Texas Taxpayer Tools: Public Pensions

The State is the great fiction through which everybody endeavors to live at the expense of everybody else. ~Frederic Bastiat

How much pension debt does my state or local retirement system have? Is my pension plan built to last? What is the alternative to the status quo?

Finding information on public pension plans is easier than you think! State agencies offer a wide array of online transparency tools that can quickly get you up to speed on the financial health or decline of your state and local retirement systems. Learning to effectively wield these tools will empower you to understand today's challenges and hold elected officials accountable.

Below are three easy-to-use tools that Texans can use to locate specific public pension plans and get detailed financial and actuarial information for them, evaluate historical data and trends for the state's defined benefit systems, and update the status quo to bring sustainability and predictability to Texas' retirement landscape.

LOCATE: Texas Comptroller's Public Pension Search Tool
The Public Pension Search Tool gives taxpayers access to key information on their state or local public pension plan. Texans can learn about their plan's unfunded liability, amortization period, funded ratio, historical investment returns, total membership, and much, much more.
Link: https://comptroller.texas.gov/application.php/pension

EVALUATE: Texas Pension Review Board's Public Pension Data Center
The Public Pension Data Center provides an in-depth look at the past and current financial health of Texas' 99 actuarially funded defined benefit public pension plans. This tool provides users with historical data and trends information depicted in both visual and numerical format.
Link: https://data.prb.texas.gov/

UPDATE: ALEC's Defined Contribution Pension Reform Act
The American Legislative Exchange Council's (ALEC) model legislation provides the framework for an alternative approach that can be implemented in Texas. As written, the bill would shift all new public employees out of the defined benefit model and into a defined contribution type plan. By enacting this style of reform at either the state or local level, retirees and taxpayers alike would stand to gain from greater sustainability, affordability, and predictability.
Link: https://www.alec.org/model-policy/defined-contribution-pension-reform-act/

DID YOU KNOW...
According to the Pension Review Board's (PRB) June 2019 Actuarial Valuations Report, Texas' state and local retirement systems have pension debts totaling more than $80 billion. Twenty-three of the 99 defined benefit plans tracked by the PRB feature amortization periods that are in excess of a 40-year timeframe.

Need help? Contact the Texas Public Policy Foundation's James Quintero or Shelby Sterling at (512) 472-2700.