

By: Barry

H.B. No. 5322

A BILL TO BE ENTITLED

AN ACT

relating to benefits paid by 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 2026 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 lessor 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;

(2) Or \$3,000.

(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

1   disbursing the supplemental payment. A supplemental payment under  
2   this section is in addition to and not in lieu of the regular  
3   monthly annuity payment to which the eligible annuitant is  
4   otherwise entitled.

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

- 12           (1) a standard retirement annuity payment;
- 13           (2) an optional retirement annuity payment as either a  
14   retiree or beneficiary;
- 15           (3) a life annuity payment under Section  
16   [824.402](#)(a)(4), Government Code;
- 17           (4) an annuity for a guaranteed period of 60 months  
18   under Section [824.402](#)(a)(3), Government Code; or
- 19           (5) an alternate payee annuity payment under Section  
20   [804.005](#), Government Code.

21       (f) If the annuitant is a retiree or a beneficiary under an  
22   optional retirement payment plan, to be eligible for the  
23   supplemental payment, the effective date of the retirement of the  
24   member of the Teacher Retirement System of Texas must have been on  
25   or before December 31, 2024. If the annuitant is a beneficiary  
26   under Section [824.402](#)(a)(3) or (4), Government Code, to be eligible  
27   for the supplemental payment, the date of death of the member of the

1 retirement system must have been on or before December 31, 2024.  
2 The supplemental payment shall be made to an alternate payee who is  
3 an annuitant under Section 804.005, Government Code, only if the  
4 annuity payment to the alternate payee commenced on or before  
5 December 31, 2024. The supplemental payment is in addition to the  
6 guaranteed number of payments under Section 824.204(c)(3) or (4),  
7 Section 824.308(c)(3) or (4), or Section 824.402(a)(3), Government  
8 Code, and may not be counted as one of the guaranteed monthly  
9 payments.

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

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

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

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

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

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

27 (i) The Teacher Retirement System of Texas is required to

1 make a one-time supplemental payment of benefits under this section  
2 only if the board of trustees of the Teacher Retirement System of  
3 Texas finds that the legislature appropriated money to the  
4 retirement system in an amount sufficient to provide the payment.  
5 The amount appropriated by the legislature to provide the payment  
6 must be in addition to the amount the state is required to  
7 contribute to the retirement system under Section [825.404](#),  
8 Government Code. If the board of trustees of the Teacher Retirement  
9 System of Texas finds that the legislature did not appropriate  
10 money in an amount sufficient to provide a one-time supplemental  
11 payment of benefits under this section, the retirement system may  
12 not make the payment.

13       SECTION 2. This Act takes effect immediately if it receives  
14 a vote of two-thirds of all the members elected to each house, as  
15 provided by Section [39](#), Article III, Texas Constitution. If this  
16 Act does not receive the vote necessary for immediate effect, this  
17 Act.