

By: Ashby

H.B. No. 3975

A BILL TO BE ENTITLED

AN ACT

relating to a supplemental payment for certain retirees of the Teacher Retirement System of Texas.

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

SECTION 1. (a) Subject to Section 821.006, Government Code, the Teacher Retirement System of Texas shall make a one-time supplemental payment of a retirement or death benefit, as provided by this section.

(b) The supplemental payment is payable in September 2019 and, to the extent practicable, on a date or dates that coincide with the regular annuity payment payable to each eligible annuitant.

(c) The amount of the supplemental payment is equal to the lesser of:

(1) \$2,400; or

(2) the gross amount of the regular annuity payment to which the eligible annuitant is otherwise entitled for the month of August 2019.

(d) The supplemental payment is payable without regard to any forfeiture of benefits under Section 824.601, Government Code. The Teacher Retirement System of Texas shall make applicable tax withholding and other legally required deductions before disbursing the supplemental payment. A supplemental payment under this section is in addition to and not in lieu of the regular

1 monthly annuity payment to which the eligible annuitant is
2 otherwise entitled.

3 (e) Subject to Subsection (f) of this section, to be
4 eligible for the supplemental payment, a person must be, for the
5 month of August 2019, and disregarding any forfeiture of benefits
6 under Section 824.601, Government Code, an annuitant eligible to
7 receive:

8 (1) a standard retirement annuity payment;

9 (2) an optional retirement annuity payment as either a
10 retiree or beneficiary;

11 (3) a life annuity payment under Section
12 824.402(a)(4), Government Code;

13 (4) an annuity for a guaranteed period of 60 months
14 under Section 824.402(a)(3), Government Code; or

15 (5) an alternate payee annuity payment under Section
16 804.005, Government Code.

17 (f) If the annuitant is a retiree or a beneficiary under an
18 optional retirement payment plan, to be eligible for the
19 supplemental payment, the effective date of the retirement of the
20 member of the Teacher Retirement System of Texas must have been on
21 or before August 31, 2015. If the annuitant is a beneficiary under
22 Section 824.402(a)(3) or (4), Government Code, to be eligible for
23 the supplemental payment, the date of death of the member of the
24 retirement system must have been on or before August 31, 2015. The
25 supplemental payment shall be made to an alternate payee who is an
26 annuitant under Section 804.005, Government Code, only if the
27 annuity payment to the alternate payee commenced on or before

1 August 31, 2015. The supplemental payment is in addition to the
2 guaranteed number of payments under Section 824.204(c)(3) or (4),
3 824.308(c)(3) or (4), or 824.402(a)(3), Government Code, and may
4 not be counted as one of the guaranteed monthly payments.

5 (g) The supplemental payment does not apply to payments
6 under:

7 (1) Section 824.304(a), Government Code, relating to
8 disability retirees with less than 10 years of service credit;

9 (2) Section 824.804(b), Government Code, relating to
10 participants in the deferred retirement option plan with regard to
11 payments from their deferred retirement option plan accounts;

12 (3) Section 824.501(a), Government Code, relating to
13 retiree survivor beneficiaries who receive a survivor annuity in an
14 amount fixed by statute; or

15 (4) Section 824.404(a), Government Code, relating to
16 active member survivor beneficiaries who receive a survivor annuity
17 in an amount fixed by statute.

18 (h) Except as provided by this section, the board of
19 trustees of the Teacher Retirement System of Texas shall determine
20 the eligibility for and the amount and timing of a supplemental
21 payment and the manner in which the payment is made.

22 SECTION 2. This Act takes effect September 1, 2019.