

By: Averitt

S.B. No. 897

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the temporary provision of lump-sum payments to certain
3 retiring members of the Employees Retirement System of Texas.

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

5 SECTION 1. Subchapter B, Chapter 814, Government Code, is
6 amended by adding Section 814.1051 to read as follows:

7 Sec. 814.1051. LUMP-SUM PAYMENT IN ADDITION TO ANNUITY FOR
8 CERTAIN RETIREES. (a) A member who is eligible to retire and
9 receive a service retirement annuity on or after August 31, 2003,
10 and before September 1, 2005, is also eligible to receive a one-time
11 lump-sum payment as provided by this section.

12 (b) To receive a lump-sum payment under this section:

13 (1) a member who is eligible to retire on August 31,
14 2003, must retire on that date; and

15 (2) a member who becomes eligible to retire after
16 August 31, 2003, and before September 1, 2005, must retire in the
17 month in which the member first becomes eligible.

18 (c) The lump-sum payment under this section is an amount
19 equal to 25 percent of the member's total regular salary for the
20 12-month period preceding the month in which the member retires.
21 The lump sum shall be paid as a single payment at the time the first
22 monthly annuity payment is paid to the retiree, unless the
23 comptroller by rule specifies another date for payment.

24 (d) The retirement system shall report to the comptroller at

1 least once each month the number of retiring members who are
2 eligible to receive a lump-sum payment under this section.

3 (e) This section does not apply to a member who retires
4 under Subchapter C for a disability.

5 (f) The board of trustees and the comptroller may adopt
6 rules to implement this section.

7 (g) This section expires January 1, 2006.

8 SECTION 2. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2003.