

By: Alonzo

H.B. No. 3601

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a state-administered retirement plan.

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

SECTION 1. Subtitle D, Title 2, Labor Code, is amended by adding Chapter 83 to read as follows:

CHAPTER 83. SECURE RETIREMENT PLAN FOR TEXANS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 83.001. PURPOSE. (a) The secure retirement plan for Texans is established for the purpose of promoting greater retirement savings for Texans in a convenient, voluntary, low-cost, and portable manner.

(b) The secure retirement plan for Texans is an agency of the state.

Sec. 83.002. DEFINITIONS. In this chapter:

(1) "Board" means the governing board of the secure retirement plan for Texans.

(2) "Eligible employee":

(A) means an individual who resides in this state and:

(i) whose employer reports to the Texas Workforce Commission for the purpose of paying unemployment taxes;

or

(ii) is self-employed; and

(B) does not include, except to the extent

1 authorized under the United States Constitution or federal law, an
2 employee who is:

3 (i) covered under the federal Railway Labor
4 Act (45 U.S.C. Section 151 et seq.); or

5 (ii) engaged in interstate commerce not
6 subject to the legislative powers of this state.

7 (3) "Eligible employer" means a person engaged in a
8 business, industry, profession, trade, or other enterprise in this
9 state, whether for profit or not for profit. The term includes
10 state agencies and political subdivisions, whose employees are not
11 participating in a public retirement system. The term does not
12 include any agency or entity of the federal government.

13 (4) "Governing body of a public retirement system" has
14 the meaning assigned by Section 802.001, Government Code.

15 (5) "Individual retirement account" means an
16 individual retirement account or individual retirement annuity
17 within the meaning of Section 408 or a Roth IRA described by Section
18 408A, Internal Revenue Code of 1986.

19 (6) "Normal retirement age" has the meaning assigned
20 by 26 C.F.R. Section 1.401(a)-1 as interpreted under board rule.

21 (7) "Participant" means an individual who is
22 contributing to the plan.

23 (8) "Participating employer" means an eligible
24 employer that provides a payroll deposit retirement savings
25 arrangement under this chapter for an eligible employee.

26 (9) "Plan" means the secure retirement plan for Texans
27 authorized by this chapter.

1 (10) "Public retirement system" has the meaning
2 assigned by Section 802.001, Government Code.

3 (11) "Vendor" means a registered investment company or
4 admitted life insurance company qualified to do business in this
5 state that provides retirement investment products. The term
6 includes a company that is registered to do business in this state
7 that provides payroll services or recordkeeping services and
8 offers retirement plans or payroll deduction individual retirement
9 account arrangements using products of regulated investment
10 companies and insurance companies qualified to do business in this
11 state. The term does not include individual registered
12 representatives, brokers, financial planners, or agents.

13 Sec. 83.003. COMPOSITION OF BOARD. (a) The plan's
14 governing board consists of:

15 (1) the comptroller, who serves as chair;
16 (2) an individual with retirement savings and
17 investment expertise appointed by the comptroller at the
18 recommendation of the chair of the Senate Committee on State
19 Affairs;

20 (3) an employee representative appointed by the
21 comptroller at the recommendation of the speaker of the house;

22 (4) a public interest member appointed by the attorney
23 general; and

24 (5) a business representative appointed by the
25 governor.

26 (b) A member appointed under Subsection (a) serves for a
27 term of two years.

1 Sec. 83.004. BOARD MEMBER COMPENSATION. A member of the
2 board serves without compensation but is entitled to receive
3 reimbursement of travel expenses incurred by the member while
4 conducting the business of the board as provided in the General
5 Appropriations Act.

6 Sec. 83.005. FIDUCIARY DUTY. Each board member, plan
7 administrator, plan employee, and contracted administrator or
8 consultant shall discharge the person's duties as a fiduciary with
9 respect to the plan solely in the interest of the participants by:

10 (1) providing benefits in an actuarially sound manner
11 to participants and defraying reasonable expenses of administering
12 the plan; and

13 (2) investing with the care, skill, prudence, and
14 diligence under the prevailing circumstances that a prudent person
15 acting in a like capacity and familiar with those matters would use
16 in the conduct of an enterprise of a like character and with like
17 aims.

