PRB of the listed companies in which the state governmental entity owns direct holdings or indirect holdings.

Sec. 807.053. NOTICE TO LISTED COMPANY ENGAGED IN INACTIVE BUSINESS OPERATIONS. Requires the state governmental entity, for each listed company identified under Section 807.052 that is engaged in only scrutinized inactive business operations, to send a written notice informing the company of this chapter and encouraging the company to continue to refrain from initiating active business operations in Iran until it is able to avoid being considered a listed company. Requires the state governmental entity to continue the correspondence as the entity, in its sole discretion, considers necessary, but is not required to initiate correspondence more often than semiannually.

Sec. 807.054. ACTIONS RELATING TO LISTED COMPANY ENGAGED IN ACTIVE BUSINESS OPERATIONS. (a) Requires the state governmental entity, for each listed company identified under Section 807.052 that is engaged in scrutinized active business operations, to send a written notice informing the company of its listed company status and warning the company that it may become subject to divestment by state governmental entities.

(b) Requires that the notice offer the company the opportunity to clarify its Iran-related activities and encourage the company, not later than the 90th day after the date the company receives notice under this section, to either cease its scrutinized business operations or convert the operations to inactive business operations in order to avoid qualifying for divestment by state governmental entities.

(c) Requires PRB to remove the company from the list maintained under Section 807.051 and this chapter will no longer apply to the company unless it resumes scrutinized business operations if, during the time provided by Subsection (b), the company ceases scrutinized business operations.

(d) Provides that the company is subject to all provisions of this chapter relating to inactive business operations if, during the time provided by

Subsection (b), the company converts its scrutinized active business operations to inactive business operations.

(e) Requires the state governmental entity to sell, redeem, divest, or withdraw all publicly traded securities of the company, except securities described by Section 807.056, according to the schedule provided by Section 807.055 if, after the time provided by Subsection (b) expires, the company continues to have scrutinized active business operations.

Sec. 807.055. DIVESTMENT OF ASSETS. (a) Requires a state governmental entity required to sell, redeem, divest, or withdraw all publicly traded securities of a listed company to comply with the following schedule:

(1) at least 50 percent of those assets are required to be removed from the state governmental entity's assets under management not later than the 270th day after the date the company receives notice under Section 807.054 or Subsection (b) unless the state governmental entity determines, based on a good faith exercise of its fiduciary discretion and subject to Subdivision (2), that a later date is more prudent; and

(2) 100 percent of those assets are required to be removed from the state governmental entity's assets under management not later than the 450th day after the date the company receives notice under Section 807.054 or Subsection (b).

(b) Requires the state governmental entity to send a written notice to the company informing it that the state governmental entity will sell, redeem, divest, or withdraw all publicly traded securities of the scrutinized company according to the schedule in Subsection (a) if a company that ceased scrutinized active business operations after receiving notice under Section 807.054 resumes scrutinized active business operations.

(c) Authorizes a state governmental entity, except as provided by Subsection (a), to delay the schedule for divestment under that subsection only to the extent that the state governmental entity determines, in the state governmental entity's good faith judgment, that divestment from listed companies will likely result in a loss in value or a benchmark deviation described by Section 807.057(a). Requires the state governmental entity to submit a report to the presiding officer of each house of the legislature and the attorney general stating the reasons and justification for the state governmental entity's delay in divestment from listed companies if a state governmental entity delays the schedule for divestment. Requires that the report include documentation supporting its determination that the divestment would result in a loss in value or benchmark deviation described by Section 807.057(a), including objective numerical estimates. Requires the state governmental entity to update the report every six months.

Sec. 807.056. INVESTMENTS EXEMPTED FROM DIVESTMENT. Provides that a state governmental entity is not required to divest from any indirect holdings in actively or passively managed investment funds or private equity funds. Requires the state governmental entity to submit letters to the managers of investment funds containing listed companies requesting that they consider removing those companies from the fund or create a similar actively or passively managed fund with indirect holdings devoid of listed companies. Authorizes the state governmental entity to replace all applicable investments with investments in the similar fund in a time frame consistent with prudent fiduciary standards if the manager creates a similar fund with substantially the same management fees and same level of investment risk and anticipated return.

Sec. 807.057. AUTHORIZED INVESTMENT IN LISTED COMPANIES. (a) Authorizes a state governmental entity to cease divesting from or to reinvest in one or more listed companies if clear and convincing evidence shows that:

(1) the state governmental entity has suffered or will suffer a loss in the hypothetical value of all assets under management by the state governmental entity as a result of having to divest from listed companies under this chapter; or

(2) an individual portfolio that uses a benchmark-aware strategy would be subject to an aggregate expected deviation from its benchmark as a result of having to divest from listed companies under this chapter.

(b) Authorizes a state governmental entity to cease divesting from or to reinvest in a listed company as provided by this section only to the extent necessary to ensure that the state governmental entity does not suffer a loss in value or deviate from its benchmark as described by Subsection (a).

(c) Requires the state governmental entity, before a state governmental entity is authorized to cease divesting from or to reinvest in a listed company under this section, to provide a written report to the presiding officer of each house of the legislature and the attorney general setting forth the reason and justification, supported by clear and convincing evidence, for its decisions to cease divestment, to reinvest, or to remain invested in a listed company.

(d) Requires the state governmental entity to update the report required by Subsection (c) semiannually, as applicable.

(e) Provides that this section does not apply to reinvestment in a company that is no longer a listed company.

