

# June 2024 Legislative Committee


<b>Schedule</b>	Thursday, June 13, 2024 10:15 AM — 10:30 AM CDT
<b>Venue</b>	4700 Mueller Blvd., Suite 100, Austin, TX 78723
<b>Organizer</b>	Sarah McCleary

## Agenda


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# 1. Call roll of Committee members

Presented by Kelly Crook

AGENDA ITEM 1:  
Call roll of Committee members

AGENDA ITEM OBJECTIVE

The objective of the agenda item is to determine for the record which Trustees are present at the start of the meeting.

Each Trustee should respond to the roll call, and it will be noted which Trustees are present in person and which Trustees have joined via video conference.

## 2. Review order of business and establish meeting objectives

Presented by Kelly Crook

**AGENDA ITEM 2:**

Review order of business and establish meeting objectives

**AGENDA ITEM OBJECTIVE**

This agenda item provides Trustees the opportunity to review the order of business and to express a desire to take an agenda item out of order, and to discuss the key objectives of the meeting.

1. The Committee will review its 2024 Work Plan.
2. The Committee will receive a report on legislative activity at the Texas Capitol including the House and Senate interim charges for the 88<sup>th</sup> Legislature.

**RELEVANCE TO STRATEGIC PLAN**

This agenda item meets **COAERS Strategic Plan Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management.** It is an industry best practice to establish meeting objectives and review them at the outset of each meeting.

# 3. Receive public comments

Presented by Kelly Crook

AGENDA ITEM 3:  
Receive public comments

AGENDA ITEM OBJECTIVE

This standing agenda item allows System members and members of the public the opportunity to provide comments to the Board.

ITEM SUMMARY

The Chair will recognize any person who wishes to comment for up to three minutes per person.

RELEVANCE TO STRATEGIC PLAN/CORE COMPETENCIES

This agenda item meets the core competency established in the **COAERS Strategic Plan** “*Transparency: Complying with open meeting and public information laws to ensure the decision-making process is clear to members and the public.*”



**4. Consider approval of the November 9,  
2023 Legislative Committee minutes**

Presented by Kelly Crook

**AGENDA ITEM 4:**

Consider approval of the November 9 2023 Legislative Committee minutes

AGENDA ITEM OBJECTIVE

This standing agenda item seeks approval of the minutes from the prior Legislative Committee meeting.

RECOMMENDATION FOR COMMITTEE ACTION

Staff recommends approval of the minutes of the November 9, 2023 Legislative Committee meeting.

RELEVANCE TO STRATEGIC PLAN

This agenda item meets the core competency established in the **COAERS Strategic Plan** “*Transparency: Complying with open meeting and public information laws to ensure the decision-making process is clear to members and the public.*”

ATTACHMENT

1. Draft minutes of November 9, 2023 Legislative Committee meeting



**MINUTES**

**LEGISLATIVE COMMITTEE**

Public Meeting held in person and videoconference

On November 9, 2023 at 1:30 p.m. CT

Pursuant to Texas Govt. Code 551.127

**Committee Members**

**Present/ (Absent)**

Kelly Crook, Committee  
Chair  
Yuejiao Liu  
(Leslie Pool)

**Other Board Trustees**

**Present/ (Absent)**

(Anthony Ross)  
Diana Thomas  
(Michael Granof)  
Dick Lavine  
Brad Sinclair  
(Amy Hunter)  
(Chris Noak)  
(Michael Benson)

**Others Present:**

*Staff*

Christopher Hanson  
Sarah McCleary  
Russell Nash  
Jenni Bonds  
Mehrin Rahman  
Yun Quintanilla  
Teresa Cantu  
Amy Kelley\*  
David Kushner

\* Present telephonically

† Present via  
videoconference

*Guests*

Paige Saenz, General  
Counsel  
Kevin Balaod,  
WithIntelligence\*

**1 Call roll of Committee members**

Committee Chair Kelly Crook called the meeting to order at 1:48 p.m. The following Committee members were present in person: Crook and Liu.

**2 Review order of business and establish meeting objectives**

Committee Chair Crook reviewed the order of business and objectives with the Committee. There were no changes to the order of business for the meeting.

Committee Chair Crook asked if there were any members of the public who wished to speak, either now or during an agenda item. There were no comments.

**3 Consider approval of the June 15, 2023 Legislative Committee minutes**

Committee Chair Crook asked Trustees to review the June 15, 2023 minutes.

Ms. Yuejiao Liu moved to approve the June 15, 2023 Legislative Committee minutes as revised. Committee Chair Crook seconded, and the motion passed 2-0.