18 Sec. 83.006. POWERS AND DUTIES OF BOARD. (a) The board
19 may:

20 (1) enter into contracts necessary or appropriate for
21 the administration of the plan;

22 (2) adopt and amend a seal;

23 (3) hold, invest, and reinvest money in the plan fund;

24 (4) accept any grant, gift, legislative
25 appropriation, and other money from the state, a unit of federal,
26 state, or local government, or any other person for deposit to the
27 administrative fund or the plan fund;

1 (5) contract with a plan administrator and determine
2 the duties of the plan administrator;

3 (6) provide for the payment of costs of administration
4 and operation of the plan;

5 (7) hire employees;

6 (8) retain and contract with the governing body of a
7 public retirement system, private financial institution, other
8 financial and service provider, consultant, actuary, counsel,
9 auditor, third-party administrator, and other professionals as
10 necessary or appropriate;

11 (9) obtain insurance against loss in connection with
12 the property, assets, or activities of the plan;

13 (10) obtain insurance indemnifying each member of the
14 board from personal loss or liability resulting from a member's
15 action or inaction as a member of the board;

16 (11) set minimum and maximum investment levels in
17 accordance with contribution limits for individual retirement
18 accounts and 401(k) plans under the Internal Revenue Code of 1986;

19 (12) collaborate and cooperate with the governing body
20 of a public retirement system, a private financial institution, a
21 service provider, or a business, financial, trade, membership, or
22 other organization to the extent necessary or desirable for the
23 effective and efficient design, implementation, and administration
24 of the plan and to maximize outreach to eligible employers and
25 eligible employees;

26 (13) pay expenses incurred to initiate, implement,
27 maintain, and administer the plan from contributions to, or

1 investment returns or assets of, the plan or arrangements
2 established under the plan, to the extent permitted under state and
3 federal law;

4 (14) facilitate compliance by the plan or arrangements
5 established under the plan with all applicable requirements for the
6 plan under the Internal Revenue Code of 1986, including tax
7 qualification requirements or any other applicable law and
8 accounting requirements, including providing or arranging for
9 assistance to plan sponsors and individuals in complying with
10 applicable law and tax qualification requirements in a
11 cost-effective manner; and

12 (15) carry out the duties and obligations of the plan
13 and exercise any other power appropriate to accomplish the
14 purposes, objectives, and provisions of this chapter.

15 (b) The board also may:

16 (1) design, establish, and operate the plan in a
17 manner that:

18 (A) is in accordance with best practices for
19 retirement savings mechanisms;

20 (B) encourages participation; and

21 (C) provides ease of administration for
22 participating employers and portability of benefits;

23 (2) arrange for collective, common, or pooled
24 investment of assets of the plan, including investments in
25 conjunction with other funds with which the assets are permitted to
26 be collectively invested, to save costs through efficiencies of
27 economies of scale;

1 (3) distribute educational information to educate
2 participants about the benefits of planning and saving for
3 retirement and information to help decide the appropriate level of
4 plan participation;

5 (4) distribute information concerning:

6 (A) tax credits available to small business
7 owners for allowing employees to participate in the plan; and

8 (B) the federal retirement savings contribution
9 credit available to lower and moderate-income households for
10 qualified savings contributions;

11 (5) submit progress and status reports to
12 participating employers and eligible employees;

13 (6) if necessary, determine the eligibility of an
14 employer, employee, or other individual to participate in the plan;

15 (7) evaluate and establish the process by which an
16 eligible employee may contribute a portion of the employee's salary
17 or wages to the plan for automatic deposit and the participating
18 employer may provide a payroll deposit retirement savings
19 arrangement to forward the employee contribution and related
20 information to the plan or its agents, including financial services
21 companies and third-party administrators with the capability to
22 receive and process employee information and contributions for
23 payroll deposit retirement savings arrangements or other
24 arrangements authorized by this chapter;

25 (8) design and establish the process for the
26 enrollment of participants;

27 (9) allow a participating employer to use the plan to

1 remit an employee's contributions to the employee's individual
2 retirement account on the employee's behalf;

3 (10) allow a participating employer to make
4 contributions to an employee's individual retirement account,
5 provided that the contributions are permitted under the Internal
6 Revenue Code of 1986 and do not cause the plan to be treated as an
7 employee benefit plan under the federal Employee Retirement Income
8 Security Act of 1974 (29 U.S.C. Section 1001 et seq.); and

9 (11) evaluate and establish the process by which an
10 individual or an employee of a nonparticipating employer may enroll
11 in and make contributions to the plan.

