

By: Zaffirini

S.B. No. 812

A BILL TO BE ENTITLED

AN ACT

relating to the service retirement benefits of certain retirees who resume employment within the Texas Municipal Retirement System.

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

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

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

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

(j) This subsection applies only to a person described by Subsection (b) who became an employee of the reemploying

1 municipality after a bona fide termination of employment of at
2 least 12 months and has filed an application for resumption of
3 retirement with the board of trustees. A person who resumes
4 retirement under this subsection is entitled to receive a lump-sum
5 payment of an amount equal to the sum of the suspended annuity
6 payments that the person would have received from the retirement
7 system had payments not been suspended under this section. The
8 lump-sum payment is payable from the municipality accumulation fund
9 and the current service annuity reserve fund as appropriate.

10 SECTION 2. (a) The changes in law made by this Act to
11 Section 852.108, Government Code, apply only to the following:

12 (1) a person who resumes employment on or after the
13 effective date of this Act with the same municipality the person was
14 employed by before retiring from service; and

15 (2) to the extent provided by Subsection (b) of this
16 section, a person who resumed employment before the effective date
17 of this Act with the same municipality the person was employed by
18 before retiring from service and who is in that employment on the
19 effective date of this Act.

20 (b) A person described by Subsection (j), Section 852.108,
21 Government Code, as added by this Act, and Subdivision (2),
22 Subsection (a) of this section, is entitled to payment of an amount
23 equal to the sum of suspended annuity payments attributable to the
24 period of the person's reemployment occurring on or after the
25 effective date of this Act.

26 (c) The changes in law made by this Act to Section 852.108,
27 Government Code, do not apply to a person to whom Section 852.1085,

1 Government Code, applies.

2 SECTION 3. This Act takes effect January 1, 2012.