

By: Allison

H.B. No. 3569

A BILL TO BE ENTITLED

AN ACT

relating to authorizing cost-of-living adjustments applicable to certain benefits paid by the Teacher Retirement System of Texas.

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

SECTION 1. Subchapter H, Chapter 824, Government Code, is amended by adding Section 824.703 to read as follows:

Sec. 824.703. ADDITIONAL COST-OF-LIVING ADJUSTMENT.

(a) Notwithstanding Section 824.702 and subject to Section 821.006, the retirement system shall make a one-time cost-of-living adjustment payable to annuitants receiving a monthly death or retirement benefit annuity, as provided by this section.

(b) Subject to Subsections (c) and (d), to be eligible for the adjustment, a person must be, on the effective date of the adjustment and disregarding any forfeiture of benefits under Section 824.601, an annuitant eligible to receive:

(1) a standard service or disability retirement annuity payment;

(2) an optional service or disability retirement annuity payment as either a retiree or beneficiary;

(3) an annuity payment under Section 824.402(a)(3) or (4);

(4) an annuity payment under Section 824.502; or

(5) an alternate payee annuity payment under Section 804.005.

1 (c) If the annuitant:

2 (1) is a retiree or is a beneficiary under an optional
3 retirement payment plan, to be eligible for the adjustment under
4 this section:

5 (A) the annuitant must be living on the effective
6 date of the adjustment; and

7 (B) the effective date of the retirement of the
8 member of the retirement system must have been on or before August
9 31, 2021;

10 (2) is a beneficiary under Section 824.402(a)(3) or
11 (4) or 824.502, to be eligible for the adjustment:

12 (A) the annuitant must be living on the effective
13 date of the adjustment; and

14 (B) the date of death of the member of the
15 retirement system must have been on or before August 31, 2021; or

16 (3) is an alternate payee under Section 804.005, the
17 annuitant is eligible for the adjustment only if the effective date
18 of the election to receive the annuity payment was on or before
19 August 31, 2021.

20 (d) An adjustment made under this section does not apply to
21 payments under:

22 (1) Section 824.203(d), relating to retirees who
23 receive a standard service retirement annuity in an amount fixed by
24 statute;

25 (2) Section 824.304(a), relating to disability
26 retirees with less than 10 years of service credit;

27 (3) Section 824.304(b)(2), relating to disability

1 retirees who receive a disability annuity in an amount fixed by
2 statute;

3 (4) Section 824.404(a), relating to active member
4 survivor beneficiaries who receive a survivor annuity in an amount
5 fixed by statute;

6 (5) Section 824.501(a), relating to retiree survivor
7 beneficiaries who receive a survivor annuity in an amount fixed by
8 statute; or

9 (6) Section 824.804(b), relating to participants in
10 the deferred retirement option plan with regard to payments from
11 their deferred retirement option plan accounts.

12 (e) An adjustment under this section:

13 (1) must be made beginning with an annuity payable for
14 the month of September 2023; and

15 (2) is limited to:

16 (A) an amount equal to 10 times the member's
17 years of service in the retirement system if, as applicable, the
18 effective date of the retirement of the member, the date of death of
19 the member, or the effective date of the election to receive the
20 annuity payment under Section 804.005 was on or before August 31,
21 2005;

22 (B) an amount equal to eight times the member's
23 years of service in the retirement system if, as applicable, the
24 effective date of the retirement of the member, the date of death of
25 the member, or the effective date of the election to receive the
26 annuity payment under Section 804.005 was after August 31, 2005,
27 but on or before August 31, 2010;

1 (C) an amount equal to six times the member's
2 years of service in the retirement system if, as applicable, the
3 effective date of the retirement of the member, the date of death of
4 the member, or the effective date of the election to receive the
5 annuity payment under Section 804.005 was after August 31, 2010,
6 but on or before August 31, 2015;

7 (D) an amount equal to four times the member's
8 years of service in the retirement system if, as applicable, the
9 effective date of the retirement of the member, the date of death of
10 the member, or the effective date of the election to receive the
11 annuity payment under Section 804.005 was after August 31, 2015,
12 but on or before August 31, 2020; or

13 (E) an amount equal to two times the member's
14 years of service in the retirement system if, as applicable, the
15 effective date of the retirement of the member, the date of death of
16 the member, or the effective date of the election to receive the
17 annuity payment under Section 804.005 was after August 31, 2020,
18 but on or before August 31, 2023.

19 SECTION 2. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2023.