

By: Allen

H.B. No. 830

A BILL TO BE ENTITLED

AN ACT

relating to certain benefits paid by the Employees Retirement System of Texas.

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

SECTION 1. Subchapter G, Chapter 814, Government Code, is amended by adding Sections 814.605 and 814.606 to read as follows:

Sec. 814.605. ONE-TIME ADJUSTMENT TO BENEFITS. (a) The amount of a monthly service retirement benefit, disability retirement benefit, or death benefit paid under this chapter to a retiree or beneficiary for service credited in the employee class is increased to include a one-time 10 percent adjustment in accordance with this section.

(b) The board of trustees shall recompute the amount of a benefit paid monthly under this chapter by applying the 10 percent adjustment to the monthly amount otherwise required to be paid as determined in accordance with this chapter.

Sec. 814.606. ANNUAL COST-OF-LIVING ADJUSTMENT. (a) Notwithstanding Section 814.605, the amount of a monthly service retirement benefit, disability retirement benefit, or death benefit paid under this chapter to a retiree or beneficiary for service credited in the employee class is increased to include a four percent annual cost-of-living adjustment in accordance with this section.

(b) On January 1 of each year, the board of trustees shall

1 recompute the amount of a benefit paid monthly under this chapter by
2 applying the four percent adjustment to the monthly amount
3 otherwise required to be paid as determined in accordance with this
4 chapter.

5 SECTION 2. (a) The Employees Retirement System of Texas
6 shall make a one-time supplemental payment of a retirement or death
7 benefit, as provided by this section.

8 (b) A supplemental payment is payable in January 2024, and,
9 to the extent practicable, on a date or dates that coincide with the
10 regular annuity payment payable to each eligible annuitant.

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

13 (1) \$2,000; or

14 (2) the gross amount of the regular annuity payment to
15 which the eligible annuitant is otherwise entitled for the month of
16 December 2023.

17 (d) The Employees Retirement System of Texas shall make
18 applicable tax withholding and other legally required deductions
19 before disbursing the supplemental payment. A supplemental payment
20 under this section is in addition to and not in lieu of the regular
21 monthly annuity payment to which the eligible annuitant is
22 otherwise entitled.

23 (e) Subject to Subsections (f) and (g) of this section, to
24 be eligible for the supplemental payment, a person must be, for the
25 month of December 2023, an annuitant eligible to receive:

26 (1) a standard retirement annuity payment;

27 (2) an optional service retirement annuity payment as

1 either a retiree or beneficiary under Section 814.108, Government
2 Code;

3 (3) a standard or occupational disability retirement
4 annuity payment;

5 (4) a death benefit annuity payment under Section
6 814.305, Government Code; or

7 (5) an alternate payee annuity payment under Section
8 804.005, Government Code.

9 (f) If the annuitant is a retiree or a beneficiary under an
10 optional retirement payment plan, to be eligible for the
11 supplemental payment, the effective date of the retirement of the
12 member of the Employees Retirement System of Texas must have been on
13 or before September 1, 2022. The supplemental payment shall be made
14 to an alternate payee who is an annuitant under Section 804.005,
15 Government Code, only if the annuity payment to the alternate payee
16 commenced on or before September 1, 2022. The supplemental payment
17 is in addition to the guaranteed number of payments under Section
18 814.108, Government Code, and may not be counted as one of the
19 guaranteed monthly payments.

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

22 (1) Section 814.103 or 814.205, Government Code,
23 relating to retirees or disability retirees from the elected class
24 of membership;

25 (2) a subtitle other than Subtitle B, Title 8,
26 Government Code, except as provided by Subsection (e)(5) of this
27 section; or

1 (3) Section 814.304, Government Code, relating to
2 retiree survivor beneficiaries who receive a survivor annuity as
3 the surviving spouse of a member of the elected class.

4 (h) Except as provided by this section, the board of
5 trustees of the Employees Retirement System of Texas shall
6 determine the eligibility for and the amount and timing of a
7 supplemental payment and the manner in which the payment is made.

8 (i) The supplemental payment is subject solely to the
9 availability of appropriated funds. The supplemental payment must
10 comply with Section 811.006, Government Code.

11 SECTION 3. Section 814.604, Government Code, is repealed.

12 SECTION 4. Sections 814.605 and 814.606, Government Code,
13 as added by this Act, apply only to a monthly benefit payment made
14 by the Employees Retirement System of Texas on or after September 1,
15 2023.

16 SECTION 5. This Act takes effect September 1, 2023.