

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATURE 1st CALLED SESSION - 2017

August 8, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB101** by Stephenson (Relating to authorizing public retirement systems to study the cost-effectiveness and feasibility of implementing certain pension revenue enhancement strategies.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would allow public retirement systems to conduct a study to evaluate the cost-effectiveness and feasibility of obtaining life insurance policies for system's consenting participants, holding the policies in a separate trust for the benefit of the system, and receiving the proceeds of the policy. The bill would require systems that completed such a study to submit a written report to the Legislature.

The Employees Retirement System and the Teacher Retirement System indicate that any administrative costs associated with the study could be absorbed within existing resources. The Texas Emergency Services Retirement System indicates that it would not conduct the study.

The bill would take effect September 1, 2017 and would expire December 31, 2018.

Local Government Impact

The Texas County and District Retirement System anticipates no fiscal impact to the System under the provisions of the bill.

Source Agencies: 323 Teacher Retirement System, 326 Texas Emergency Services Retirement System, 327 Employees Retirement System

LBB Staff: UP, JGA, AG, NV, KF, TSI