

TEXAS PENSION PLANS

Texas Pension Bill Plays Politics With Retirees' Money

May 29, 2021, By J.W. Verret, Opinion Contributor

“Unfortunately, legislation currently pending in the Texas legislature in SB 13, a bill to prohibit state-run pensions from investing in companies that discriminate against the fossil fuel industry, would force pension managers to violate their fiduciaries and thereby put the savings of firefighters, teachers, policemen and others at serious risk.

“When a pension manager undertakes to secure the pension savings of retirees, he or she undertakes a fiduciary duty. Fiduciary duties were developed in law to govern situations in which the wealth of another, at times an unsophisticated or infirm party, is managed by an agent.”

[The Hill](#)

Overhaul to Texas State Government Employees' Retirement Accounts Advanced Out of Legislature

Updated May 31, By Shawn Mulcahy

“A major overhaul to Texas' pension system for state employees is nearly law after it advanced out of the Texas Legislature on Sunday.

“Senators voted Sunday to concur with House amendments to the bill. It now heads to Gov. Greg Abbott for his consideration. Some state employee unions and Democrats raised objections that changes to Texas' pension plan could negatively impact the recruitment and retention of state workers.

[Texas Tribune](#)

TEXAS ECONOMIC INDICATORS

Texas Senate Passes Crypto Bill, Goes to the Governor to Be Signed Into Law

May 28, 2021, By Felipe Erazo

“Texas state lawmakers have passed a crypto bill that seeks to establish a legal framework for bitcoin investments in the territory. The ‘Virtual Currency Bill’ or ‘House Bill 4474’ has passed the Texas Senate, and it will go to Governor Greg Abbott to receive the final signature to become a law.

“With the bill, there is now legal clarity to define virtual currencies and provide a series of guidelines for Texas companies who want to be involved in the cryptocurrency business.”

[Finance Magnate](#)

Lege Wrap-up: A Stronger Economy Than Expected Made Way for ‘Red Meat’ Session

May 28, 2021, By Jill Ament & Caroline Covington

[10:15 Radio Feature + Article Version]—“Monday is *sine die* – the final day of the regular session of Texas’ 87th Legislature...Many expected the focus of this session to rest heavily on issues that dominated 2020 like the pandemic and police reform in the wake of racial justice movements spawned by the murder of George Floyd. Texans also expected big moves to fix the electric grid after February’s devastating winter storms and power outages.

“Braddock says this session’s budget was ‘remarkably unchanged’ from the one two years ago. That’s because Texas took in more revenue during the pandemic that many, including the state comptroller, had expected. That’s partly the result of Texans returning to work sooner than in many other states – something he says had consequences.”

[Texas Standard](#)

Texas Rising: Hedge Funds, Big Tech Drive Lone Star Wealth Boom

June 4, 2021, By Brendan Case

“Big Tech is flocking to Austin. Big Finance is expanding in Dallas. Houston, the epicenter of the U.S. energy industry, is diversifying away from Big Oil.

“In the last year, Tesla Inc. broke ground on a pickup-truck factory in Austin, and Oracle Corp. said it would shift its headquarters to the Texas capital. Hewlett Packard Enterprise Co. announced it was moving to the Houston area. Charles Schwab Corp. left San Francisco for the affluent Dallas suburb of Westlake, where Fidelity already has a campus. Vanguard plans to open an office in the area early next year.”

[Bloomberg Wealth](#)

NATIONAL PENSION, INVESTMENTS & LEGAL

Ratio of workers supporting state retirees declines, impacting PERS viability

May 28 2021, By Bobby Harrison

“Fewer active workers are supporting a growing number of retirees receiving pension benefits from the Mississippi Public Employees’ Retirement System, a report by a legislative oversight agency concluded.

“The study by the Mississippi Legislative Performance Evaluation and Expenditure Committee pointed out that between 2010 and 2020 the ratio of active employees to retired employees decreased about 33%, from 2.02 active to 1 retiree, to 1.35 to 1.”

[Mississippi Today](#)

Government Is Hiring, But Faces Tough Competition for Workers

June 1, 2021, By Carl Smith

“One of the key differences between the 2021 survey and the one conducted following the 2008 recession is a dramatic shift in retirement trends, says Gerald Young, senior research analyst for SLGE. In 2009, 44 percent of respondents said that retirement-eligible staff were planning to postpone retirement, but in 2021 only 2 percent said this. In 2021, 38 percent said retirement-eligible staff were planning to accelerate retirement, compared to 12 percent in 2009

“Problems with replacing existing workers, and finding the new ones that public agencies need, don’t just affect the public sector. State and local government workers account for roughly 13 percent of the U.S. labor force, says Josh Franzel, managing director for SLGE. ‘When the state local government sector gets a cold as an employer, that impacts everyone else.’”

Governing

Private Equity Slammed by Pensioners in Ohio Fund Report

June 3 2021, By Neil Weinberg

“A group of retirees says the \$80 billion Ohio state teachers’ pension fund is paying high fees to private equity firms for underwhelming returns.

“A report commissioned by the 18,400-member Ohio Retired Teachers Association says “billions have been have squandered” by the State Teachers Retirement System of Ohio on fees and under-performance in the pension fund’s \$14.3 billion alternative-investment portfolio, according to a draft seen by Bloomberg.”

Bloomberg

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