



Weekly Clips, May 26, 2017
Texas Pension Review Board
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PRB PLANS

Houston pension reform a step closer to final passage

May 21, 2017, By Mike Morris

The Legislature is expected to take its final votes on Houston's pension reform legislation within days after a group of House and Senate lawmakers Sunday night hashed out the differences between their chambers' versions and produced a final bill.

Stripped from the proposal that emerged Sunday evening were three amendments backed by firefighters and opposed by City Hall, said state Sen. Joan Huffman, a Houston Republican who carried the measure in the upper chamber and who was among the 10 lawmakers tasked with reconciling the bills. The excised amendments had been added earlier this month when the House followed the Senate in approving its version the reform package.

Houston Chronicle

Changes in retired teachers pension get Senate OK

May 21, 2017, By Mike Ward

Changes in the state's pension plan for retired teachers were approved Sunday by the Texas Senate, amid warnings that the move is a first step to keep the plan solvent in years to come.

By a unanimous vote, the chamber approved House Bill 3976 that will modify the benefits plan under the Teacher's Retirement System of Texas.

Houston Chronicle

Texas County & District makes European private equity fund commitment

May 22, 2017, By Christine Williamson

Texas County & District Retirement System, Austin, committed "60 million (\$66 million) to Summit Partners Europe Growth Equity Fund II, a transaction report from the \$25.6 billion fund showed.

The private equity fund targets investment in European companies in the technology, consumer and health-care sectors.

Pensions & Investments

Just one vote left for Houston pension reform plan

May 23, 2017, By Mike Morris

Houston's pension reform plan is one vote away from the governor's desk after the final approval of the Texas Senate Tuesday evening.

The upper chamber gave Mayor Sylvester Turner's landmark proposal the same 25-5 margin of victory it received three weeks ago when the proposal came to the Senate floor the first time.

[Houston Chronicle](#)

Fix for troubled Dallas Police and Fire Pension System passes Senate

May 23, 2017, By Dagney Pruner

The Texas Senate unanimously passed a bill Tuesday that seeks to fix the broken Dallas Police and Fire Pension System. The bill barely made it out of committee last week but was saved by last-minute negotiations between the city, police and fire associations and pension officials.

"This is not just a Dallas issue. This is about the future of our entire state," said Sen. Don Huffines, R-Dallas, who helped negotiate the Senate's version of the bill. "The men and women of Dallas police and fire deserve this bill."

[Dallas News](#)

Bill to save Dallas police, fire pension passes by unanimous vote

May 23, 2017, By WFAA.com Staff

A bill to save the Dallas police and fire pension fund passed by a unanimous vote in the Texas Senate Tuesday afternoon.

The bill is expected to move the pension fund into solvency for 46 years, according to a release from Sen. Royce West's office.

The passing vote is a benchmark in a long legal journey for HB 3158, which was originally rejected by Dallas Mayor Mike Rawlings. In April, the mayor called the bill proposed by Rep. Dan Flynn (R-Van) a "massive taxpayer bailout" and raised questions over taxpayer funds and governance.

[WFAA](#)

Shared sacrifice and real compromise save the Dallas police pension — for now

May 23, 2017

Victory has a hundred fathers; the saying goes, so there's a lot of credit to pass around for the rescue of the Dallas Police and Fire Pension System.

After many months of work in Dallas and Austin, a bill to stabilize and reform the pension will soon become law. Last week, leading players from both sides held a news conference to celebrate the final breakthrough, and they deserve congratulations for resolving one of Dallas' top problems.

[Dallas News](#)

Dallas Police and Fire Pension Fund, City Agree on Pension Reform

May 23, 2017, By Michael Katz

After it looked like an agreement might never happen, the Dallas Police and Fire Pension System has signed off on a proposed bill to help fix the ailing system.

The landmark negotiations and agreement help secure the long-term solvency and stability of the Dallas Police and Fire Pension System, said Police & Fire Pension System Board Chairman Sam Friar in a statement.

[Chief Investment Officer](#)

Texas Senate passes city's pension reform plan; House to vote Wednesday

May 23, 2017, By Phil Archer

The hard fought overhaul of Houston's troubled pension system won final Senate approval by a large margin Tuesday, with a vote of 25-5.

