

December 2017

Presented by: Dan Wattles

TMRS Governmental Relations



Governmental Relations

- Areas of Responsibility
- 2017 Achievements
- 2018 Activities

Areas of Responsibility

- Coordination with Texas Legislature
- Liaison with other government entities and constituent groups
 - Governor's Office, U.S. Congress, Pension Review Board
 - TML, CLEAT, TMPA, State Firefighters Assn., etc.
- Board-related activities
 - Facilitate Board appointments
 - Provide Legislative Committee support
 - Coordinate Advisory Committee activities and appointments
 - Administer Trustee Education Training Program

2017 Achievements

- Congressional Visit (1/2017)
- Successful legislative session
 - HB 3056 (University Park)
 - No negative legislation passed
 - TMRS well-respected at Capitol
- PRB Trustee training
 - TMRS reauthorized as training Sponsor (for 4 year period)
 - Administering current training cycle: Jan. 2017 - Dec. 2018

2017 Achievements

- **Federal Tax Cut / Reform Effort**
 - House version (H.R. 1) proposes to make public pensions subject to “unrelated business income tax”; Senate version does not include provision
 - TMRS commented using NASRA/NCBERS/NCTR letter
 - Participated in joint letter with all Statewide Retirement Systems
 - H.R. 1 voted out of House on November 16
 - Senate version expected on Senate floor by November 30
 - Conference Committee will be required to settle differences

2018 Activities

- 2018 Congressional visits (1/2018)
- Senate and House interim charges
 - Senate: review different types of plans, actuarial assumptions, investment practices and performance and the adequacy of financial disclosure (assets, fees)
 - House: 1) review effectiveness of corrective mechanisms, 2) evaluate governance structures of statewide retirement systems

2018 Activities

- Pension Review Board
 - Developing “Principles of Plan Design”
 - Reactivating actuarial reviews, beginning with:
 - Greenville and Marshall local fire plans
 - Galveston Police Plan
 - Another area of study: consolidation of small plans

2018 Activities

- Develop and promote legislation to clarify aspects of the TMRS Act
- Proposed schedule:
 - Implement new Advisory Committee structure
 - Complete internal inventory of Act (Jan. – Feb. 2018)
 - Present inventory to Board for discussion (March 2018)
 - Board assigns study topics to Advisory Committee; three meetings suggested (April, May, June 2018)
 - Survey Advisory Committee (advantages/disadvantages)
 - Report survey findings to Board (August 2018)
 - Bill draft presented to Board (Oct. 2018)
 - Final decision on legislation (Dec. 2018)

Questions and Answers

