



TCDRS 2021 Legislation Summary

During the 87th Legislative Session, three bills impacting TCDRS — SB 13, SB 19 and HB 3898 — were passed.

Summaries of the bills are listed below.

Senate Bill 13

Sponsors: Sen. Brian Birdwell and Rep. Phil King

TCDRS impact: This bill prohibits Texas public pension plans from investing in or contracting with companies that boycott certain energy companies. Under SB 13, the Comptroller will prepare a list of such companies and send it to the Texas public pension plans for their review to determine if they are invested in any of the companies. If so, there are certain processes that must be followed and certain reports that must be made to the State leadership. In addition, SB 13 requires that certain contracts between a governmental entity and a company must include a contractual provision in which the company verifies that it does not boycott energy companies and will not boycott energy companies. This bill will become effective on Sept. 1, 2021.

Senate Bill 19

Sponsors: Sen. Charles Schwertner and Rep. Giovanni Capriglione

TCDRS impact: This bill prohibits any Texas governmental agency from contracting with companies that discriminate against the firearm or ammunition industries. The bill does not provide for the compilation of a list of such companies but, like SB 13, requires that the contract include a provision that the company does not and will not discriminate against the firearm or ammunition industries. This bill will become effective on Sept. 1, 2021.

House Bill 3898

Sponsor: Rep. Rafael Anchía and Sen. Joan Huffman

TCDRS impact: This bill makes amendments to a law passed several sessions ago that provides for each Texas public pension plan to have an outside firm conduct an evaluation of its investment practices and performance. The amendments do not materially affect TCDRS, which filed its initial report in compliance with existing law several years ago. In addition, the bill also amends state law concerning developing and revising a funding policy, but the amendments do not materially impact TCDRS. This bill will become effective on Sept. 1, 2021.