The bill now goes to the Texas House, where approval would send it to the governor's desk to be signed into law.

It's a big win for Mayor Sylvester Turner and the bill's author, Sen. Joan Huffman (R), of Houston.

[Click 2 Houston](#)

Houston pension bill heads for governor's desk, but firefighters are still mad

May 24, 2017, By Brandon Formby

The Texas House on Wednesday approved the controversial Senate version of a bill that aims to overhaul Houston's failing pension funds - over the passionate objections of current and former firefighters.

Senate Bill 2190, which passed in a 103-43 vote, now heads to Gov. Greg Abbott's desk. But the months of rancor between firefighters and Houston officials promise to linger long after the legislative session ends Monday.

[Texas Tribune](#)

Cornerstone of Turner's agenda heads to governor's desk

May 24, 2017, By Mike Morris

The Texas House sent Houston's pension reform package to the governor's desk Wednesday, marking what Mayor Sylvester Turner hopes is the beginning of the end of a 16-year fiscal crisis, and giving him a landmark achievement in his second year in office.

Turner, who has made passing the reforms the centerpiece of his tenure, alternated between grins and gravitas Wednesday night. He cheered the bill's passage, but also warned that more work lay ahead, a clear nod to a series of referendums looming this fall.

[Houston Chronicle](#)

Three Teacher Retirement Bills Passed by Texas Legislature

May 24, 2017

Late Tuesday evening the Chairman of the House Pensions Committee Dan Flynn (R-Van) passed three bills in succession that address the Teacher Retirement System (TRS). All three bills provide necessary updates and revisions to TRS codes, administration, and regulations.

The teachers of Texas provide one of the most vital services to this state in educating our children. They work long hours and invest so much of their time and energy into our children, they shouldn't have to

worry about their retirement as well. These bills will give them that peace of mind, and I am proud to have sponsored them in the House,+said Chairman Flynn.

[KSST Radio](#)

Texas County & District commits to European buyout fund

May 25, 2017, By Christine Williamson

Texas County & District Retirement System, Austin, committed " 60 million (\$66 million) to **CVC Capital Partners** Fund VII, a transaction report from the \$25.6 billion fund showed.

Portfolio managers of the buyout fund will target investment in middle-market companies in the beverage, chemicals consumer services, manufacturing, distribution, media, retail and technology sectors. The fund's geographic focus primarily will be continental Europe.

[Pensions & Investments](#)

Texas Legislature passes Houston pension reform bill

May 25, 2017, By Meaghan Kilroy

The Texas Legislature on Wednesday approved a pension reform bill for Houston's three pension funds.

The measure passed the House by a 103-43 vote on Wednesday, a day after it passed the Senate. The bill includes benefit reductions for participants in the three pension funds that would help reduce the \$8.2 billion in total unfunded liabilities.

[Pensions & Investments](#)

Dallas' failing pension fund poised for overhaul as bill heads for Abbott's desk

May 25, 2017, By Brandon Formby

The pension overhaul bill that divided Dallas officials and first responders for months is now headed to Gov. Greg Abbott's desk. The Texas House on Thursday unanimously agreed with the Senate's changes to House Bill 3158.

The House's Thursday vote means this legislative session's two divisive bills aimed at shoring up billions in shortfalls in the Dallas and Houston pension funds have cleared both chambers.

[Texas Tribune](#)

Dallas Pension Deal Heads to Governor's Desk

May 25, 2017

A deal to fix the Dallas Police and Fire Pension crisis has been given final approval and is on the way to Gov. Greg Abbott's desk.

The bill spearheaded by State Rep. Dan Flynn (R-Van) and State Sen. Royce West (D-Dallas) was passed by the House unanimously on Thursday. It will now await the governor's signature.

[NBC DFW](#)

TEXAS ECONOMIC INDICATORS

Huge reserves of natural gas under East Texas will fuel the future economy, experts say

May 20, 2017, By Roy Maynard

As far back as 1911, geologists predicted that significant mineral wealth lay below East Texas, in what was then called the Woodbine Stratum - a formation above the Haynesville Shale.

And Columbus Marion "Dad" Joiner proved them right in 1930, when the Daisy Bradford No. 3 well struck oil just outside Henderson in western Rusk County. It was really just a drill stem test - they weren't expecting to hit anything. But at 3,592 feet, Joiner tapped into what was for years thought to be the largest oil and gas reserves in the world.

