

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB812** by Cook (Relating to the sunset review of the board of trustees of the Employees Retirement System of Texas.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to require the Sunset Commission to review the Employee Retirement System (ERS), but does not subject ERS to abolishment. The first review would be conducted during the period in which state agencies scheduled to be reviewed or abolished in 2015 are reviewed, and every 12th year thereafter. The agency estimated additional administrative costs totaling approximately \$503,000 in FY 2014 associated with ERS employees involved in the sunset review, however it is anticipated that any additional costs associated with implementation of the legislation could be absorbed within existing resources. Additionally, ERS administrative costs are paid from the ERS trust fund, which is administered outside the state treasury.

The bill would take effect immediately upon receiving two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2013.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 327 Employees Retirement System

LBB Staff: UP, AG, EP, EMo, MW