



TCDRS 2019 Legislation Summary

During the 86th Legislative Session, two bills impacting TCDRS — SB 322 and SB 2224 — were passed.

Summaries of the bills are listed below.

Senate Bill 322

Sponsor: Sen. Joan Huffman

TCDRS impact: Direct — This bill requires TCDRS and all other statewide public retirement systems in Texas to select an independent firm to evaluate the appropriateness, adequacy and effectiveness of the retirement system's investment policies, procedures and practices. TCDRS will be required to conduct such an evaluation every three years. The bill was amended to allow systems to use a firm with an existing relationship to prepare the evaluation as long as the firm does not directly or indirectly manage investments for the system.

SB 322 was passed by the Legislature on May 24 and signed by the Governor on June 10. The bill is effective immediately.

TCDRS anticipates no problems with implementation of SB 322. After the Pension Review Board (PRB) adopts rules for implementation, the tentative due date for the first TCDRS report is May 1, 2020.

Senate Bill 2224

Sponsor: Sen. Joan Huffman

TCDRS impact: Direct — This bill applies to all public retirement systems in Texas. It requires a written funding policy.

SB 2224 was passed by the Legislature on May 21 and was signed by the Governor on June 4. The bill is effective immediately.

The legislation directs TCDRS to adopt administrative rules as necessary to implement the law's provisions.

TCDRS already has a written funding policy and we anticipate no problem with compliance.