[Tyler Morning Telegraph](#)

Power house market: Texas, Lubbock home sales boom could go through summer

May 22, 2017, By Adam D. Young

If you have a house around Lubbock that you want to get off your hands, chances are you'll have luck sooner rather than later.

It's the same story across Texas - consecutive years of record growth in demand for housing are being fueled, in part, by continued economic growth, area realtors and financial experts said.

[Lubbock Online](#)

Renegotiating NAFTA could have a big impact on the Texas economy

May 24, 2017, By Jennifer Kendall

President Donald Trump has agreed to renegotiate the North American Free Trade Agreement rather than withdraw from it.

The goal of NAFTA was to make trade between the U.S., Canada and Mexico more accessible, but the president said multiple times during his campaign that he was considering getting rid of NAFTA altogether.

The number one land port in the United States relies heavily on trade agreements with their neighbor to the south.

[Fox7Austin](#)

Frisco, McKinney in battle for nation's fastest-growing city, but a Texas rival edges them out

May 25, 2017, By Jill Cowan

Once again, Texas's sprawling suburbs dominate the U.S. Census Bureau's list of the 15 fastest-growing large cities in the country.

Between 2015 and 2016, Conroe - a Montgomery County suburb just past The Woodlands on Interstate

45 north of Houston · grew 7.8 percent, more than any city with more than 50,000 residents, data released this week shows.

[Dallas News](#)

LEGAL PROCEEDINGS, LAWS & REGULATIONS

Puerto Rico Seeks Court's Help to Save Public Pension System

May 22, 2017, By Danica Coto

Puerto Rico is seeking help from federal court to restructure the debt of the U.S. territory's public pension system, which is projected to run out of money this year.

A federal control board overseeing the island's finances said Monday that the move was taken in part to shield the government from a flurry of lawsuits.

"The government's liquidity and solvency problems are massive, and Title III has now become necessary to protect the people of Puerto Rico," the board said in reference to the court-supervised restructuring process.

[US News](#)

Republican bills close pension to new hires, provide 401(k)

May 23, 2017, By David Eggert

Majority Republicans introduced long-expected legislation Tuesday to close the school employees' pension system to new hires and provide them a 401(k), sparking both applause and outrage while renewing uncertainty over state budget talks.

The identical House and Senate bills would affect teachers and others hired after Sept. 30 and are modeled after a plan that has been offered to state employees hired since 1997.

[Star-Telegram](#)

University of Chicago Latest College Hit With Retirement Plan Suit

May 23, 2017, By Carmen Castro-Pagan

The University of Chicago is accused in a new lawsuit of carrying high fees and offering a poor selection of investment funds in its two retirement plans (*Daugherty v. The University of Chicago*, N.D. Ill., No. 1:17-cv-03736, complaint filed 5/18/17).

The lawsuit seeks class treatment for over 36,000 participants in the university's retirement plans, which hold more than \$3 billion in assets combined.

[Bloomberg BNA](#)

NATIONAL ECONOMIC, PENSION, INVESTMENT & BANKING INFORMATION

San Francisco issues call for global, international equity managers

May 22, 2017, By Randy Diamond

San Francisco City & County Employees' Retirement System is searching for active global or international equity managers to run between \$150 million and \$500 million total.

Managers with a geographic focus such as emerging markets, Europe or Asia will be considered, the RFP said. The review committee will also consider a wide range of capitalization and investment styles, including large-cap, small-cap or all-cap products, and growth, value or core products.

Pensions & Investments

The Future Of Work For People 50+ Will Surprise You

May 22, 2017, By Richard Eisenberg

Genius clubs to channel older workers' talents. Mandatory retirement at 80. A dynamic work/life path, instead of today's linear path. The end of the expectation of rising pay as you age. Volunteering: the new status symbol. Unions for older workers. These are some of the fascinating forecasts we just heard regarding the future of work for Americans over 50.

These predictions I just received from experts, which I elaborate on shortly, are part of Next Avenue's month-long series on the future for Americans over 50 to celebrate our site's fifth anniversary. Our previous pieces: The Future of Health for Americans Over 50, Personal Finance Forecasts for Americans Over 50, How People 50+ Will Live in the Near and Distant Future and What the Future of Adult Learning Will Look Like. Coming up: The Future of Caregiving for People 50+.

