

By: Rodriguez of Bexar

H.B. No. 321

A BILL TO BE ENTITLED

AN ACT

relating to required state contributions to the Teacher Retirement System of Texas; making an appropriation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1575.202(a), Insurance Code, as effective September 1, 2017, is amended to read as follows:

(a) Each state fiscal year, the state shall contribute to the fund an amount equal to a percentage [~~1.25 percent~~] of the salary of each active employee as follows:

(1) for the 2018 and 2019 fiscal years, two percent;

(2) for the 2020 and 2021 fiscal years, 2.5 percent;

(3) for the 2022 and 2023 fiscal years, three percent;

(4) for the 2024 and 2025 fiscal years, 3.5 percent;

(5) for the 2026 and 2027 fiscal years, four percent;

(6) for the 2028 and 2029 fiscal years, 4.5 percent;

(7) for the 2030 and 2031 fiscal years, five percent;

(8) for the 2032 and 2033 fiscal years, 5.5 percent;

and

(9) for the 2034 fiscal year, and each subsequent fiscal year, six percent.

SECTION 2. In addition to amounts previously appropriated in S.B. 1, Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act), to the Teacher Retirement System of Texas for the state fiscal biennium ending August 31, 2019, for

1 Strategy A.2.1, Retiree Health - Statutory Funds, the amount of
2 \$485.7 million is appropriated from the economic stabilization fund
3 to the Teacher Retirement System of Texas for the state fiscal year
4 ending August 31, 2018, for the purpose of making the state
5 contribution required by Section 1575.202, Insurance Code, as
6 amended by this Act, for that fiscal year.

7 SECTION 3. (a) Subject to Subsection (b) of this section:

8 (1) this Act takes effect immediately if it receives a
9 vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution; and

11 (2) if this Act does not receive the vote necessary for
12 immediate effect, this Act takes effect on the 91st day after the
13 last day of the legislative session.

14 (b) This Act takes effect only if it receives a vote of
15 two-thirds of the members present in each house of the legislature,
16 as provided by Section 49-g(m), Article III, Texas Constitution.