

Amend SB 2190 (house committee printing) as follows:

(1) On page 11, line 3, strike "and 1E" and substitute "1E, and 1F".

(2) On page 17, between lines 6 and 7, insert the following:

Sec. 1F. BENEFIT REDUCTION PROPOSAL. (a) Notwithstanding any other provision of this article, including Section 13G of this article, not later than the fifth day after the year 2017 effective date:

(1) the fund shall submit:

(A) actuarial data to the municipal actuary; and

(B) a benefit reduction proposal to the municipal actuary; and

(2) subject to Subsection (b) of this section, the municipality, in the municipality's sole discretion, may enter into a written agreement with the fund to:

(A) rescind some or all of the benefit changes made effective under SB 2190, Acts of the 85th Legislature, Regular Session, 2017, as of the year 2017 effective date; and

(B) prospectively adopt some or all of the benefit reductions included in the benefit reduction proposal described under Subdivision (1)(B) of this subsection.

(b) Any benefit change included in a written agreement described under Subsection (a)(2) of this section must, for the fiscal year ending June 30, 2016, result in a legacy liability, as determined by the municipal actuary in accordance with an initial risk sharing valuation study prepared under Section 13C of this article, that is:

(1) not more than \$658 million; and

(2) not less than \$435.5 million.

(c) If necessary to reflect changes in benefits included in a written agreement adopted under Subsection (a)(2) of this section, the initial risk sharing valuation study shall be revised and restated, including a restatement of the amortization of the legacy liability over the remaining period and a recalculation of the corridor midpoint for the remainder of the applicable 31-year period, and the resulting municipal contribution rate will become effective in the fiscal year following the completion of the

restated initial risk sharing valuation study.

(3) On page 17, line 5, strike "1E" and substitute "1F".