Forbes

New York State Common returns 11.42% for fiscal year

May 23, 2017, by Rob Kozlowski

New York State Common Retirement Fund, Albany, returned 11.42% for the fiscal year ended March 31, Thomas P. DiNapoli, the state comptroller and sole trustee of the \$192 billion pension fund, announced Monday.

The top-performing asset class for the year was domestic equities, which returned 17.73%, followed by global equities at 17.04% and international equities, 15.15%.

Pensions & Investments

NY Teamsters Pension Fund Reapplies for Benefits Cuts

May 25, 2017, By Michael Katz

The New York State Teamsters Conference Pension & Retirement Fund has resubmitted its application to Treasury Department to enact benefits reductions under the Multiemployer Pension Reform Act (MPRA).

The fund said that since it withdrew its original application in early April, it held several meetings and calls with the Treasury Department seeking guidance for its application revision. It said that one of the most

significant issues identified by the Treasury Department with the funds original application concerned its conservative investment return assumption.

[Chief Investment Officer](#)

Pa. auditor calls for PSERS fee cuts but offers no big solutions

May 25, 2017, By Joseph N. DiStefano

Pennsylvania's elected auditor general, Eugene DePasquale, said Thursday that the underfunded \$47 billion Pennsylvania Public School Employees Retirement System spends too much on hiring investment-management firms - \$416 million last year, down from \$441 million the year before. He called for "drastic" fee cuts.

Yet DePasquale's 151-page audit stops far short of criticizing the way PSERS invests. Indeed, auditors called the funds' mix of hundreds of investment managers "prudent" and commended its mix of hedge, buyout, real estate, stock and bond funds, and indexed investments.

[Philly.com](#)

WORLDWIDE ECONOMIC, PENSION, INVESTMENT & BANKING INFORMATION

Brazilians Are Calling for President Temer to Resign After Graft Charges Emerge

May 21, 2017, By Sarah DiLorenzo

Brazilians around the country staged demonstrations Sunday calling for their president to step down after the supreme court opened an investigation into allegations he endorsed the payment of hush money to a jailed former lawmaker.

The accusations against President Michel Temer have plunged Latin America's largest nation into crisis yet again, sending its currency and stocks plummeting and stalling a series of reforms designed to pull the economy out of a protracted recession. It's been just a year since Temer took over as president following the impeachment and removal of his predecessor, Dilma Rousseff.

[Time](#)

UK and Spain to probe £120m storage pod pension scams

May 23, 2017, By Monira Matin

The UK's Serious Fraud Office is working with the Spanish authorities to investigate the promoters of self-storage investment schemes, warning that £120m ("139m, \$156m) of investors' money could be at risk.

Capita Oak Pension, the Henley Retirement Benefit and the Westminster Pension Scheme and Trafalgar Multi Asset Fund are among the allegedly fraudulent schemes being investigated by the SFO.

The funds are well-known in the international advisory community, and are often aimed at expat investors in Europe and other jurisdictions.

[International Adviser](#)

Moody's lowers China local/foreign currency issuer ratings to A1

May 24, 2017, By Douglas Appell

Moody's Investors Service downgraded China's long-term local currency and foreign currency issuer ratings one notch Wednesday to A1 from Aa3, citing expectations of a gradual erosion of the country's credit profile in coming years.

At the same time, Moody's changed the outlook for China's ratings to stable from negative, noting that the government retains ~~the~~ considerable scope+ to provide policy support for the economy and cope with ~~the~~ negative shocks.+

Pensions & Investments

Australia trims Future Fund's investment target by 50 basis points

May 25, 2017, By Douglas Appell

Australia's government announced Wednesday it had trimmed the A\$129.6 billion (\$95.7 billion) Future Fund's investment return target by 50 basis points to the consumer price index plus 4% to 5% a year, effective July 1.

A spokeswoman for the Melbourne-based fund said the reduction was the first change to the Future Fund's mandate since it was established in 2006, with marching orders to achieve annual returns of CPI plus 4.5% to 5.5%.

Pensions & Investments

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