

By: Lozano

H.B. No. 2188

A BILL TO BE ENTITLED

AN ACT

relating to the accrual of interest on lump-sum payments made to certain retirees who have resumed employment within the Texas Municipal Retirement System.

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

SECTION 1. Section 852.108(j), Government Code, is amended to read as follows:

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

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

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

SECTION 2. Section 852.108(j), Government Code, as amended by this Act, applies only to a lump-sum payment under that section that becomes due on or after the effective date of this Act. A lump-sum payment that becomes due before the effective date of this Act is governed by the law in effect on the date payment became due, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2015.