

# **Bond Case Briefs**

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## **PUBLIC PENSIONS - TEXAS**

### **City of Houston v. Houston Municipal Employees Pension System**

**Supreme Court of Texas - June 8, 2018 - S.W.3d - 2018 WL 2749728**

Municipal employees pension system brought action against city, seeking writ of mandamus to compel city to provide information regarding employees of city-controlled nonprofit corporations, which employees were city employees until they were transferred to corporations, and to compel city to allocate funding in city budgets for retirement contributions and pick up payments owed for employees of corporations.

City filed, inter alia, plea to the jurisdiction, arguing that governmental immunity barred pension system's claims. The District Court denied city's plea to the jurisdiction. City appealed. The Houston Court of Appeals affirmed in part, reversed in part, rendered judgment in part, and remanded.

On petition for review, the Supreme Court of Texas held that:

- Pension system had standing under pension-system statute to bring mandamus action against city;
- Employees of nonprofit corporations were "employees" under pension-system statute, and thus were "members" of pension system;
- A statute authorizing a governmental entity to enter into contracts and providing that such a contract will be binding does not require the contract to be performed in a particular way such that an ultra vires claim can be brought to enforce it;
- Pension system did not have adequate remedy by law, as would bar pension system's claim for mandamus relief;
- Pension-system statute created ministerial duty and defined it with sufficient clarity to support pension system's ultra vires and mandamus claims against city;
- Pension system sought to have pension-system statute enforced going forward and thus was seeking prospective relief, as required for pension system to bring claim for mandamus relief against city; and
- Pension system's action was not rendered moot by amendment to pension-system statute.