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June 27, 2018

The Honorable Kevin P. Brady
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman,

On behalf of the trustees, administrators and employee group members of the Texas Association of Public Employee Retirement Systems, we are writing to advise you of our strong disapproval of the proposed Public Employee Pension Transparency Act (PEPTA). The act, currently being circulated by Congressman Devin Nunes (R-California), would establish a dangerous precedent concerning unfunded federal mandates, taxation of municipal bonds, and intrusion into the operations of state and local governments.

Our association includes police and fire departments, municipalities, airport authorities, hospital districts, regional planning commissions, river authorities, transit authorities, community colleges and university medical centers representing 130,000 active and retired pensioners throughout Texas. Together, we urge you to oppose this proposal.

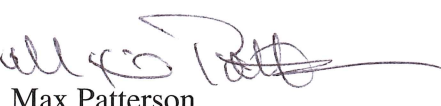
Our membership joins the National Conference on Public Employee Retirement Systems and 19 national organizations representing state and local governments, elected officials, finance professionals, employees and retirement systems that also express strong opposition to the harmful PEPTA legislation. The draft legislation does not protect benefits. It does not save tax dollars. It does not improve the funding of retirement systems.

If passed, it would impose unnecessary, unwanted and unfunded federal mandates in areas that are the fiscal responsibility of states and localities. The proposed act conflicts with existing governmental accounting standards. It threatens to eliminate the tax-exempt bonding authority of state and local governments. Consider the fact that every state and many localities have recently made modifications to pension financing, benefits structures, or both and none required federal intervention.

Thank you for considering our view on this issue. We welcome the opportunity to visit with you or your staff to discuss the issue. Please feel free to contact TEXPERS' office at 713-622-8018 or email us at texpers@texpers.org.

Sincerely,


Paul Brown
President, TEXPERS


Max Patterson
Executive Director, TEXPERS

Texas Association of Public Employee Retirement Systems