

By: Huffman

S.B. No. 7

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a one-time supplemental payment of benefits under the
3 Teacher Retirement System of Texas.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. (a) Subject to Subsection (i) of this section
6 and Section [821.006](#), Government Code, the Teacher Retirement System
7 of Texas shall make a one-time supplemental payment of a retirement
8 or death benefit, as provided by this section.

9 (b) The supplemental payment is payable not later than
10 January 2022 and, to the extent practicable, on a date or dates that
11 coincide with the regular annuity payment payable to each eligible
12 annuitant.

13 (c) The amount of the supplemental payment is equal to the
14 lesser of:

15 (1) the gross amount of the regular annuity payment to
16 which the eligible annuitant is otherwise entitled for the calendar
17 month immediately prior to the calendar month in which the Teacher
18 Retirement System of Texas issues the one-time supplemental payment
19 in accordance with Subsection (b) of this section; or

20 (2) \$2,400.

21 (d) The supplemental payment is payable without regard to
22 any forfeiture of benefits under Section [824.601](#), Government Code.
23 The Teacher Retirement System of Texas shall make applicable tax
24 withholding and other legally required deductions before

1 disbursing the supplemental payment. A supplemental payment under
2 this section is in addition to and not in lieu of the regular
3 monthly annuity payment to which the eligible annuitant is
4 otherwise entitled.

5 (e) Subject to Subsection (f) of this section, to be
6 eligible for the supplemental payment, a person must be, for the
7 calendar month immediately prior to the calendar month in which the
8 Teacher Retirement System of Texas issues the one-time supplemental
9 payment in accordance with Subsection (b) of this section, and
10 disregarding any forfeiture of benefits under Section [824.601](#),
11 Government Code, an annuitant eligible to receive:

- 12 (1) a standard retirement annuity payment;
- 13 (2) an optional retirement annuity payment as either a
14 retiree or beneficiary;
- 15 (3) a life annuity payment under Section
16 [824.402\(a\)\(4\)](#), Government Code;
- 17 (4) an annuity for a guaranteed period of 60 months
18 under Section [824.402\(a\)\(3\)](#), Government Code; or
- 19 (5) an alternate payee annuity payment under Section
20 [804.005](#), Government Code.

21 (f) If the annuitant is a retiree or a beneficiary under an
22 optional retirement payment plan, to be eligible for the
23 supplemental payment, the effective date of the retirement of the
24 member of the Teacher Retirement System of Texas must have been on
25 or before December 31, 2020. If the annuitant is a beneficiary
26 under Section [824.402\(a\)\(3\)](#) or (4), Government Code, to be eligible
27 for the supplemental payment, the date of death of the member of the

1 retirement system must have been on or before December 31, 2020.
2 The supplemental payment shall be made to an alternate payee who is
3 an annuitant under Section 804.005, Government Code, only if the
4 annuity payment to the alternate payee commenced on or before
5 December 31, 2020. The supplemental payment is in addition to the
6 guaranteed number of payments under Section 824.204(c)(3) or (4),
7 Section 824.308(c)(3) or (4), or Section 824.402(a)(3), Government
8 Code, and may not be counted as one of the guaranteed monthly
9 payments.

10 (g) The supplemental payment does not apply to payments
11 under:

12 (1) Section 824.304(a), Government Code, relating to
13 disability retirees with less than 10 years of service credit;

14 (2) Section 824.804(b), Government Code, relating to
15 participants in the deferred retirement option plan with regard to
16 payments from their deferred retirement option plan accounts;

17 (3) Section 824.501(a), Government Code, relating to
18 retiree survivor beneficiaries who receive a survivor annuity in an
19 amount fixed by statute; or

20 (4) Section 824.404(a), Government Code, relating to
21 active member survivor beneficiaries who receive a survivor annuity
22 in an amount fixed by statute.

23 (h) The board of trustees of the Teacher Retirement System
24 of Texas shall determine the eligibility for and the amount and
25 timing of a supplemental payment and the manner in which the payment
26 is made.

27 (i) The Teacher Retirement System of Texas is required to

1 make a one-time supplemental payment of benefits under this section
2 only if the board of trustees of the Teacher Retirement System of
3 Texas finds that the legislature appropriated money to the
4 retirement system in an amount sufficient to provide the payment.
5 If the board of trustees of the Teacher Retirement System of Texas
6 finds that the legislature did not appropriate money in an amount
7 sufficient to provide a one-time supplemental payment of benefits
8 under this section, the retirement system may not make the payment.

9 SECTION 2. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect on the 91st day after the last day of the
14 legislative session.