#### **4 Discuss and consider governmental relations consultant**

Mr. Christopher Hanson presented the review of HillCo to the Committee. Mr. Hanson reviewed the scope of service and fees, and discussed COAERS success during the 88<sup>th</sup> Legislative session, which he noted reflected the efforts of HillCo and Mr. Eddie Solis. Mr. Hanson also presented a draft governmental relations contract from HillCo, who had maintained a flat fee for consulting since 2018 then increased it during Session. He noted that the cost will decrease since that legislation is no longer pending.

Ms. Liu moved to refer the consulting agreement with HillCo to the Board for approval as presented. Ms. Crook seconded, and the motion passed 2-0.

#### **5 Review 2023 Committee Work Plan and discuss development of 2024 Committee Work Plan**

Mr. Hanson noted that the Committee had completed all goals on the 2023 Work Plan except for the Interim Report, as the Legislature has ongoing special sessions. A draft of the 2024 Committee Work Plan was presented.

#### **6 Review key meeting takeaways and call for future agenda items**

Committee Chair Crook summarized the actions taken and the information discussed during the meeting and asked for any future agenda items.

As there were no further items to address, the meeting adjourned at 1:57 p.m.

# 5. Review 2024 Legislative Committee Work Plan

Presented by Christopher Hanson

AGENDA ITEM 5:  
Review 2024 Legislative Committee Work Plan

AGENDA ITEM OBJECTIVE

This agenda item is for discussion of the 2024 Committee Work Plan.

RECOMMENDATION FOR COMMITTEE ACTION

For informational purposes only; no action required.

RELEVANCE TO STRATEGIC PLAN

This agenda item meets **COAERS Strategic Plan Goal 4: Identify and Implement Best Practices**. It is an industry best practice to establish and review Committee work plans.

ATTACHMENT

1. Draft 2024 Committee Work Plan

## 2024 Legislative Committee Work Plan

### Scheduled Meetings

1. June meeting
  - Review of interim charges and legislative activity
2. November meeting
  - Post-Election Report
  - 89<sup>th</sup> Legislative Session priorities
  - Governmental relations consultant report and agreement
  - 2025 Committee work plan

## 6. Receive report on 88th Session interim charges and interim legislative activity

Presented by Christopher Hanson



**AGENDA ITEM 6:**

Receive report on 88<sup>th</sup> Session interim charges and interim legislative activity

AGENDA ITEM OBJECTIVE

This agenda item is intended for the Committee to receive a report on current legislative issues including House and Senate 88th interim charges.

RELEVANCE TO STRATEGIC PLAN

This agenda item is part of **COAERS Strategic Plan Goal 1: Achieve and maintain a funding level that ensures the long-term sustainability of the fund.**

RECOMMENDATION FOR COMMITTEE ACTION

For informational purposes only.

ITEM SUMMARY

Staff and consultant will provide an update to the Committee on interim legislative issues including the recently issued interim changes for both the House Pensions, Investments, and Financial Services Committee and the Senate State Affairs Committee.

ATTACHMENTS

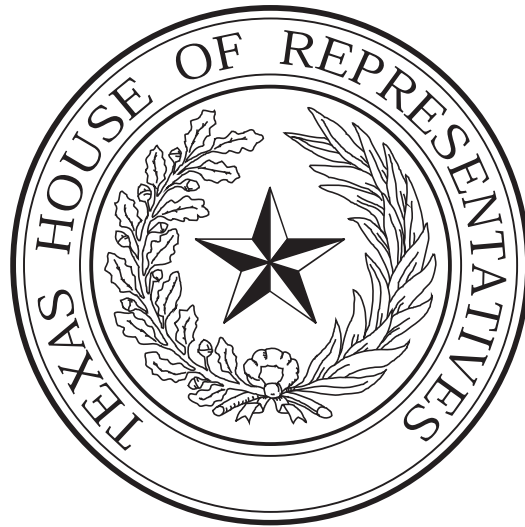
1. Excerpt from House of Representatives Interim Committee Charges 88th Legislature
2. Excerpt from Senate Interim Charges 88th Legislature

# INTERIM COMMITTEE CHARGES

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TEXAS HOUSE OF REPRESENTATIVES