12 Sec. 83.007. EXECUTIVE DIRECTOR. The comptroller shall,
13 with the consent of the board, hire an executive director who is not
14 a member of the board and who shall serve at the pleasure of the
15 board. The comptroller shall determine the duties and set the
16 compensation of the executive director and other employees as
17 appropriate. The board may authorize the executive director to
18 enter into contracts on behalf of the board or conduct any business
19 necessary for the efficient operation of the board.

20 Sec. 83.008. PROHIBITED ACTIVITIES. A board member, plan
21 administrator, or plan employee may not:

22 (1) directly or indirectly have an interest in the
23 making of a plan investment or in the gains or profits accruing from
24 a plan investment;

25 (2) borrow or use any funds or deposits of the plan for
26 personal use or as an agent or partner of others; or

27 (3) become an endorser, surety, or obligor on an

1 investment by the board.

2 Sec. 83.009. RULES. The board shall adopt rules necessary
3 to implement this chapter consistent with the Internal Revenue Code
4 of 1986 and regulations issued under that code to ensure that the
5 plan meets all criteria for federal tax-deferral or tax-exempt
6 benefits, or both.

7 Sec. 83.010. ENFORCEMENT. The board may request that the
8 attorney general bring an enforcement action against an eligible
9 employer in violation of this chapter.

10 SUBCHAPTER B. PLAN DESIGN AND OPERATION

11 Sec. 83.051. PLAN DESIGN. (a) The board shall design and
12 implement the plan.

13 (b) The plan consists of a state-administered automatic
14 individual retirement account savings program and a
15 state-sponsored open multiple employer plan, as permitted by
16 Sections 401(k) and 413(c), Internal Revenue Code of 1986.

17 (c) The plan is a lifetime investment intended to provide
18 participants with a source of retirement income for life.

19 (d) In designing the plan, the board shall:

20 (1) consider whether:

21 (A) the plan meets all state and federal
22 requirements;

23 (B) the appropriate employer of record is
24 identified for the purpose of satisfying all the plan's employer
25 requirements; and

26 (C) the payroll deduction can be implemented at a
27 reasonable cost; and

1 (2) ensure that:

2 (A) the plan does not create a financial
3 liability for the state or employer of record; and

4 (B) the state is prohibited from incurring
5 liabilities associated with administering the plan and that the
6 state has no liability for the plan or plan investments.

7 (e) The board shall determine necessary costs associated
8 with outreach, customer service, enforcement, staffing,
9 consultants, and all other costs necessary to administer the plan.

10 (f) The board shall consult with employer representatives
11 to create an administrative structure that facilitates employee
12 participation while addressing employer needs, including clearly
13 defining an employer's duties and liability.

14 (g) The board shall establish the minimum amount of savings
15 required to create an adequate lifetime annuity.

16 Sec. 83.052. INVESTMENT AND RISK MANAGEMENT; ANNUAL
17 STATEMENT. (a) The board shall develop investment recommendations
18 that address risk sharing and smoothing of market losses and gains.
19 Investment requirements include creating a reserve to guarantee
20 that participants do not lose the principal amount of their
21 contributions.

22 (b) The board shall annually prepare and adopt a written
23 statement of investment policy that includes a risk management and
24 oversight program. The board shall consider the statement of
25 investment policy and any changes in the investment policy at a
26 public hearing.

27 (c) The risk management and oversight program must include

1 an effective risk management system to monitor the risk levels of
2 the plan investment portfolio and ensure that the risks taken are
3 prudent and properly managed. The majority of invested funds must
4 be maintained in market-indexed funds. The board shall manage the
5 program to provide an integrated process for overall risk
6 management on a pooling of funds basis and to monitor investment
7 returns as well as risk to determine if the risks taken are
8 adequately compensated compared to applicable performance
9 benchmarks and standards.

10 (d) The board shall approve one or more investment
11 management entities, the costs of which shall be paid out of funds
12 held in the plan and may not be attributed to the administrative
13 costs of the board in operating the plan. Not later than the 30th
14 day after the last day of each month, the board shall make available
15 for public inspection during business hours a report of investments
16 made under this chapter and a report of deposits in financial
17 institutions.

