

## TEXAS PENSIONS

### **Texas Employees' Tees Up Major Investment Plans**

May 24, 2019, By Elijah Owens

The Employees' Retirement System of Texas took several steps to advance the sustenance of a few major asset classes in its portfolio to their ideal allocations and configure its approach to how it invests in them.

The largest of the bunch was, of course, private equity, which is currently over-allocated at about 15.2%. The retirement system planned to invest a steadily lower—then higher—amount over the next six years until the asset class reaches its ideal 12.3% allocation in 2024. They also expanded the limit of singular commitments to approximately \$1.45 billion from its previous \$1 billion target.

#### [Chief Investment Officer](#)

### **Nichols: 86th Session Ends with Success**

May 27, 2019, By Bluebonnet News

On Monday, the 86th Legislative Session convened Sine Die, marking the end of another successful legislative session for Texas.

The Legislature also passed Senate Bill 12, which will shore up the state's Teacher Retirement System (TRS) pension system. The state is contributing an additional \$1.11 billion towards the pension fund to ensure that it remains actuarially sound. This funding will also enable the Legislature to provide retirees with a one-time "13th check" beyond the monthly allocation they currently receive.

#### [Bluebonnet News](#)

### **Texas Legislature Passes Bill Raising Contributions to Teachers Pension Plan**

May 29, 2019, By Rob Kozlowski

Legislation increasing state contributions to the \$145.4 billion Texas Teacher Retirement System, Austin, passed the Texas House of Representatives and Senate on Sunday.

The amended Senate Bill 12, originally filed by Sen. Joan Huffman, would gradually increase contributions from teachers, employers and the state to the pension trust fund. The state's contribution will increase to 8.25% from 6.8% of the statewide teacher salary cost over the next five years. The original April bill called for statewide contributions to increase to 8.8%.

#### [Pensions & Investments](#)

# TEXAS ECONOMIC INDICATORS

## **Texas: Business & Technology Park Expands in Tomball**

May 28, 2019, By Business Facilities

The Tomball Business & Technology Park, a project of the Tomball Economic Development Corp. (TEDC), encompasses 99.5 acres of land located at the northwest corner of Hufsmith-Kohrville Road and Holderrieth Road, within the City of Tomball. The Park is Master Planned and Deed Restricted with a Light Industrial zoning classification.

The Tomball Business & Technology Park is fully served with all utilities and provides off-site detention. Its flexible lot sizes and competitive pricing combined with low property taxes and a skilled local labor force make the Park an attractive location for new and expanding businesses. There are approximately 58.5 usable acres still available.

### [Business Facilities](#)

## **Texas Oil, Gas in Expansion Mode Despite Flat Activity**

May 28, 2019, By Valerie Jones

Texas crude oil production continues to break records in 2019. This comes in spite of declines in rig count, drilling permits, well completions and E&P employment, according to the Texas Alliance of Energy Producers' Texas Petro Index.

### [Rigzone](#)

## **Texas Study Shows Business Impact of Major Storms**

May 29, 2019, By Adam Jacobson

A new study conducted by Texas A&M University at Galveston and the Texas General Land Office examines the 50-year impact of a major storm hitting Galveston Bay on the Texas coast near Houston, including secondary effects to the economy. The study focused on catastrophic "500-year" flood events (with a one-in-500 chance of occurring in a year), which, while rare, have hit the state 3 times in recent years. This includes Hurricane Harvey, which struck Louisiana and Texas in August 2017, causing \$125 billion in damage, according to the National Hurricane Center.

These larger storms have serious economic impacts locally, regionally and nationally. Over a 50-year time frame, the study notes, "the projected economic impact on Texas' Gross State Product (GSP) of storm surge without coastal protection is substantial." In the wake of a 500-year magnitude event, the regional petroleum and chemical manufacturing sectors would see their output decline by 19% (or \$175.4 billion) in lost revenue, as well as a projected 17% loss of petroleum jobs (approximately 155,000 jobs) and a petroleum price increase of 13%. It would also impact the region's housing, with the sector declining by 8%, or \$39.5 billion lost in sales.

### [The National Law Review](#)

# NATIONAL PENSION, INVESTMENTS & LEGAL

## **Cincinnati Public Schools Retired Teachers Sue Over Lost Pension Benefits**

May 24, 2019, By Paula Christian

Two retired Hamilton County teachers filed a federal lawsuit on Thursday against the Ohio State Teacher's Retirement System Board, accusing trustees of unlawfully ending cost of living allowances.

The two retired teachers are asking U.S. District Court Chief Judge Susan Dlott to certify their case as a class-action lawsuit, which would open it up to 145,000 retired teachers in Ohio.

### [WCPO](#)

## **CalPERS, Colorado Pension Fund Want a Say in Mandatory Shareholder Arbitration Case**

May 28, 2019, By Alison Frankel

The pension funds for public employees in California and Colorado have moved to intervene in New Jersey federal court litigation that marks the first court test of the legality of mandatory shareholder arbitration. The intervention motion, filed by Deepak Gupta of Gupta Wessler, Salvatore Graziano of Bernstein Litowitz Berger & Grossmann and Marc Gross of Pomerantz, sends a strong signal that the New Jersey case could have major implications for shareholder class actions. If you haven't been paying attention to *Doris Behr 2012 Irrevocable Trust v. Johnson & Johnson*, it's time to start.

The case, as I've reported, has a weird posture. The plaintiff is a trust led by retired Harvard Law professor Hal Scott – a longtime skeptic of securities class actions and a proponent of corporate bylaws compelling shareholders to arbitrate claims. The trust owns a small stake of about 1,050 shares of Johnson & Johnson. Last year, it submitted a proposal calling for a shareholder vote on an amendment to J&J's bylaws that would mandate arbitration of federal securities claims.

### [Reuters](#)

## **New Jersey Needs a Pension Fix. Is This It?**

May 30, 2019, By Joseph De Avila and Heather Gillers

Some New Jersey lawmakers are pushing an overhaul of the state's pension system, one of the most deeply indebted retirement systems in the U.S., as payments are expected to more than double by 2023.

A bill introduced by the state Senate's Democratic leadership would shift new state workers and teachers, as well as those with less than five years of experience, into a hybrid retirement plan that combines a pension with something like a 401(k) plan.

### [The Wall Street Journal](#)

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