

THE ECONOMIC BENEFIT OF DEFINED BENEFIT PENSIONS IN TEXAS

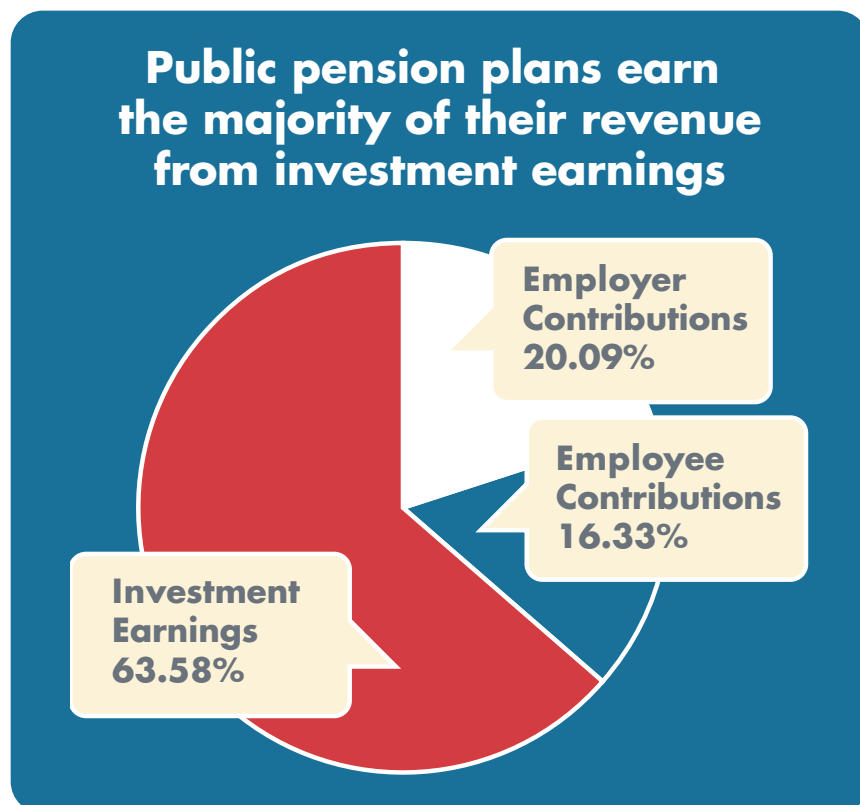
Defined benefit pensions are the most reliable path to a secure retirement for working families. They are also powerful economic engines for local communities. The spending of pension benefits by retirees supports local businesses through purchases of food, medicine, gas, and other staple items.

In 2016, the spending of pension benefits in Texas:

- Generated **\$29.4 billion** in economic activity
- Supported **185,087 jobs** that paid nearly **\$9.7 billion** in income

Each dollar paid out in pension benefits creates **\$1.83** in total economic output in Texas.

Public pensions are a great investment for taxpayers. Each dollar invested by Texas taxpayers in public pensions supports **\$9.10** in economic activity.



Public pension plans create more tax revenue than what is contributed to the plan by the taxpayer. Nationally in 2016, taxpayers saw **\$277.6 billion** in state and local tax revenue because of pension asset investment and the spending of pension benefits. Since taxpayers only contributed **\$140.3 billion** into these funds, taxpayers saw a return of **\$137.3 billion**. In Texas, public pension plans create **\$9.3 billion** more in tax revenue than what is contributed to the plan by the taxpayer.