

1-1 By: Huffman S.B. No. 7  
 1-2 (In the Senate - Filed July 8, 2021; July 8, 2021, read  
 1-3 first time and referred to Committee on Finance; July 12, 2021,  
 1-4 reported favorably by the following vote: Yeas 15, Nays 0;  
 1-5 July 12, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Lucio	X			
1-9 Bettencourt	X			
1-10 Buckingham	X			
1-11 Campbell	X			
1-12 Creighton	X			
1-13 Hancock	X			
1-14 Huffman	X			
1-15 Kolthorst	X			
1-16 Nichols	X			
1-17 Perry	X			
1-18 Schwertner	X			
1-19 Taylor	X			
1-20 West	X			
1-21 Whitmire	X			

1-23 A BILL TO BE ENTITLED  
 1-24 AN ACT

1-25 relating to a one-time supplemental payment of benefits under the  
 1-26 Teacher Retirement System of Texas.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. (a) Subject to Subsection (i) of this section  
 1-29 and Section 821.006, Government Code, the Teacher Retirement System  
 1-30 of Texas shall make a one-time supplemental payment of a retirement  
 1-31 or death benefit, as provided by this section.

1-32 (b) The supplemental payment is payable not later than  
 1-33 January 2022 and, to the extent practicable, on a date or dates that  
 1-34 coincide with the regular annuity payment payable to each eligible  
 1-35 annuitant.

1-36 (c) The amount of the supplemental payment is equal to the  
 1-37 lesser of:

1-38 (1) the gross amount of the regular annuity payment to  
 1-39 which the eligible annuitant is otherwise entitled for the calendar  
 1-40 month immediately prior to the calendar month in which the Teacher  
 1-41 Retirement System of Texas issues the one-time supplemental payment  
 1-42 in accordance with Subsection (b) of this section; or

1-43 (2) \$2,400.

1-44 (d) The supplemental payment is payable without regard to  
 1-45 any forfeiture of benefits under Section 824.601, Government Code.  
 1-46 The Teacher Retirement System of Texas shall make applicable tax  
 1-47 withholding and other legally required deductions before  
 1-48 disbursing the supplemental payment. A supplemental payment under  
 1-49 this section is in addition to and not in lieu of the regular  
 1-50 monthly annuity payment to which the eligible annuitant is  
 1-51 otherwise entitled.

1-52 (e) Subject to Subsection (f) of this section, to be  
 1-53 eligible for the supplemental payment, a person must be, for the  
 1-54 calendar month immediately prior to the calendar month in which the  
 1-55 Teacher Retirement System of Texas issues the one-time supplemental  
 1-56 payment in accordance with Subsection (b) of this section, and  
 1-57 disregarding any forfeiture of benefits under Section 824.601,  
 1-58 Government Code, an annuitant eligible to receive:

1-59 (1) a standard retirement annuity payment;

1-60 (2) an optional retirement annuity payment as either a  
 1-61 retiree or beneficiary;

2-1 (3) a life annuity payment under Section  
2-2 824.402(a)(4), Government Code;

2-3 (4) an annuity for a guaranteed period of 60 months  
2-4 under Section 824.402(a)(3), Government Code; or

2-5 (5) an alternate payee annuity payment under Section  
2-6 804.005, Government Code.

2-7 (f) If the annuitant is a retiree or a beneficiary under an  
2-8 optional retirement payment plan, to be eligible for the  
2-9 supplemental payment, the effective date of the retirement of the  
2-10 member of the Teacher Retirement System of Texas must have been on  
2-11 or before December 31, 2020. If the annuitant is a beneficiary  
2-12 under Section 824.402(a)(3) or (4), Government Code, to be eligible  
2-13 for the supplemental payment, the date of death of the member of the  
2-14 retirement system must have been on or before December 31, 2020.  
2-15 The supplemental payment shall be made to an alternate payee who is  
2-16 an annuitant under Section 804.005, Government Code, only if the  
2-17 annuity payment to the alternate payee commenced on or before  
2-18 December 31, 2020. The supplemental payment is in addition to the  
2-19 guaranteed number of payments under Section 824.204(c)(3) or (4),  
2-20 Section 824.308(c)(3) or (4), or Section 824.402(a)(3), Government  
2-21 Code, and may not be counted as one of the guaranteed monthly  
2-22 payments.

2-23 (g) The supplemental payment does not apply to payments  
2-24 under:

2-25 (1) Section 824.304(a), Government Code, relating to  
2-26 disability retirees with less than 10 years of service credit;

2-27 (2) Section 824.804(b), Government Code, relating to  
2-28 participants in the deferred retirement option plan with regard to  
2-29 payments from their deferred retirement option plan accounts;

2-30 (3) Section 824.501(a), Government Code, relating to  
2-31 retiree survivor beneficiaries who receive a survivor annuity in an  
2-32 amount fixed by statute; or

2-33 (4) Section 824.404(a), Government Code, relating to  
2-34 active member survivor beneficiaries who receive a survivor annuity  
2-35 in an amount fixed by statute.

2-36 (h) The board of trustees of the Teacher Retirement System  
2-37 of Texas shall determine the eligibility for and the amount and  
2-38 timing of a supplemental payment and the manner in which the payment  
2-39 is made.

2-40 (i) The Teacher Retirement System of Texas is required to  
2-41 make a one-time supplemental payment of benefits under this section  
2-42 only if the board of trustees of the Teacher Retirement System of  
2-43 Texas finds that the legislature appropriated money to the  
2-44 retirement system in an amount sufficient to provide the payment.  
2-45 If the board of trustees of the Teacher Retirement System of Texas  
2-46 finds that the legislature did not appropriate money in an amount  
2-47 sufficient to provide a one-time supplemental payment of benefits  
2-48 under this section, the retirement system may not make the payment.

2-49 SECTION 2. This Act takes effect immediately if it receives  
2-50 a vote of two-thirds of all the members elected to each house, as  
2-51 provided by Section 39, Article III, Texas Constitution. If this  
2-52 Act does not receive the vote necessary for immediate effect, this  
2-53 Act takes effect on the 91st day after the last day of the  
2-54 legislative session.

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