

TEXAS PENSION PLANS

Overhaul to Texas State Employee Pension Plan Unveiled and Quickly Advanced by State Senate Committee

April 19, 2021, By Shawn Mulcahy

“Senate Bill 321 by state Sen. Joan Huffman, R-Houston, would enroll new employees eligible for the Texas Employees Retirement System in a cash balance plan — similar to a common 401(k) retirement account — instead of the traditional, defined benefit pension plan. The Senate Finance Committee approved the measure by a vote of 13-0, with Democratic state Sen. Royce West of Dallas voting present.

“The proposal would only affect state employees hired after Sept. 1, 2022. New workers would be required to contribute 6% of their pay to the retirement account, down from the 9.5% required of current state employees. It would guarantee 4% annual interest with a gainsharing provision that could boost interest as high as 7%. Gainsharing is a method by which employees receive additional compensation if they meet certain, predetermined benchmarks.”

[Texas Tribune](#)

Exclusive: New York’s Infinity Q Winds Down Hedge Fund as Valuation Issues Spread

April 19, 2021 By Lawrence Delevingne

“New York investment firm Infinity Q Capital Management LLC is liquidating its hedge fund as the fallout from a U.S. regulatory probe into its valuation practices spreads, according to a person with knowledge of the matter...That fund managed \$760 million as of March 31, according to a regulatory filing, but the cash value post liquidation was unclear. Its investors include the State Teachers Retirement System of Ohio and the Texas Municipal Retirement System, according to public disclosures.”

[Reuters](#)

Bill Would Move New Texas State Employees to 401(k)-Like Plan

April 22, 2021, By Michael Katz

“Texas’ Senate Finance Committee has advanced a pension reform bill that would enroll new hires eligible for the Texas Employees Retirement System (ERS) in a 401(k)-like cash balance plan instead of defined benefit (DB) pension plan.

“While the bill was lauded by many of Huffman’s fellow senators, it is receiving strong opposition from the Texas State Employees Union, which said the state legislature has underfunded ERS for years and that its failure to raise the starting pay of dedicated state employees has led to record turnover.”

[MarketBeat](#)

TEXAS ECONOMIC INDICATORS

Great Lakes Cheese Investing \$185M in Texas Expansion

April 19, 2021, By Business Facilities Staff

“Great Lakes Cheese will invest nearly \$185 million to establish a new packaging and distribution Facility in Abilene, TX. The project will create more than 500 new jobs.

“A Texas Enterprise Fund (TEF) grant of \$3,000,000 has been offered to the company, which manufactures and packages natural and processed bulk, shredded, and sliced cheeses. Administered by the Economic Development and Tourism Division within the Office of the Governor, the TEF helps to strengthen the state’s economy and attract new jobs to communities across the state.”

[Business Facilities](#)

Texas Business Leaders Call on Lawmakers to Stop Several Bills They View as Discriminatory

April 19, 2021, By Julie Fine

“Some Texas business leaders are calling on state lawmakers to put the brakes on several bills they say are discriminatory and hurtful. Senate Bill 29, which was recently passed by the Senate, would require students to participate in the sport that matches the identity of their birth certificates.

“A group of businesses, including American Airlines, Amazon, and several chambers of commerce, gathered together in Austin for a news conference about legislation they believe unfairly targets the LGBTQ community.”

[NBC DFW](#)

Texas House to Debate 245 Amendments to \$ 246.7 Proposed Budget on Thursday

April 21, 2021, By Wes Rapaport

“Texas lawmakers will debate the House version of the state budget Thursday in a marathon discussion to decide how to spend taxpayer money over the next two years...More than 245 amendments were prefiled for consideration in the budget, which clocks in at just under \$247 billion.

“‘We can’t just have a free spending legislative session no matter how important the needs are for my district or for other members’ districts. But we also want to make sure that we’re not doing damage to that process,’ Landgraf said. ‘So anytime that we can restore funding, maybe not an increase, but just to keep cuts from taking place, we’re looking for opportunities to do that.’”

[KXAN](#)

NATIONAL PENSION, INVESTMENTS & LEGAL

Milliman Analysis: Public Pensions' Funded Ratio Hits New High at 79.0% in Q1 2021

April 19, 2021, By Milliman Inc.

“Milliman, Inc...today released the first quarter 2021 results of its Public Pension Funding Index (PPFI), which consists of the nation's 100 largest public defined benefit pension plans.

“In 2021, public pensions have continued their strong recovery from a year prior, with the funded status of the Milliman 100 plans increasing to 79.0% as of March 31, up from 78.6% at the end of December 2020 and 66.0% in Q1 2020. The Q1 2021 funded ratio is the highest recorded in the history of Milliman's Public Pension Funding Study.”

[PR Newswire](#)

CalPERS Board Votes to Add Long-term Comp for CIO Post

April 20, 2021, By Arleen Jacobius

“CalPERS board voted Tuesday to add a long-term incentive plan to the compensation package for its chief investment officer position, starting with the 2022 fiscal year, as it prepares to restart its recruitment process in June.

“The CIO position has been vacant at the \$460.8 billion California Public Employees' Retirement System, Sacramento, since August, when former CIO Yu "Ben" Meng resigned. In March, CalPERS suspended its search without making an offer. CalPERS could resume the search in June.”

[Pensions & Investments](#)

Pennsylvania Pensions Board Votes to Raise Rates for 94K School Employees

April 20, 2021 By Mark Levy, Associated Press

“The board of Pennsylvania's largest public pension system on Monday night voted to raise contribution rates for tens of thousands of public school employees, part of the fallout from what system officials have called a mistake in calculating the fund's long-term investment performance.”

“If the Legislature does not change the law and the higher employee contribution rates do not take effect, taxpayers will be on the hook for the cash. The system will not say how much money is at stake.”

[90.5 WESA](#)

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