

## TEXAS PENSIONS

### **Texas Legislators Consider Teacher Pension Solutions, One-Time Relief Checks**

May 21, 2019, By Kathleen Witte

The Texas House recently voted to move legislation forward that would help make the Teacher Retirement System pension fund financially healthy--or least, more so.

Senate Bill 12 would also give one-time checks to retired teachers.

For James Warner, legislative director of the BCS Retired School Personnel, this is a "beginning of a solution," with emphasis on "beginning."

Education retirees have been on a fixed income that hasn't changed since 2011.

#### **KBTX**

### **Texas ERS Considers Expanding into Venture Capital and Proptech**

May 21, 2019, By Jon Peterson

Employees Retirement System of Texas (Texas ERS) could expand its real estate strategy to invest in proptech.

The pension fund has proposed a change to allow it to invest in real estate-related venture capital, which could include technological innovations.

In a board meeting document, Texas ERS said such an approach could enhance traditional real estate returns and capitalize on disruptions to traditional landlord-tenant relationships.

#### **IPE Real Assets**

### **Appeals Court Sides with City in Lawsuit Over Pension Bond Election**

May 22, 2019, By Jasper Scherer

The Texas 1st Court of Appeals has struck down an appeal from a Houston businessman who contested the city's 2017 pension bond referendum, appearing to end the legal challenge that began almost a year and a half ago.

Mayor Sylvester Turner's office had denied former housing director James Noteware's allegation that the mayor misled voters into approving the \$1 billion bond sale with a "materially misleading ballot description."

#### **Houston Chronicle**

# TEXAS ECONOMIC INDICATORS

## **Study: Texas Coastal Barrier Would Prevent Major Economic Losses**

May 21, 2019, By Nick Powell

Housing sales would drop, gas prices would increase and Texas would lose hundreds of billions of dollars in economic output if a major storm struck an unprotected coastline, according to a new study.

The joint study by Texas A&M University at Galveston and the Texas General Land Office assesses the storm surge impacts on the three counties along Galveston Bay -- Galveston, Harris, and Chambers -- and explores how flooding from a severe storm would impact different sectors of the local and national economies.

### [Houston Chronicle](#)

## **California and Texas: A Few Key Comparisons**

May 21, 2019, By Chuck DeVore

On the economic front, since the end of the recession in June 2009, Texas' private sector seasonally adjusted job growth through April 2019 was 27.2% compared to California's slightly weaker 23.9%. But California shed a far larger proportion of jobs during the recession than did Texas, so it had a deeper hole to climb out of. Extending the horizon by five years to January 2004 shows a far different story, with Texas adding 38.4% more private sector jobs, compared to California's 21%—an 83% growth rate advantage for Texas.

Texas' more rapid job growth is likely due in some measure to its tax and regulatory policies. According to the Tax Foundation, California's business tax climate ranked 49th in the nation in 2018, compared to Texas at 15th. A key component in California's weak ranking is that it features America's highest individual income tax rate, 13.3%, making California's the second-most burdensome income tax in the nation behind New Jersey. Texas has no individual income tax. California's per capita state and local tax collections were \$6,077 in 2016, the 8th-highest in the nation. Texas state and local government collected \$4,020, ranking 29th.

### [Forbes](#)

## **New Census Data Shows Everything Really Is Bigger in Texas**

May 23, 2019, By Sharon Jayson

Texas leads the nation for fastest-growing cities, with half of the top 10 in the Lone Star State, according to new population estimates for cities and towns released by the U.S. Census Bureau Thursday.

Looking at the top 15 with rapid growth, Texas also rules, with seven cities and towns whose populations are 50,000 or more reflected in the new 2018 data. And, of the 10 cities with the largest numeric increase in population, Texas again is the only state with four making the list: San Antonio, Fort Worth, Austin and Frisco.

### [U.S. News & World Report](#)

# NATIONAL PENSION, INVESTMENTS & LEGAL

## **Kansas Governor Signs Budget but Vetoes Pension Payment**

May 20, 2019, By John Hanna

Democratic Gov. Laura Kelly on Monday vetoed an extra \$51 million payment to Kansas' public pension system while signing the bulk of a state budget approved by the Republican-controlled Legislature.

Kelly said in a message to legislators that she used the governor's power to veto individual items in the budget to excise "non-essential" spending in several provisions and bolster the state's cash reserves. The rest of the spending blueprint includes more than \$18.3 billion for state government for the budget year beginning in July, a record amount.

Legislators included the extra \$51 million for the Kansas Public Employees Retirement System to help make up for shorting the state's annual contributions in recent years, when the state repeatedly faced budget problems. But Kelly called it "imprudent" when other parts of state government still need extra dollars, despite extra spending in the budget.

### [AP News](#)

## **Without Pension Reform, Progressive Income Tax Amendment Guarantees Tax Hikes on Illinois' Middle Class**

May 21, 2019, By Orphe Divounguy and Bryce Hill

On May 20, Democrats in the Illinois House Revenue & Finance Committee approved Gov. J.B. Pritzker's prized progressive tax constitutional amendment. While the Senate had previously passed a new income tax structure – already different from the governor's original proposal – the House Committee also passed the amendment without putting in income tax rates.

Pritzker and other proponents of replacing Illinois' flat income tax with a progressive tax have claimed the switch would allow the state to fund its skyrocketing pension obligations, pay off its bill backlog, spend more on education and social services, enable property tax relief and more.

### [Illinois Policy](#)

## **Maryland's Pension Fund Wages War**

May 22, 2019, By Alicia McElhaney

Maryland's State Retirement and Pension System board voted to review investments in Alabama-based asset managers and companies following the passage of a law effectively banning abortion in the state.

Maryland comptroller Peter Franchot brought forth the measure to begin a "full divestment" from the state of Alabama, a spokesperson for the retirement system said Tuesday.

### [Institutional Investor](#)

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