Sec. 807.058. PROHIBITED INVESTMENTS. Prohibits a state governmental entity, except as provided by Sections 807.003 and 807.057, from acquiring securities of a listed company.

#### SUBCHAPTER C. EXPIRATION; REPORT; ENFORCEMENT

Sec. 807.101. EXPIRATION OF CHAPTER. Provides that this chapter expires on the earlier of:

(1) the date the United States revokes its sanctions against the government of Iran; or

(2) the date the United States Congress or the president of the United States, through legislation or executive order, declares that mandatory divestment of the type provided for in this chapter interferes with the conduct of United States foreign policy.

Sec. 807.102. REPORT. Requires each state governmental entity, not later than December 31 of each year, to file a publicly available report with the presiding officer of each house of the legislature and the attorney general that:

(1) identifies all securities sold, redeemed, divested, or withdrawn in compliance with Section 807.055;

(2) identifies all prohibited investments under Section 807.058; and



(3) summarizes any changes made under Section 807.056.

Sec. 807.103. ENFORCEMENT. Authorizes the attorney general to bring any action necessary to enforce this chapter.

(b) Requires PRB, not later than January 1, 2014, to prepare and provide to each state governmental entity, as defined by Section 807.001, Government Code, as added by this Act, the list of scrutinized companies required by Section 807.051, Government Code, as added by this Act.

(c) Effective date, this section, notwithstanding any other provision of this Act: January 1, 2014.

SECTION 15. (a) Amends Sections 22 and 22A, Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), as follows:

Sec. 22. APPEALS FROM LOCAL BOARD DECISIONS. (a) Authorizes a person aggrieved by a decision of a board of trustees relating to eligibility for or amount of benefits payable by a retirement system to appeal the decision to SOAH, rather than to the fire fighters' pension commissioner.

(b) Requires the aggrieved person to file a copy of the notice with PRB, rather than with the fire fighters' pension commissioner.

(b-1) Requires PRB, as soon as practicable after receiving a notice of appeal under Subsection (b) of this section, to refer the matter to SOAH by submitting notice of the appeal to that office.

(c) Provides that an appeal under this section is held in Austin and is a contested case under Chapter 2001 (Administrative Procedure), Government Code, rather than providing that an appeal under this section to the fire fighters' pension commissioner is held in Austin and is a contested case under the Administrative Procedure and Texas Register Act (Article 6252-13a, V.T.C.S.), conducted as a de novo hearing by SOAH.

Sec. 22A. ATTORNEY. Authorizes a board of trustees to employ an attorney to represent the board in one in one or all legal matters, including a hearing on appeal to SOAH, rather than to the fire fighters' pension commissioner.

(b) Provides that Subsection (a) of this section takes effect only on the failure of legislation by the 83rd Legislature, Regular Session, 2013, providing for the abolition of the office of the fire fighters' pension commissioner and the transfer and disposition of its functions relating to the Texas Emergency Services Retirement System and the Texas local firefighters retirement systems to become law.

SECTION 16. Amends Section 28(h), Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), to exempt a retirement system established under this Act from Subchapter C, Chapter 802, Government Code, except Sections 802.202, 802.205, and 802.207.

SECTION 17. Repealers: Sections 801.104 (Members Appointed By Others) and 802.103(c) (relating to authorizing a certain public retirement system to submit to PRB a copy of the financial report it submits to the firemen's pension commissioner), Government Code.

SECTION 18. (a) Provides that the change in law made by this Act to Section 801.1021, Government Code, regarding prohibitions on members of PRB does not affect the entitlement of a member serving on PRB immediately before September 1, 2013, to continue to serve and function as a member of PRB for the remainder of the member's term. Provides that the change in law made to that section applies only to a member appointed on or after September 1, 2013.

(b) Provides that Section 802.1014, Government Code, as added by this Act, applies only

to an actuarial experience study conducted on or after the effective date of this Act. Provides that an actuarial experience study conducted before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

(c) Provides that Section 802.102, Government Code, as amended by this Act, is intended to clarify existing law with respect to the audit required by that section.

(d) Provides that Section 802.103(d), Government Code, as added by this Act, is intended to clarify existing law with respect to the annual financial report required by Section 802.103, Government Code.

(e) Provides that Section 802.106(h), Government Code, as amended by this Act, applies only to a change in statutes or ordinances governing a retirement system described by Section 802.106(b), Government Code, that is adopted on or after the effective date of this Act. Provides that a change in statutes or ordinances that is adopted before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 19. (a) Provides that a person who is serving as a member of PRB appointed under Section 801.103, Government Code, on the effective date of this Act continues to serve until the person's term expires.

(b) Requires the governor to make appointments to fill vacancies on PRB so that PRB members' terms of office expire in compliance with Section 801.106, Government Code, as amended by this Act, and, if necessary for compliance with that section, authorizes a person to be appointed to a term of office that expires in less than six years.

(c) Provides that the term of a person who is serving as a member of PRB appointed under Section 801.104, Government Code, expires on the effective date of this Act.

SECTION 20. Requires PRB to provide any necessary assistance, including educational training, technical assistance, and other information to retirement systems organized under the Texas Local Fire Fighters Retirement Act (Article 6243e, V.T.C.S.), contingent on the failure of legislation by the 83rd Legislature, Regular Session, 2013, providing for the abolition of the office of the fire fighters' pension commissioner and the transfer and disposition of its functions relating to the Texas Emergency Services Retirement System and the Texas local firefighters retirement systems to become law.

SECTION 21. Effective date: September 1, 2013.