



OFFICE OF THE ATTORNEY GENERAL OF TEXAS  
AUSTIN

**GROVER SELLERS**  
**ATTORNEY GENERAL**

Honorable George H. Sheppard  
Comptroller of Public Accounts  
Austin, Texas

Overruled by 0-6297  
and with leave

Dear Sir:

Opinion No. 0-6297  
Re: Under the provisions of House Bill No. 8, Forty-seventh Legislature, is the State required to make total contribution to the Teachers' Retirement System during any fiscal year exactly equal to the contributions of the teachers, or may the allocations be based on a five-year actuarial estimate and adjusted at the end of each five-year period? And a related question.

We are in receipt of your opinion request, reading as follows:

"I should like to submit for your consideration the questions listed below:

"1. Under House Bill 8 of the 47th Legislature, or any subsequent Amendments thereto, is the State required to make total contribution to the Teachers' Retirement System during any fiscal year exactly equal to the contributions of the teachers, or may the allocations be based on a five-year actuarial estimate and adjusted at the end of each five-year period?

"2. If the contribution of the State is to be adjusted annually to the contributions made by the teachers, shall the State's contribution be equal to the total contributions of the teachers, or shall the State's contribution be equal to the contributions of the teachers less refunds to teachers who cease to be members other than by death or retirement?"

We quote the following pertinent language from House Bill 8 of the 47th Legislature, as found in the General Laws of the 47th Legislature on page 338:

"(3) Beginning with the fiscal year starting on September 1, 1941, and annually thereafter, there is hereby allocated and appropriated to the Teacher Retirement System of Texas in accordance with the provisions of Senate Bill No. 47, Acts of the Regular Session, Forty-fifth Legislature, 1937, and any amendments thereto, a sum each year equivalent to the contributions of the members of the Teacher Retirement System during said year. Said amounts are hereby allocated and appropriated and shall be paid to the Teacher Retirement System in equal monthly installments beginning September 1, 1941, and monthly thereafter based upon the annual estimate by the State Board of Trustees of the Teacher Retirement System of the contributions to be received from the members of said system during said year; provided further, in the event said estimate of the contributions of the members of the System shall vary from the actual amount of the teachers' contributions during the year, then such adjustments shall be made at the close of each fiscal year as may be required."

"There is likewise hereby allocated and appropriated to the Teacher Retirement System of Texas beginning on the first day of the first month after the effective date of this Act, and monthly thereafter, the sum of Fifty Thousand Dollars(\$50,000), which shall be paid by the State Treasurer to the Teacher Retirement System until such time as the total additional amounts so deposited by the State of Texas shall be equivalent to the total amount contributed by the members of the Retirement System from September 1, 1937, to September 1, 1941, as certified by the State Board of Trustees of the Teacher Retirement System."

It is obvious from the foregoing that the State is required to make total contributions to the Teachers' Retirement System during each fiscal year exactly equal to the contributions of the teachers. The law is very plain wherein it appropriates

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and allocates to the Teachers Retirement System "a sum each year equivalent to the contributions of the members of the Teacher Retirement System during said year." This fact is emphasized by the further language: "provided further, in the event said estimate of the contributions of the members of the System shall vary from the actual amount of the teachers' contributions during the year, then such adjustments shall be made at the close of each fiscal year as may be required."

This is in addition to the \$50,000 monthly appropriation made equivalent to the amounts paid by the teachers from September 1, 1937 to September 1, 1941. Your first question is answered in the affirmative.

As we understand the law, those teachers who cease to be members of the System other than by death or retirement are refunded an amount equal to the contributions paid into the System by such teachers and hence their contributions having been so withdrawn do not constitute a contribution to the System, and should not be considered in determining the amount of the State's contribution.

Yours very truly

ATTORNEY GENERAL OF TEXAS

By   
C. F. Gibson  
Assistant

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