

By: Fallon

H.B. No. 425

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility for service retirement annuities of certain persons, including elected officials convicted of certain crimes.

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

SECTION 1. Subchapter B, Chapter 814, Government Code, is amended by adding Section 814.1021 to read as follows:

Sec. 814.1021. CERTAIN ELECTED MEMBERS INELIGIBLE FOR RETIREMENT ANNUITY. (a) In this section, "qualifying felony" means any felony involving:

(1) bribery;

(2) the embezzlement, extortion, or other theft of public money;

(3) perjury; or

(4) conspiracy or the attempt to commit any of the above crimes.

(b) This section applies only to a member of the elected class of the retirement system as described by Section 812.002(a)(1) or (2).

(c) Except as provided by Subsection (d), a member is not eligible to receive a service retirement annuity for service credit in the elected class under the retirement system if the member is convicted of a qualifying felony committed while in office and arising directly from the official duties of that elected office.

1 (d) The retirement system shall suspend payments of an
2 annuity to a person ineligible to receive the annuity under
3 Subsection (c). A person whose conviction is overturned on appeal
4 or who meets the requirements for innocence under Section
5 103.001(a)(2), Civil Practice and Remedies Code:

6 (1) is entitled to receive an amount equal to the
7 accrued total of payments and interest earned on the payments
8 withheld during the suspension period; and

9 (2) may resume receipt of annuity payments on payment
10 to the retirement system of an amount equal to the contributions
11 refunded to the person under Subsection (e).

12 (e) A member who is not eligible to receive a service
13 retirement annuity under Subsection (c) is entitled to a refund of
14 the member's retirement annuity contributions, including interest
15 earned on those contributions.

16 (f) Benefits payable to an alternate payee under Chapter 804
17 who is recognized by a domestic relations order established before
18 September 1, 2015, are not affected by a member's ineligibility to
19 receive a retirement annuity under Subsection (c).

20 (g) On conviction of a member for a qualifying felony, a
21 court may, in the interest of justice and in the same manner as in a
22 divorce proceeding, award half of the service retirement annuity
23 forfeited by the member as the separate property of an innocent
24 spouse if the annuity is partitioned or exchanged by written
25 agreement of the spouses as provided by Subchapter B, Chapter 4,
26 Family Code. The amount awarded to the innocent spouse may not be
27 converted to community property.

1 (h) Ineligibility for a retirement annuity under this
2 section does not impair a person's right to any other retirement
3 benefit for which the person is eligible.

4 (i) The board of trustees of the retirement system shall
5 adopt rules and procedures to implement this section.

6 SECTION 2. Article 6220, Revised Statutes, is repealed.

7 SECTION 3. (a) Section 814.1021, Government Code, as added
8 by this Act, applies only to a member of the Employees Retirement
9 System of Texas who is or was a member of the state legislature or
10 holds or has held a statewide elected office and, on or after the
11 effective date of this Act, commits an offense that is a qualifying
12 felony as defined by that section. A person who commits a
13 qualifying felony before the effective date of this Act is subject
14 to the law in effect on the date the offense was committed, and the
15 former law is continued in effect for that purpose.

16 (b) For purposes of this section, an offense was committed
17 before the effective date of this Act if any element of the offense
18 occurred before that date.

19 SECTION 4. This Act takes effect September 1, 2015.