

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 22, 2015

TO: Honorable Joan Huffman, Chair, Senate Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2974** by Flynn (Relating to the systems and programs administered by the Teacher Retirement System of Texas.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would make technical and administrative changes related the definitions of annual compensation and employees, membership requirements, refunds, out-of-state service credit, open meetings, and contributions from employers to TRS-Care, the retiree health benefit plan, due to the employment of retired return-to-work employees.

The bill would create a joint interim committee comprised of three members each of the Senate and the House of Representatives to study and propose reforms to the two healthcare plans (TRS-Care and TRS-ActiveCare) administered by the Teacher Retirement System of Texas. The joint interim committee would be required to examine and assess the financial soundness of the plans, the cost and affordability of plan coverage, and the sufficiency of access to physicians and health care providers. A report with recommendations would be required by January 15, 2017.

According to TRS, 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