18 Sec. 83.053. USE OF PLAN FUNDS. (a) After sufficient money
19 is available for the plan to be operative, the plan must, as a
20 self-sustaining trust, pay all costs of administration only from
21 money on deposit in the plan.

22 (b) The board shall hold contributions to the plan in trust
23 and segregate money received by the plan as the plan fund and the
24 administrative fund.

25 (c) Money in the plan fund may be invested or reinvested by
26 the comptroller or may be invested in whole or in part under
27 contract with the governing body of a statewide public retirement

1 system, private money managers, or a combination of these entities
2 as determined by the board.

3 (d) Transfers may be made from the plan fund to the
4 administrative fund to pay operating costs associated with
5 administering the plan and as required by this chapter, including
6 board operations, plan administrator and investment expenses, and
7 enforcement and compliance costs.

8 (e) Costs of administering the plan may only be paid from
9 the administrative fund. Expenditures from the administrative fund
10 may not exceed 0.5 percent of the total plan fund.

11 (f) Employee and employer contributions to the plan may be
12 used only for the purpose of paying benefits to the participants of
13 the plan, for the cost of administration of the plan, and for
14 investments made for the benefit of the plan.

15 Sec. 83.054. PLAN OPERATIONS. (a) Not later than September
16 1, 2018, the board shall:

17 (1) develop and implement an investment policy that
18 defines the plan's investment objectives;

19 (2) establish policies and procedures enabling
20 investment objectives to be met in a prudent manner; and

21 (3) seek to minimize participant fees and strive to
22 implement plan features that provide maximum possible income
23 replacement.

24 (b) Contributions to the plan are deposited into a pooled or
25 common fund, which is managed under the direction of the board. The
26 participants' rate of return is set annually by the board to provide
27 maximum benefits to the participants while maintaining an

1 appropriate reserve. The plan contribution mechanisms include:

2 (1) a payroll deduction individual retirement account
3 arrangement for employees of eligible employers;

4 (2) a multiple employer plan to permit employer
5 contributions; and

6 (3) direct contributions by self-employed persons.

7 (c) Participants are not responsible for choosing
8 investments through the plan.

9 Sec. 83.055. BENEFITS. The board shall:

10 (1) one year in advance of a participant's normal
11 retirement age, provide to each participant a disclosure
12 explaining:

13 (A) the rights and features of the lifetime
14 income investment;

15 (B) that the participant may elect to invest a
16 higher percentage of the participant's account balance in the
17 lifetime income option; and

18 (C) that the participant may elect to have a
19 variable annuity that increases over time, and that the annuity may
20 not be transferred or liquidated during the participant's lifetime,
21 except as required by state law;

22 (2) on the date a participant reaches the
23 participant's normal retirement age, invest 50 percent of the
24 participant's account balance, or a higher amount specified by the
25 participant, in the lifetime income investment;

26 (3) begin making distributions not later than the 90th
27 day after the date the participant reaches the participant's normal

1 retirement age, unless the participant elects a later date on which
2 to begin receiving distributions; and

3 (4) establish a procedure by which each participant
4 may elect to invest a higher percentage of the participant's
5 account balance in the lifetime income investment.

6 Sec. 83.056. EDUCATION AND OUTREACH. (a) The board shall
7 provide comprehensive worker education and outreach. The board may
8 collaborate with state and local government agencies,
9 community-based and nonprofit organizations, foundations, vendors,
10 and other entities the board considers appropriate to develop and
11 secure ongoing resources for education and outreach that reflect
12 the cultures and languages of the state's diverse workforce
13 population.

14 (b) The board shall provide comprehensive employer
15 education and outreach, with an emphasis on employers with fewer
16 than 100 employees, developed in consultation with employer
17 representatives, that includes:

18 (1) an Internet website to assist the employers of
19 participating employees;

20 (2) a toll-free help line for employers with live and
21 automated assistance;

22 (3) online web-based training;

23 (4) live presentations to business associations; and

24 (5) targeted outreach to small businesses with 10 or
25 fewer employees.

26 Sec. 83.057. REQUIRED INFORMATION FOR PARTICIPANTS. (a)
27 Before opening the plan for enrollment, the board shall design and

1 disseminate to employers an employee information packet that is
2 available in an electronic format. The packet must include
3 background information on the plan and appropriate disclosures for
4 employees.

