

Pension Review Board
Survey of Public Pension Plan Participation in Social Security
December 2011

The Pension Review Board (PRB) recently conducted a survey of 360 public retirement systems across the State of Texas to determine if the members of the retirement systems are also participants in Social Security. To date, the PRB has received responses from 277 systems, or approximately 77% of systems contacted.

Results of the Survey

- Of the 146 defined benefit plans that responded to the survey (78% response rate), 41 participate in Social Security and 105 do not participate in Social Security.
- Of the 131 defined contribution plans that responded to the survey (76% response rate), 63 participate in Social Security and 68 do not participate in Social Security.
- Of the responses received, approximately 86.5% of public safety defined benefit plans, including Texas Local Fire Fighters Retirement Act (TLFFRA) plans, do not participate in Social Security.
- Of the responses received, over 58% of civilian defined benefit plans do participate in Social Security.
- Analysis of the 68 defined contribution plans not participating in Social Security indicates that 19 of these plans serve as supplemental plans to the Teacher Retirement System (TRS), Texas Municipal Retirement System (TMRS), Texas County and District Retirement System (TCDRS) or another defined benefit plan.

The results of the Social Security participation survey are tabulated by retirement system. In the vast majority of retirement systems, members simply are or are not participants in Social Security. However, certain plans have more complicated breakouts of Social Security participation. For instance, a member municipality of TMRS may have certain classifications of municipal employees that do not participate in Social Security, while other classifications of municipal employees do participate in Social Security. Other systems with similar classification issues are TCDRS and TRS. As such, attempting to determine the actual number of members participating in Social Security is extremely difficult. Both TMRS and TCDRS indicated that the majority of their employers do participate in Social Security, while TRS indicated that the majority of their employers do not participate in Social Security. Due to this information, TMRS and TCDRS are counted as Social Security participant systems and TRS is not counted as a Social Security participant.

The following tables summarize the data collected from the PRB survey:

Total Number of Responses by Plan Type

Plan Type	Total Plans	Responded	No Response
DB	187	146	41
DC	173	131	42
Total	360	277	83

Percent of Responses by Plan Type

Plan Type	Percent Responding	Percent Not Responding
DB	78.07%	21.93%
DC	75.72%	24.28%
Total	76.94%	23.06%

Total System Social Security Participation by Plan Type

Plan Type	SS Participant	Not SS Participant	No Response
DB	41	105	41
DC	63	68	42
Total	104	173	83

Percent of System Social Security Participation by Plan Type

Plan Type	SS Participant	Not SS Participant	No Response
DB	21.93%	56.15%	21.92%
DC	36.42%	39.31%	24.27%
Total	28.89%	48.06%	23.05%

Total System Social Security Participation by Defined Benefit Plan Type

Plan Type	SS Participant	Not SS Participant
Civilian	25	18
Public Safety	16	87
Total	41	105

Conclusions

Overall, the PRB Survey of Social Security Participation received responses from nearly 77% of the public retirement systems throughout the state. Results based on responses received indicate that a majority of the members of public defined benefit plans do not participate in Social Security. Within the response sample, almost 60% of civilian plans do participate in Social Security; however, nearly 87% of public safety plans do not participate in Social Security.

The PRB would like to thank the retirement systems that took time to respond to the survey. Their participation has provided the PRB with valuable information regarding benefits provided throughout the state. The PRB will continue to work with the remaining systems to collect the relevant data for this study.