INSIDE LINE

By Tim Lee

TRTA Legislative Update No. 43
Legislative Session 79
By Tim Lee, Executive Director.

4/19/2006

Representative Craig Eiland today filed HB 73 a measure increasing the TRS contribution rate by $300 million for FY 2007 and removing the state mandated 10 percent cap on how much the state can appropriate to the TRS pension fund. The legislation requires the state to fund the TRS pension trust fund at a level necessary to never go beyond a 31-year amortization period, thus maintaining the fund's actuarial soundness.

The legislation was filed on Wednesday, April 19, 2006, and is expected to go before the House Pension and Investments Committee as early as Wednesday, April 26, 2006.

The bill DOES NOT provide for current education retirees to get a pension increase, but it does make the system actuarially sound. This is the absolute first step that must occur if retirees are to get a future pension increase, as legally the pension fund cannot provide benefit increases as long as the pension trust fund has a funding period that exceeds 31 years.

TRTA strongly supports this legislation and TRTA unit leaders should make contact with their state representative(s) alerting them to this legislation and asking them to support Representative Craig Eiland's efforts to pass HB 73.

The TRTA local legislative teams of 5-10 people should make these calls, as many legislators will not even have a chance to vote on this legislation until (if and/or when) it gets to the House floor. TRTA local units that have legislators in their area that are members of the House Pensions and Investments Committee, though, should generate as many calls as possible over the next week leading up to the House Pensions and Investments Committee hearing next Wednesday. The members of the House Pensions and Investments Committee are:

Representative Craig Eiland
Room E1.204 Capitol Building
512.463.0502
fax 512.469.0149
craig.eiland@house.state.tx.us

Representative Dan Flynn
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Representative Ruth Jones McLendon
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512.463.0708
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ruth.mclendon@house.state.tx.us

Representative Joe Straus
District 121
512.463.0686
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Representative Bob E. Griggs
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bob.griggs@house.state.tx.us

Representative Mike Krusee
Room GW.18 Capitol Building
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Representative Eddie Rodriguez
Room E2.412 Capitol Building
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Senate News

Senator Robert Duncan has introduced SB 13 a measure that increases TRS funding by $50 million. This legislation will be heard on Monday, April 24, 2006 at 9:30 AM. TRTA will testify in favor of this legislation, as well. Obviously, the senate measure would not have the same impact that the house bill would have, but increased funding for TRS is always good news.

Questions? Please contact Tim Lee at **tim@trta.org**.