5 (b) The disclosure form must include a description of:

6 (1) the benefits and risks associated with making
7 contributions to the plan;

8 (2) how to make contributions to the plan;

9 (3) how to opt out of the plan;

10 (4) the process for withdrawal of retirement savings;

11 and

12 (5) how to obtain additional information on the plan.

13 (c) The disclosure form must clearly state that:

14 (1) the plan is not sponsored by the employer, and the
15 employer is not responsible for the plan or liable as a plan
16 sponsor; and

17 (2) the plan fund is not guaranteed by the state.

18 (d) The disclosure form must include a method for the
19 employee to acknowledge that the employee has read all of the
20 disclosures and understands the content.

21 (e) The employee information packet must include an opt-out
22 form for an eligible employee to note the employee's decision to opt
23 out of participation in the plan. The opt-out notation must be
24 simple, concise, and drafted in a manner that the board considers
25 necessary to appropriately demonstrate evidence of the employee's
26 understanding that the employee is choosing not to deduct earnings
27 automatically to save for retirement.

1 (f) An employer shall provide the employee information
2 packet with the disclosure and opt-out forms to an employee at the
3 time of hiring. All new employees shall review the packet and
4 acknowledge having received it.

5 (g) An employer shall provide the employee information
6 packet with the disclosure and opt-out forms to an existing
7 employee when the plan is initially open for enrollment for that
8 participating employer.

9 (h) The board shall inform participants about their right to
10 withdraw money in conformity with the plan's provisions.

11 Sec. 83.058. REQUIRED PARTICIPATION; EXCEPTION. (a) After
12 the board opens the plan for enrollment, an employer may choose to
13 have a payroll deposit retirement savings arrangement to allow
14 employee participation in the plan under the terms and conditions
15 prescribed by the board.

16 (b) Not later than the first anniversary of the date the
17 board opens the plan for enrollment, an eligible employer with more
18 than 100 eligible employees shall provide for automatic payroll
19 deduction to the plan.

20 (c) Not later than the second anniversary of the date the
21 board opens the plan for enrollment, an eligible employer with more
22 than 50 eligible employees shall provide for automatic payroll
23 deduction to the plan.

24 (d) Not later than the third anniversary of the date the
25 board opens the plan for enrollment, all eligible employers shall
26 provide for automatic payroll deduction to the plan.

27 (e) The board, in its discretion, may extend the time limits

1 established by Subsections (b), (c), and (d) for unforeseen
2 circumstances.

3 (f) Each eligible employee shall be enrolled in the plan
4 unless the employee elects not to participate in the plan. An
5 eligible employee may elect to opt out of the plan by signing the
6 opt-out form provided with the employee information packet
7 described by Section 83.057.

8 (g) The board shall designate an open enrollment period
9 during which an eligible employee who previously opted out of the
10 plan may enroll in the plan.

11 (h) An employee who has elected to opt out of the plan and
12 subsequently wants to participate through the employer's payroll
13 deposit retirement savings arrangement may enroll only during the
14 board's designated open enrollment period or, if permitted by the
15 board, at an earlier time.

16 (i) An employer retains the option at all times to offer a
17 tax-qualified retirement plan other than the plan established by
18 this chapter.

19 (j) An eligible employee may terminate participation in the
20 plan but may not withdraw the employee's contributions unless the
21 employee becomes eligible for disability benefits administered by
22 the United States Social Security Administration or reaches
23 retirement age.

24 (k) A participating employee shall contribute a percentage
25 of the employee's wages, by pay period, to the plan.

26 (l) The board shall adopt rules allowing an employee to
27 choose the percentage amount of the employee's wages to contribute

1 to the plan. The contribution must be at least two percent and not
2 more than the annual limit established by Section 401(k), Internal
3 Revenue Code of 1986.

4 (m) The board may implement annual automatic escalation of
5 employee contributions. An employee's contribution subject to
6 automatic escalation may not exceed five percent of the employee's
7 wages. Automatic escalation may not result in an increase in
8 contribution of more than one percent of the employee's wages for
9 each calendar year. A participating employee may elect to opt out
10 of automatic escalation and, subject to Subsection (l), may set the
11 employee's contribution percentage rate at a level determined by
12 the employee.

13 (n) Employees who are contributing members of a public
14 retirement system are not required to participate in the plan.

