

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 26, 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: **HB4222** by Reynolds (relating to health coverage for employees of a municipal school district.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The Teacher Retirement System assumes that the provisions of the bill relating to health coverage for employees of a municipal school district could be implemented using existing resources. However, TRS assumes that to the extent that districts leaving the ActiveCare program pay more in contributions than they incur in claims costs, there could be additional costs to the program which may result in the need for higher contribution rates from the State, employers, or members to the program.

Local Government Impact

The fiscal implication to school districts cannot be determined at this time and would depend on the health claims and premiums paid by the district under ActiveCare compared to the proposed municipal health insurance program.

Source Agencies: 323 Teacher Retirement System

LBB Staff: WP, ASa, CMa, AM