

1-1 By: Raymond (Senate Sponsor - Zaffirini) H.B. No. 159
1-2 (In the Senate - Received from the House May 16, 2011;
1-3 May 16, 2011, read first time and referred to Committee on State
1-4 Affairs; May 20, 2011, reported favorably by the following vote:
1-5 Yeas 7, Nays 0; May 20, 2011, sent to printer.)

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

1-8 relating to the resumption of employment by certain retirees within
1-9 the Texas Municipal Retirement System.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 852.108, Government Code, is amended by
1-12 amending Subsections (c), (e), and (f) and adding Subsection (j) to
1-13 read as follows:

1-14 (c) The retirement system shall discontinue and suspend
1-15 payments of each service retirement annuity that is allowed because
1-16 of the person's previous service with the reemploying municipality
1-17 beginning with the month the retirement system determines that the
1-18 person has again become an employee of the reemploying
1-19 municipality. After the suspension and except as provided by
1-20 Subsection (j), the retirement system may not make payments of the
1-21 annuity for any month during which the person remains an employee of
1-22 the reemploying municipality. The suspension of a benefit under
1-23 this section does not suspend payment of a benefit to an alternate
1-24 payee under a qualified domestic relations order.

1-25 (e) After termination of employment with the reemploying
1-26 municipality and after filing of an application for resumption of
1-27 retirement with the board of trustees, a person described by
1-28 Subsection (b) is entitled to receive future payments of the
1-29 suspended annuity, as provided by Subsection (f), and to the
1-30 additional benefits as provided by Subsections (g), (h), ~~and~~ (i),
1-31 and (j).

1-32 (f) Monthly payments of a suspended annuity shall be resumed
1-33 in the month following the month in which employment is terminated
1-34 with the reemploying municipality, without change in the amount
1-35 except for any increase allowed under Section 854.203 or the
1-36 duration of or another condition pertaining to the suspended
1-37 benefit. Except as provided by Subsection (j), payment ~~Payment~~
1-38 of the resumed benefit may not be made for any month during which
1-39 the payment was suspended under this section.

1-40 (j) A person to whom this section applies shall receive a
1-41 lump-sum payment in an amount equal to the sum of the service
1-42 retirement annuity payments the person would have received had the
1-43 person's annuity payments not been discontinued and suspended under
1-44 this section if the person:

1-45 (1) initially retired based on a bona fide termination
1-46 of employment; and

1-47 (2) resumed employment with the person's reemploying
1-48 municipality at least eight years after the effective date of the
1-49 person's retirement.

1-50 SECTION 2. The change in law made by this Act applies only
1-51 to a member of the Texas Municipal Retirement System who terminates
1-52 employment with the person's reemploying municipality and files an
1-53 application for resumption of retirement with the board of trustees
1-54 of the Texas Municipal Retirement System under Section 852.108(e),
1-55 Government Code, as amended by this Act, on or after the effective
1-56 date of this Act. A member who terminates employment with the
1-57 person's reemploying municipality and files an application for
1-58 resumption of retirement with the board under Section 852.108(e),
1-59 Government Code, before the effective date of this Act is governed
1-60 by the law as it existed immediately before that date, and the
1-61 former law is continued in effect for that purpose.

1-62 SECTION 3. This Act takes effect immediately if it receives
1-63 a vote of two-thirds of all the members elected to each house, as
1-64 provided by Section 39, Article III, Texas Constitution. If this

2-1 Act does not receive the vote necessary for immediate effect, this
2-2 Act takes effect September 1, 2011.

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