

By: Guillen, et al.

H.B. No. 3392

A BILL TO BE ENTITLED

AN ACT

1
2 relating to member contributions and to the resumption of
3 employment by certain retirees within the Texas Municipal
4 Retirement System.

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

6 SECTION 1. Sections 852.108(a) and (b), Government Code,
7 are amended to read as follows:

8 (a) In this section and Sections 852.1085 and [Section]
9 852.109, a person's reemploying municipality is the municipality
10 for which the person was performing creditable service at the time
11 of the person's retirement under this subtitle.

12 (b) Except as provided by Section 852.1085, a [A] person who
13 has retired with a service retirement benefit under this subtitle
14 and later becomes an employee of the person's reemploying
15 municipality also becomes a member of the system on the date of
16 employment, but credits and benefits allowable to the person under
17 this subtitle are limited as provided by this section.

18 SECTION 2. Subchapter B, Chapter 852, Government Code, is
19 amended by adding Section 852.1085 to read as follows:

20 Sec. 852.1085. RESUMPTION OF SERVICE WITH SAME EMPLOYER BY
21 CERTAIN RETIREES. Notwithstanding Section 852.108, a person who
22 retired because the department in the municipality in which the
23 person worked was privatized and who later resumes employment in
24 the same department or a successor department in the person's

1 reemploying municipality again becomes a member of the retirement
2 system and the person's retirement annuity is not suspended in the
3 same manner provided by Section 852.109 for a person who resumes
4 employment with a different municipality.

5 SECTION 3. Subchapter E, Chapter 855, Government Code, is
6 amended by adding Section 855.4011 to read as follows:

7 Sec. 855.4011. ADDITIONAL MEMBER CONTRIBUTIONS. To the
8 extent a contribution under this section does not affect the status
9 of the retirement system's benefit plan as a qualified plan under
10 Section 855.607, the retirement system shall provide a 60-day
11 period each year during which a member may make an additional member
12 contribution into the member's individual account in an amount
13 determined by the member. The participating municipality may, at
14 the municipality's option, match the amount of a member's
15 contribution under this section.

16 SECTION 4. (a) A person who resumed employment after
17 retirement and whose annuity was suspended under Section 852.108,
18 Government Code, as that section existed before amendment by this
19 Act, is entitled to the resumption of monthly annuity payments if
20 the person meets the requirements of Section 852.1085, Government
21 Code, as added by this Act.

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

26 (c) A person who is entitled to the resumption of monthly
27 annuity payments under this section is not entitled to recover

1 payment for annuity payments not made during the period the
2 person's annuity was suspended under Section 852.108, Government
3 Code, as that section existed before amendment by this Act.

4 SECTION 5. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2007.