

1-1 By: Hughes S.B. No. 1105
 1-2 (In the Senate - Filed March 5, 2021; March 18, 2021, read
 1-3 first time and referred to Committee on Finance; April 21, 2021,
 1-4 reported adversely, with favorable Committee Substitute by the
 1-5 following vote: Yeas 13, Nays 0, one present not voting;
 1-6 April 21, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21				X
1-22	X			
1-23			X	

1-24 COMMITTEE SUBSTITUTE FOR S.B. No. 1105 By: Schwertner

1-25 A BILL TO BE ENTITLED
 1-26 AN ACT

1-27 relating to the resumption of employment by certain retirees within
 1-28 the Texas Municipal Retirement System.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. Section 852.108, Government Code, is amended by
 1-31 amending Subsections (a), (c), (e), (f), (h), (i), and (j) and
 1-32 adding Subsections (b-1), (k), (l), (m), and (n) to read as follows:

1-33 (a) In this section and Sections 852.1085 and 852.109, a
 1-34 person's reemploying municipality is the municipality for which the
 1-35 person most recently performed ~~[was performing]~~ creditable service
 1-36 before ~~[at the time of]~~ the person's retirement with respect to the
 1-37 person's particular individual account under this subtitle.

1-38 (b-1) Unless subject to Subsection (c), the retirement
 1-39 annuity of a person subject to this section is not suspended.

1-40 (c) If a person becomes an employee of the person's
 1-41 reemploying municipality at any time during the 12 consecutive
 1-42 months after the effective date of the person's last retirement
 1-43 from the reemploying municipality, the ~~[The]~~ retirement system
 1-44 shall discontinue and suspend the full amount of the monthly
 1-45 payments of the ~~[each]~~ service retirement annuity that is allowed
 1-46 because of the person's previous retirement from ~~[service with]~~ the
 1-47 reemploying municipality beginning with the month the retirement
 1-48 system determines that the person has again become an employee of
 1-49 the reemploying municipality. After the suspension and except as
 1-50 provided by Subsection (j), the retirement system may not make
 1-51 payments of the annuity for any month during which the person
 1-52 remains an employee of the reemploying municipality. The
 1-53 suspension of a benefit under this section does not suspend payment
 1-54 of a benefit to an alternate payee under a qualified domestic
 1-55 relations order.

1-56 (e) After termination of employment with the reemploying
 1-57 municipality and after filing of an application for resumption of
 1-58 retirement with the board of trustees, a person described by
 1-59 Subsection (c) ~~[(b)]~~ is entitled to receive future payments of the
 1-60 suspended annuity, as provided by Subsection (f), and to the

2-1 additional benefits as provided by Subsections (g), (h), (i), and
2-2 (j).

2-3 (f) Monthly payments of an [a suspended] annuity suspended
2-4 under Subsection (c) shall resume effective beginning with [be
2-5 resumed in] the month following the month in which employment is
2-6 terminated with the reemploying municipality, without change in the
2-7 amount except for any increase allowed under Section 854.203 or the
2-8 duration of or another condition pertaining to the suspended
2-9 benefit. Except as provided by Subsection (j), payment of the
2-10 resumed benefit may not be made for any month during which the
2-11 payment was suspended under this section.

2-12 (h) The additional service retirement benefit allowable to
2-13 a person to whom this section applies is, at the option of that
2-14 person, either:

2-15 (1) a refund of accumulated contributions made since
2-16 reemployment plus any accrued interest on the accumulated
2-17 contributions allowed by the retirement system; or

2-18 (2) a benefit consisting of:
2-19 (A) a basic annuity actuarially determined from
2-20 the sum of the member's contributions [deposits] made and
2-21 accumulated since the date the person last became a member,
2-22 together with interest accumulated on that amount since the person
2-23 last became a member and an amount from the benefit accumulation
2-24 fund equal to the amount of the member's contributions credited to
2-25 the member's individual account since the person last became a
2-26 member together with interest accrued on that amount since the
2-27 person last became a member; or

2-28 (B) a greater amount authorized by the
2-29 municipality under Section 855.501.

2-30 (i) The additional benefit described by Subsection (h)(2)
2-31 [~~(h)~~] is payable as a standard service retirement benefit or, at the
2-32 election of the member, any optional benefit authorized under this
2-33 subtitle that is the actuarial equivalent of the standard
2-34 retirement benefit. The first benefit payment date under this
2-35 subsection is the later of the end of the month following the last
2-36 month of employment or the end of the month following the month in
2-37 which the person files an application for payment. The first
2-38 payment may not be made if the person has resumed employment with
2-39 the reemploying municipality in a position that would make the
2-40 person an employee.

2-41 (j) Subject to Subsection (m), a [A] person who resumed
2-42 employment with the person's reemploying municipality before
2-43 September 1, 2021, [to whom this section applies] shall receive a
2-44 lump-sum payment in an amount equal to the sum of the service
2-45 retirement annuity payments the person would have received had the
2-46 person's annuity payments not been discontinued and suspended under
2-47 this section as it existed on the date the person resumed employment
2-48 with the reemploying municipality, if the person:

2-49 (1) initially retired based on a bona fide termination
2-50 of employment; and

2-51 (2) resumed employment with the person's reemploying
2-52 municipality at least eight years after the effective date of the
2-53 person's retirement.

2-54 (k) If the annuity payments of a person who resumed
2-55 employment with the person's reemploying municipality before
2-56 September 1, 2021, were discontinued and suspended under this
2-57 section as it existed on the date the person resumed employment with
2-58 the reemploying municipality and the person has not terminated
2-59 employment with the reemploying municipality, then on filing of a
2-60 written application with the retirement system, the retirement
2-61 system shall, subject to Subsection (l), resume making the annuity
2-62 payments to the person, provided:

2-63 (1) the person's retirement that preceded the
2-64 resumption of employment was based on a bona fide termination of
2-65 employment; and

2-66 (2) the person did not become an employee of the
2-67 person's reemploying municipality at any time during the 12
2-68 consecutive months after the effective date of the person's
2-69 retirement described by Subdivision (1).

