

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 25, 2019**

**TO:** Honorable Dennis Bonnen, Speaker of the House, House of Representatives

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

**IN RE: HR2190** by Bonnen, Greg (Suspending limitations on conference committee jurisdiction, S.B.12.)

**Estimated Two-year Net Impact to General Revenue Related Funds** for HR2190, As Introduced: an impact of \$0 through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from TRS Trust Account Fund 960</b>
2020	\$22,709,411
2021	\$25,216,530
2022	\$27,891,058
2023	\$30,742,508
2024	\$33,780,893

**Fiscal Analysis**

The resolution would amend the Government Code to require all public education employers to make a contribution to TRS based on a percentage of employee pay for members not subject to the Minimum Salary Schedule (MSS), or based on a percentage of the member's statutory minimum

salary for members subject to the MSS. Under House and Senate versions of SB 12, only public education employers not participating in Social Security would be required to make the contribution.

**Methodology**

Based on fiscal year 2018 TRS payroll data, this analysis assumes public education covered payroll would total \$37.0 billion in fiscal year 2020, increasing annually by 4.1 percent. In House and Senate versions of SB 12, the percentage of pay would be 1.5 percent in fiscal year 2020, increasing by 0.1 percent each fiscal year from 2021-25. In House and Senate versions of SB 12, this analysis assumes the contribution would apply to 77.9 percent of public education payroll.

Requiring all public education employers to make the contribution under the resolution would increase the percentage of public education payroll to which the contribution applies to an estimated 82.0 percent. Applying the contribution rates specified in SB 12 to the projected payroll amounts, the resolution is estimated to increase revenue to the TRS Trust Account 960 by \$22.7 million in fiscal year 2020, \$25.2 million in fiscal year 2021, increasing to \$33.8 million in fiscal year 2024.

**Local Government Impact**

This analysis estimates additional costs to school districts and charter schools totaling \$22.7 million in fiscal year 2020, \$25.2 million in fiscal year 2021, increasing to \$33.8 million in fiscal year 2024.

**Source Agencies:**

**LBB Staff:** WP, CMa, AM, ASa