

By: Lozano

H.B. No. 3670

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the accrual of interest on annuity and other payments  
3 made to certain retirees who have resumed employment within the  
4 Texas Municipal Retirement System.

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

6 SECTION 1. Sections 852.108(f) and (j), Government Code,  
7 are amended to read as follows:

8 (f) Monthly payments of a suspended annuity shall be resumed  
9 in the month following the month in which employment is terminated  
10 with the reemploying municipality and recomputed to reflect the  
11 accumulation of interest, ~~[without change in the amount except for]~~  
12 any increase allowed under Section 854.203, and ~~[or]~~ the duration  
13 of or another condition pertaining to the suspended benefit. Except  
14 as provided by Subsection (j), payment of the resumed benefit may  
15 not be made for any month during which the payment was suspended  
16 under this section.

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

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

24 (2) resumed employment with the person's reemploying

1 municipality at least eight years after the effective date of the  
2 person's retirement.

3         SECTION 2. The change in law made by this Act applies only  
4 to a member of the Texas Municipal Retirement System who terminates  
5 employment with the person's reemploying municipality and files an  
6 application for resumption of retirement with the board of trustees  
7 of the Texas Municipal Retirement System under Section 852.108,  
8 Government Code, as amended by this Act, on or after the effective  
9 date of this Act. A member who terminates employment with the  
10 person's reemploying municipality and files an application for  
11 resumption of retirement with the board under Section 852.108,  
12 Government Code, before the effective date of this Act is governed  
13 by the law as it existed immediately before that date, and the  
14 former law is continued in effect for that purpose.

15         SECTION 3. This Act takes effect September 1, 2017.