

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 10, 2015

TO: Honorable Dan Flynn, Chair, House Committee on Pensions

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2974 by Flynn (Relating to contributions to, benefits from, and the administration of systems and programs administered by the Teacher Retirement System of Texas.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Government Code to make certain technical changes relating to Internal Revenue Code provisions applicable to the Teacher Retirement System of Texas (TRS). In addition, the bill would amend the Government Code and the Insurance Code to make certain clarifying and administrative changes relating to the purchase of service credit, the service requirement for vesting, and employer reporting requirements.

The bill would also expand the TRS Board of Trustees from nine to eleven members, and specifies the selection of the additional members. The bill would also require TRS to do a study of the benefits, funding and administration of the system, and adopt findings and recommendations that will improve the administration and performance. A report is due to the Governor and the legislature by December 1, 2016.

TRS indicates the bill would have no significant fiscal impact.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System

LBB Staff: UP, AG, AM, PFe