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
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/NCPERS/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