

By: Guillen

H.B. No. 1139

A BILL TO BE ENTITLED

AN ACT

relating to the resumption of employment by a retiree within the Texas Municipal Retirement System.

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

SECTION 1. Subchapter B, Chapter 852, Government Code, is amended by adding Section 852.1081 to read as follows:

Sec. 852.1081. RESUMPTION OF SERVICE BY RETIREE. (a)
Except as provided by Subsection (b), a person who has retired from a participating municipality with a service retirement annuity based on a bona fide termination of employment resumes membership in the retirement system without suspension of the person's annuity if:

(1) the person becomes an employee of the participating municipality by which the person was most recently employed not sooner than one calendar month after the effective date of the person's retirement; or

(2) the person becomes an employee of a participating municipality by which the person was not most recently employed after the effective date of the person's retirement.

(b) A person who, less than a month after retiring, resumes employment with the participating municipality by which the person was most recently employed is considered to have not retired with respect to that municipality. The person's service retirement annuity will be discontinued, the person's membership will be

1 restored, and the person must return any payments received.

2 Appropriate adjustments will be made for any amounts not returned.

3 (c) A membership established under Subsection (a) is
4 considered to be a new membership for the purposes of beneficiary
5 determinations and benefit selections.

6 (d) After terminating employment with a participating
7 municipality, a member who has previously retired with a service
8 retirement annuity under this subtitle and who meets the
9 requirements of Subsection (a) is eligible to apply for and receive
10 an additional standard or optional service retirement annuity or a
11 refund of the member's accumulated contributions for service with
12 the municipality, without regard to any age or credited service
13 requirement.

14 (e) If a member who meets the requirement of Subsection (d)
15 dies before a payment is made under that subsection, payment shall
16 be made in the manner provided by Section 854.105.

17 SECTION 2. Sections 852.108 and 852.109, Government Code,
18 are repealed.

19 SECTION 3. (a) A person who resumed employment after
20 retirement and whose annuity was suspended under former Section
21 852.108, Government Code, repealed by this Act, is entitled to the
22 resumption of monthly annuity payments if the person meets the
23 requirements of Section 852.1081(a)(1), Government Code, as added
24 by this Act.

25 (b) The Texas Municipal Retirement System shall resume
26 making monthly annuity payments to a person described by Subsection
27 (a) of this section on the first payment date occurring on or after

1 the effective date of this Act.

2 (c) A person who is entitled to the resumption of monthly
3 annuity payments under this section is not entitled to recover
4 payment for annuity payments not made during the period the
5 person's annuity was suspended under former Section 852.108,
6 Government Code, repealed by this Act.

7 SECTION 4. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2007.