

## **BILL ANALYSIS**

Senate Research Center  
85R7381 LED-F

S.J.R. 43  
By: Huffman  
State Affairs  
3/14/2017  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, there is no constitutional prohibition on “bailing out” a local retirement system or infusing a local retirement system with cash. This joint resolution would create that prohibition, and signal that local retirement system obligations are the sole responsibility of the local governments and that the state cannot appropriate money to pay any debts or other obligations of the retirement systems.

S.J.R. 43 proposes a constitutional amendment prohibiting the use of state funds to pay for the obligations of a local public retirement system.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 67, Article XVI, Texas Constitution, by adding Subsection (c-1), as follows:

(c-1) Provides that this state is not liable for any debts or other obligations of a retirement system described by Subsection (c) (relating to requiring the legislature by law to provide for local retirement systems) of this section (State and Local Retirement Systems). Prohibits the legislature from appropriating money to a retirement system described by Subsection (c) of this section to pay any debts or other obligations of the retirement system.

SECTION 2. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 7, 2017. Sets forth the required language of the ballot.