

By: Edwards

H.B. No. 440

A BILL TO BE ENTITLED

AN ACT

relating to one-time supplemental payments of retirement or death benefits by the Teacher Retirement System of Texas.

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

SECTION 1. (a) The Teacher Retirement System of Texas shall make a one-time supplemental payment of a retirement or death benefit, as provided by this section.

(b) The supplemental payment is payable not later than September 2009 and, to the extent practicable, on a date or dates that coincide with the regular annuity payment payable to each eligible annuitant.

(c) The amount of the supplemental payment is equal to the lesser of:

(1) the gross amount of the regular annuity payment to which the eligible annuitant is otherwise entitled for the month of August 2009; or

(2) \$2,400.

(d) The supplemental payment is payable without regard to any forfeiture of benefits under Section 824.601, Government Code. The Teacher Retirement System of Texas shall make applicable tax withholding and other legally required deductions before disbursing the supplemental payment. A supplemental payment under this section is in addition to and not in lieu of the regular monthly annuity payment to which the eligible annuitant is

1 otherwise entitled.

2 (e) Subject to Subsection (f) of this section, to be  
3 eligible for the supplemental payment, a person must be, for the  
4 month of August 2009, and disregarding any forfeiture of benefits  
5 under Section 824.601, Government Code, an annuitant eligible to  
6 receive:

7 (1) a standard retirement annuity payment;

8 (2) an optional retirement annuity payment as either a  
9 retiree or beneficiary;

10 (3) a life annuity payment under Section  
11 824.402(a)(4), Government Code;

12 (4) an annuity for a guaranteed period of 60 months  
13 under Section 824.402(a)(3), Government Code; or

14 (5) an alternate payee annuity payment under Section  
15 804.005, Government Code.

16 (f) If the annuitant is a retiree or a beneficiary under an  
17 optional retirement payment plan, to be eligible for the  
18 supplemental payment, the effective date of the retirement of the  
19 member of the Teacher Retirement System of Texas must have been on  
20 or before December 31, 2008. If the annuitant is a beneficiary  
21 under Section 824.402(a)(3) or (4), Government Code, to be eligible  
22 for the supplemental payment, the date of death of the member of the  
23 retirement system must have been on or before December 31, 2008.  
24 The supplemental payment shall be made to an alternate payee who is  
25 an annuitant under Section 804.005, Government Code, only if the  
26 annuity payment to the alternate payee commenced on or before  
27 December 31, 2008. The supplemental payment is in addition to the

1 guaranteed number of payments under Section 824.402(a)(3),  
2 Government Code, Section 824.204(c)(3) or (4), Government Code, or  
3 Section 824.308(c)(3) or (4), Government Code, and may not be  
4 counted as one of the guaranteed monthly payments.

5 (g) The supplemental payment does not apply to payments  
6 under:

7 (1) Section 824.304(a), Government Code, relating to  
8 disability retirees with less than 10 years of service credit;

9 (2) Section 824.804(b), Government Code, relating to  
10 participants in the deferred retirement option plan with regard to  
11 payments from their deferred retirement option plan accounts;

12 (3) Section 824.501(a), Government Code, relating to  
13 retiree survivor beneficiaries who receive a survivor annuity in an  
14 amount fixed by statute; or

15 (4) Section 824.404(a), Government Code, relating to  
16 active member survivor beneficiaries who receive a survivor annuity  
17 in an amount fixed by statute.

18 (h) Except as provided by this section, the board of  
19 trustees of the Teacher Retirement System of Texas shall determine  
20 the eligibility for and the amount and timing of a supplemental  
21 payment and the manner in which the payment is made.

22 SECTION 2. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2009.