

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 28, 2023

TO: Honorable Joan Huffman, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1444 by Zaffirini (Relating to the public retirement systems for employees of certain municipalities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

This bill would amend Vernon's Texas Civil Statutes to make changes to the City of Austin Employees' Retirement System. It is assumed any costs from the bill could be absorbed using existing resources.

Local Government Impact

According to the City of Austin Employees' Retirement System, the bill would have no material fiscal impact on the system as the provisions of the bill make no changes to the administration or operation of the system. The bill would have a positive actuarial impact on the system by establishing a closed, 30-year amortization schedule for the system's unfunded actuarial accrued liabilities reported as of December 31, 2022. The bill would also establish additional contribution policy changes which would improve the actuarial health of the system.

Source Agencies:

LBB Staff: JMc, KK, LCO, JPO