

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 17, 2019

TO: Honorable Jim Murphy, Chair, House Committee on Pensions, Investments & Financial Services

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB2178 by Noble (Relating to terminating participation in the Texas Emergency Services Retirement System.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time because the number of departments who would elect to terminate membership in the system is unknown.

The bill would amend Government Code to allow certain departments to terminate membership in the Texas Emergency Services Retirement System. Departments that terminate membership would no longer contribute to the System which would in turn affect the state contribution to the System.

Local Government Impact

Participating departments must contribute at least \$36 per active member per month to the System. If the System is not actuarially sound, departments may be required to make additional contributions. According to the Texas Association of Counties, no significant fiscal implication to units of local government is anticipated.

Source Agencies: 326 Texas Emergency Services Retirement System

LBB Staff: WP, CMa, NV, KFB, AF