

1-1 By: Kuempel (Senate Sponsor - Armbrister) H.B. No. 2918
1-2 (In the Senate - Received from the House May 2, 2005;
1-3 May 3, 2005, read first time and referred to Committee on State
1-4 Affairs; May 19, 2005, reported favorably by the following vote:
1-5 Yeas 7, Nays 0; May 19, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to resumption of employment within the Texas Municipal
1-9 Retirement System by a person who has filed an application for
1-10 retirement.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. The heading to Section 852.108, Government Code,
1-13 is amended to read as follows:

1-14 Sec. 852.108. RESUMPTION OF SERVICE; REINSTATEMENT IN
1-15 SYSTEM [WITH SAME EMPLOYER BY RETIREE].

1-16 SECTION 2. Sections 852.108(a) and (b), Government Code,
1-17 are amended to read as follows:

1-18 (a) In this section and Section 852.109, a person's
1-19 reemploying municipality is the municipality for which the person
1-20 most recently performed ~~[was performing]~~ creditable service before
1-21 ~~[at the time of]~~ the person's retirement under this subtitle.

1-22 (b) A person who has retired with a service retirement
1-23 benefit under this subtitle and who ~~[later]~~ becomes an employee of
1-24 the person's reemploying municipality within one calendar month
1-25 after the effective date of the person's retirement is considered
1-26 to have not retired. The retirement system shall reinstate the
1-27 person's membership in the system [also becomes a member of the
1-28 system on the date of employment, but credits and benefits
1-29 allowable to the person under this subtitle are limited as provided
1-30 by this section].

1-31 SECTION 3. The heading to Section 852.109, Government Code,
1-32 is amended to read as follows:

1-33 Sec. 852.109. RESUMPTION OF SERVICE; BENEFITS NOT AFFECTED
1-34 [WITH DIFFERENT EMPLOYER BY RETIREE].

1-35 SECTION 4. Sections 852.109(a) and (e), Government Code,
1-36 are amended to read as follows:

1-37 (a) If a person becomes an employee of a municipality after
1-38 the effective date of the person's retirement [beginning to receive
1-39 a retirement benefit,] and the municipality is not the person's
1-40 reemploying municipality, or if the person becomes an employee of
1-41 the person's reemploying municipality after at least one calendar
1-42 month has passed since the effective date of the person's
1-43 retirement, the person again becomes a member of the retirement
1-44 system, and the person's retirement annuity is not suspended.

1-45 (e) The additional benefit described by Subsection (d) is
1-46 payable as a standard service retirement benefit or, at the
1-47 election of the member, any optional benefit authorized under this
1-48 subtitle that is the actuarial equivalent of the standard
1-49 retirement benefit. The first benefit payment date under this
1-50 subsection is the later of the end of the month following the last
1-51 month of employment or the end of the month following the month in
1-52 which the person files an application for payment. ~~[The first~~
1-53 ~~payment may not be made if the person has resumed employment that~~
1-54 ~~would result in suspension of a benefit.]~~

1-55 SECTION 5. Beginning with the effective date of this Act,
1-56 the Texas Municipal Retirement System shall resume payments of each
1-57 annuity suspended under former Section 852.108(c), Government
1-58 Code, repealed by this Act, for a retiree employed by a reemploying
1-59 municipality, as that term is defined by Section 852.108(a),
1-60 Government Code, as amended by this Act.

1-61 SECTION 6. The following provisions of the Government Code
1-62 are repealed:

- 1-63 (1) Sections 852.108(c)-(i); and
1-64 (2) Section 852.109(f).

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SECTION 7. This Act takes effect January 1, 2006.

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