

By: Perry

S.J.R. No. 55

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for periodic
2 transfers of money from the economic stabilization fund to fully
3 fund the Employees Retirement System of Texas and the Teacher
4 Retirement System of Texas.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 49-g, Article III, Texas Constitution,
7 is amended by adding Subsections (p) and (q) to read as follows:

8 (p) For purposes of this subsection, "state retirement
9 systems stabilization set-aside" is an amount of money equal to 50
10 percent of the amount by which the unencumbered balance of the
11 economic stabilization fund on the first day of a state fiscal
12 biennium exceeds 7.5 percent of the amount of money estimated to be
13 available for general purpose spending during that state fiscal
14 biennium, as identified in the statement prepared by the
15 comptroller of public accounts in advance of each regular
16 legislative session as required by Section 49a(a) of this article.
17 Not later than January 1 of each even-numbered year, the
18 comptroller shall determine the amount of the state retirement
19 systems stabilization set-aside for the state fiscal biennium and
20 transfer an amount equal to the state retirement systems
21 stabilization set-aside from the economic stabilization fund to the
22 Teacher Retirement System of Texas and the Employees Retirement
23 System of Texas established under Section 67(b), Article XVI, of
24 this constitution. Money transferred to those systems under this

1 subsection shall be used to reduce or eliminate the unfunded
2 actuarial liabilities of each system and may be allocated between
3 the systems in the manner determined by the comptroller. The
4 comptroller is not required to make a transfer under this
5 subsection in a state fiscal biennium for which the comptroller
6 determines that both of the systems are fully funded and may reduce
7 the amount of a transfer if the comptroller, after consulting with
8 the boards of trustees of the systems, determines that the full
9 amount available for transfer exceeds the amount required to fully
10 fund both systems. A transfer made under this subsection is not an
11 appropriation of state tax revenues for the purposes of Section 22,
12 Article VIII, of this constitution, and may not be considered for
13 purposes of computing the state contribution limits to the systems
14 prescribed by Section 67(b)(3), Article XVI, of this constitution,
15 or any other law. A transfer of money under this subsection is
16 separate from and in addition to the amount required to be
17 contributed by the state under Section 67(b)(3), Article XVI, of
18 this constitution, or any other law established under authority of
19 that article. This subsection and Subsection (q) of this section
20 expire September 1, 2047.

21 (q) For purposes of Subsection (p) of this section, the
22 Teacher Retirement System of Texas or the Employees Retirement
23 System of Texas, as applicable, is fully funded if, according to the
24 most recent valuation of the system's assets and liabilities as
25 required by law, the actuarial value of the system's assets equals
26 or exceeds the system's actuarial accrued liabilities.

27 SECTION 2. This proposed constitutional amendment shall be

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1 submitted to the voters at an election to be held November 5, 2019.
2 The ballot shall be printed to permit voting for or against the
3 proposition: "The constitutional amendment providing for periodic
4 transfers of money from the economic stabilization fund to fully
5 fund the Employees Retirement System of Texas and the Teacher
6 Retirement System of Texas."