2021S0168-1 03/08/21

By:  Schwertner S.B. No. 1204

A BILL TO BE ENTITLED

AN ACT

relating to requiring the inclusion of certain recommendations in reports on the actuarial experience of the Employees Retirement System of Texas and the Teacher Retirement System of Texas.

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

SECTION 1.  Section 815.206, Government Code, is amended by adding Subsection (c-1) to read as follows:

(c-1)  An actuarial experience study or other report on an actuarial investigation of mortality, service, and compensation experience conducted under Subsection (c) must include different recommendations for achieving or maintaining an amortization period that does not exceed 30 years by one or more years. The recommendations may include:

(1)  changes to benefits;

(2)  requiring increased or additional contributions from members or the members' employers;

(3)  reasonable changes to the assumed rate of return on investments; or

(4)  appropriations of additional or increased contributions from the state, but if such a recommendation is made it must be accompanied by at least one of the recommendations described by Subdivision (1), (2), or (3) that does not include appropriations of additional or increased contributions from the state.

SECTION 2.  Section 825.206, Government Code, is amended by adding Subsection (e-1) to read as follows:

(e-1)  An actuarial experience study or other report on an actuarial investigation of mortality, service, and compensation experience conducted under Subsection (b) must include different recommendations for achieving or maintaining an amortization period that does not exceed 30 years by one or more years. The recommendations may include:

(1)  changes to benefits;

(2)  requiring increased or additional contributions from employers or members;

(3)  reasonable changes to the assumed rate of return on investments; or

(4)  appropriations of additional or increased contributions from the state, but if such a recommendation is made it must be accompanied by at least one of the recommendations described by Subdivision (1), (2), or (3) that does not include appropriations of additional or increased contributions from the state.

SECTION 3.  This Act takes effect September 1, 2021.