

By: Armbrister

S.B. No. 1409

A BILL TO BE ENTITLED

AN ACT

1
2 relating to resumption of employment within the Texas Municipal
3 Retirement System by a person who has filed an application for
4 retirement.

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

6 SECTION 1. The heading to Section 852.108, Government Code,
7 is amended to read as follows:

8 Sec. 852.108. RESUMPTION OF SERVICE; REINSTATEMENT IN
9 SYSTEM [~~WITH SAME EMPLOYER BY RETIREE~~].

10 SECTION 2. Sections 852.108(a) and (b), Government Code,
11 are amended to read as follows:

12 (a) In this section and Section 852.109, a person's
13 reemploying municipality is the municipality for which the person
14 most recently performed [~~was performing~~] creditable service before
15 [~~at the time of~~] the person's retirement under this subtitle.

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

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

3 Sec. 852.109. RESUMPTION OF SERVICE; BENEFITS NOT AFFECTED
4 ~~[WITH DIFFERENT EMPLOYER BY RETIREE]~~.

5 SECTION 4. Sections 852.109(a) and (e), Government Code,
6 are amended to read as follows:

7 (a) If a person becomes an employee of a municipality after
8 the effective date of the person's retirement ~~[beginning to receive~~
9 ~~a retirement benefit,]~~ and the municipality is not the person's
10 reemploying municipality, or if the person becomes an employee of
11 the person's reemploying municipality after at least one calendar
12 month has passed since the effective date of the person's
13 retirement, the person again becomes a member of the retirement
14 system, and the person's retirement annuity is not suspended.

15 (e) The additional benefit described by Subsection (d) is
16 payable as a standard service retirement benefit or, at the
17 election of the member, any optional benefit authorized under this
18 subtitle that is the actuarial equivalent of the standard
19 retirement benefit. The first benefit payment date under this
20 subsection is the later of the end of the month following the last
21 month of employment or the end of the month following the month in
22 which the person files an application for payment. ~~[The first~~
23 ~~payment may not be made if the person has resumed employment that~~
24 ~~would result in suspension of a benefit.]~~

25 SECTION 5. Beginning with the effective date of this Act,
26 the Texas Municipal Retirement System shall resume payments of each
27 annuity suspended under former Section 852.108(c), Government

1 Code, repealed by this Act, for a retiree employed by a reemploying
2 municipality, as that term is defined by Section 852.108(a),
3 Government Code, as amended by this Act.

4 SECTION 6. The following provisions of the Government Code
5 are repealed:

6 (1) Sections 852.108(c)-(i); and

7 (2) Section 852.109(f).

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