A BILL TO BE ENTITLED
AN ACT
relating to a one-time supplemental payment of benefits under the
Teacher Retirement System of Texas.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. (a) Subject to Subsection (i) of this section
and 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 not later than
January 2022 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) the gross amount of the regular annuity payment to
which the eligible annuitant is otherwise entitled for the calendar
month immediately prior to the calendar month in which the Teacher
Retirement System of Texas issues the one-time supplemental payment
in accordance with Subsection (b) of this section; or
(2) $2,400.
(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
monthly annuity payment to which the eligible annuitant is
otherwise entitled.

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

(1) a standard retirement annuity payment;

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

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

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

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

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

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

(1) Section 824.304(a), Government Code, relating to disability retirees with less than 10 years of service credit;
(2) Section 824.804(b), Government Code, relating to participants in the deferred retirement option plan with regard to payments from their deferred retirement option plan accounts;
(3) Section 824.501(a), Government Code, relating to retiree survivor beneficiaries who receive a survivor annuity in an amount fixed by statute; or
(4) Section 824.404(a), Government Code, relating to active member survivor beneficiaries who receive a survivor annuity in an amount fixed by statute.

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

(i) The Teacher Retirement System of Texas is required to
make a one-time supplemental payment of benefits under this section
only if the board of trustees of the Teacher Retirement System of
Texas finds that the legislature appropriated money to the
retirement system in an amount sufficient to provide the
payment. The amount appropriated by the legislature to provide the
payment must be in addition to the amount the state is required to
contribute to the retirement system under Section 825.404,
Government Code. If the board of trustees of the Teacher Retirement
System of Texas finds that the legislature did not appropriate
money in an amount sufficient to provide a one-time supplemental
payment of benefits under this section, the retirement system may
not make the payment.

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