88TH LEGISLATURE



**SPEAKER DADE PHELAN**

**MAY 2024**

## Committee on Natural Resources

1. **Monitoring:** Monitor the agencies and programs under the Committee's jurisdiction and oversee the implementation of relevant legislation passed by the 88th Legislature. Conduct active oversight of all associated rulemaking and other governmental actions taken to ensure the intended legislative outcome of all legislation, including the following:
  - SB 28, relating to financial assistance provided and programs administered by the Texas Water Development Board.
2. **Water Reuse Expansion:** Examine opportunities to expand the reuse of waters in Texas as an additional water supply and identify funding deficiencies for water reuse projects and regulatory impediments that make expansion of water reuse difficult in Texas.
3. **Reliability of Clean Water Access:** Evaluate the causes, durations, and incidence of boil water notices issued by public water systems. Identify solutions to keep critical water infrastructure online during public water system failures and consider whether policy changes are necessary to prevent interruption to the public's access to clean, reliable drinking water.
4. **Groundwater Infrastructure:** Examine Texas groundwater data infrastructure, data collection, and monitoring practices and identify policy solutions for improvement in the areas of understanding local groundwater conditions; groundwater modeling for planning and decision-making; and resource management.

## Committee on Pensions, Investments & Financial Services

1. **Monitoring:** Monitor the agencies and programs under the Committee's jurisdiction and oversee the implementation of relevant legislation passed by the 88th Legislature. Conduct active oversight of all associated rulemaking and other governmental actions taken to ensure the intended legislative outcome of all legislation, including the following:
  - SB 10, relating to certain benefits paid by the Teacher Retirement System of Texas.
2. **ESG:** Examine the ways in which environmental, social, and governance (ESG) policies are contradictory to fiduciary duties and the resultant detrimental effect on investors.



**Dan Patrick**

Lieutenant Governor of Texas  
President of the Senate

## 2024 Interim Legislative Charges:

Border Security Committee  
Business and Commerce Committee  
Criminal Justice Committee  
Education Committee  
Finance Committee  
Health and Human Services Committee  
Higher Education Committee  
Local Government Committee  
Natural Resources Committee  
State Affairs Committee  
Transportation Committee  
Water, Agriculture, and Rural Affairs  
Committee  
Veterans Affairs Committee

**April 11, 2024**

## State Affairs Committee

- **Maintaining Election Security:** Identify threats to Texas’s election integrity, including those from “Big Tech” and foreign entities. Recommend ways to neutralize such threats. Additionally, evaluate the countywide polling place program in Texas. Make recommendations to address countywide polling issues, such as increased wait times, longer travel distances, supply shortages, and reporting irregularities. Evaluate current laws that prohibit political subdivisions and public school districts from using government resources for illegal electioneering. Make recommendations to strengthen these laws and put a stop to illegal electioneering.
- **Social Media & Protecting Children:** Study the impact of social media use on children. Review current mechanisms in place to protect minors online. Monitor the implementation of House Bill 18, 88th Legislature, relating to the protection of minors from harmful, deceptive, or unfair trade practices in connection with the use of certain digital services and electronic devices, including the use and transfer of electronic devices to students by a public school. Make policy recommendations to further protect Texas children online.
- **Protecting Texas Land and Assets:** Evaluate strategic land and asset acquisitions in Texas by foreign entities that threaten the safety and security of the United States. Further, evaluate large-scale purchases of single-family homes by domestic entities and its impact on housing affordability for Texas families. Make recommendations to ensure Texans are secure from foreign threats and homes are affordable in our state.
- **Responsible Investing:** Study the impact of environmental, social, and governance (ESG) factors on our state’s public pensions, with a focus on proxy voting services. Make recommendations to ensure our state’s pension systems vote and invest in accordance with their fiduciary responsibility to maximize profit. Additionally, monitor the implementation of Senate Bill 13, 87th Legislature, relating to state contracts with and investments in certain companies that boycott energy companies. Specifically, examine how a company is removed from the list of companies that boycott energy companies when the company ceases to boycott energy companies. Report on how frequently the list maintained by the comptroller is updated and make recommendations to ensure an ongoing accurate list.
- **Banning Delta 8 and 9:** Examine the sale of intoxicating hemp products in Texas. Make recommendations to further regulate the sale of these products, and suggest legislation to stop retailers who market these products to children.

## 7. Review key meeting takeaways and call for future agenda items

Presented by Kelly Crook

AGENDA ITEM 7:

Review key meeting takeaways and call for future agenda items

AGENDA ITEM OBJECTIVE

This standing agenda item provides Trustees the opportunity to review the key takeaways from the meeting.

RELEVANCE TO STRATEGIC PLAN

This agenda item meets **COAERS Strategic Plan Goal 4: Identify and implement leading practices in board governance, pension administration, and investment management**. It is an industry best practice to review key meeting takeaways to summarize what was accomplished at the meeting as well as ensure Staff has clear direction on further work and future agenda items.

RECOMMENDATION FOR COMMITTEE ACTION

Trustees will review key meeting takeaways and delineate next steps.