AN ACT

relating to the resumption of employment by certain retirees within
the Texas Municipal Retirement System.

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

SECTION 1. Section 852.108, Government Code, is amended by
amending Subsections (c), (e), and (f) and adding Subsection (j) to
read as follows:

(c) The retirement system shall discontinue and suspend
payments of each service retirement annuity that is allowed because
of the person's previous service with the reemploying municipality
beginning with the month the retirement system determines that the
person has again become an employee of the reemploying
municipality. After the suspension and except as provided by
Subsection (j), the retirement system may not make payments of the
annuity for any month during which the person remains an employee of
the reemploying municipality. The suspension of a benefit under
this section does not suspend payment of a benefit to an alternate
payee under a qualified domestic relations order.

(e) After termination of employment with the reemploying
municipality and after filing of an application for resumption of
retirement with the board of trustees, a person described by
Subsection (b) is entitled to receive future payments of the
suspended annuity, as provided by Subsection (f), and to the
additional benefits as provided by Subsections (g), (h), [and] (i).
and (j).

(f) Monthly payments of a suspended annuity shall be resumed in the month following the month in which employment is terminated with the reemploying municipality, without change in the amount except for any increase allowed under Section 854.203 or the duration of or another condition pertaining to the suspended benefit. Except as provided by Subsection (j), payment of the resumed benefit may not be made for any month during which the payment was suspended under this section.

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

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

(2) resumed employment with the person's reemploying municipality at least eight years after the effective date of the person's retirement.

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

SECTION 3. 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 September 1, 2011.
S.B. No. 812

I hereby certify that S.B. No. 812 passed the Senate on May 5, 2011, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2011, by the following vote: Yeas 30, Nays 1.

I hereby certify that S.B. No. 812 passed the House, with amendment, on May 23, 2011, by the following vote: Yeas 142, Nays 0, one present not voting.

Approved:
17 Jun '11

Governor