15 (o) A participant who moves out of state may elect to
16 continue participating in the plan by making direct contributions.

17 Sec. 83.059. EMPLOYER LIABILITY. (a) An employer may not
18 be held liable for an employee's decision to participate in or opt
19 out of the plan.

20 (b) An employer is not a fiduciary and may not be considered
21 a fiduciary in relation to the plan. If the plan is found to be
22 preempted by federal law or regulation, an employer may not be held
23 liable as a plan sponsor and may not be held liable with regard to
24 investment returns, plan design, or benefits paid to participants.
25 An employer does not bear responsibility for the administration,
26 investment, or investment performance of the plan.

27 (c) An employer's voluntary contribution does not affect

1 the employer's liability under this section or change the
2 employer's relationship to the plan or the employer's obligations
3 to employees.

4 (d) An employer may not be held civilly liable for any
5 action in accordance with rules adopted by the board under this
6 chapter.

7 Sec. 83.060. STATE LIABILITY. (a) The state is not liable
8 for payment of the retirement savings benefit earned by
9 participants under this chapter. The state has no obligation for
10 payment of the benefits arising from this chapter.

11 (b) This chapter does not waive the state's immunity from
12 suit or liability.

13 Sec. 83.061. CONFORMITY WITH FEDERAL LAW. (a) The board
14 may not implement the plan if the individual retirement account
15 arrangements offered do not qualify for the favorable federal
16 income tax treatment ordinarily accorded to individual retirement
17 accounts under the Internal Revenue Code of 1986, or if it is
18 determined that the plan is an employee benefit plan under the
19 federal Employee Retirement Income Security Act of 1974 (29 U.S.C.
20 Section 1001 et seq.).

21 (b) Before opening the plan for enrollment, the board shall
22 report to the governor and legislature that the following
23 prerequisites and requirements for the plan have been met:

24 (1) the United States Department of Labor has
25 finalized a regulation establishing a safe harbor for savings
26 arrangements established by states for nongovernmental employees
27 for the purposes of the federal Employee Retirement Income Security

1 Act of 1974 (29 U.S.C. Section 1001 et seq.), and that the plan is
2 structured in a manner that meets the criteria of the United States
3 Department of Labor regulation;

4 (2) the payroll deduction offered by the plan
5 qualifies for the favorable federal income tax treatment ordinarily
6 accorded to individual retirement account arrangements under the
7 Internal Revenue Code of 1986;

8 (3) the board has adopted rules defining the roles and
9 responsibilities of employers under the criteria outlined in the
10 United States Department of Labor regulation described by
11 Subdivision (1) and any associated guidance; and

12 (4) the board has adopted a third-party administrator
13 operational model that limits employer interaction and
14 transactions with employees to the extent feasible.

15 Sec. 83.062. INDIVIDUAL RETIREMENT ACCOUNT STATUS. A
16 payroll deposit individual retirement account arrangement offered
17 under the plan has the same status as, and is to be treated
18 consistently with, any other individual retirement account for the
19 purpose of determining eligibility or benefit level for a program
20 that uses a means test.

21 Sec. 83.063. UNCLAIMED FUNDS. (a) The board shall adopt
22 rules regarding disposition of the proceeds from an account earned
23 on behalf of a participant who has reached normal retirement age
24 plus three years but has not made an election under Section 83.055.

25 (b) The plan administrator shall contact the participant,
26 and if the participant does not respond, the plan administrator
27 shall contact the participant's beneficiaries. If the

1 administrator is unable to verify the existence of either the
2 participant or the participant's beneficiaries, the proceeds of the
3 participant's account shall be tendered as unclaimed property to
4 the comptroller as provided by Chapter 74, Property Code.

5 SECTION 2. The legislature may appropriate money from the
6 general revenue fund to the board of the secure retirement plan for
7 Texans established by this Act for initial expenses of the plan and
8 first-year administrative costs. Not later than September 1, 2019,
9 the board shall repay to the credit of the general revenue fund the
10 amount appropriated plus interest calculated at the rate earned by
11 the economic stabilization fund.

12 SECTION 3. Not later than September 1, 2018, the governing
13 board of the secure retirement plan for Texans shall open the plan
14 for enrollment in accordance with Chapter 83, Labor Code, as added
15 by this Act.

16 SECTION 4. This Act takes effect September 1, 2017.