

## **BILL ANALYSIS**

Senate Research Center  
76R1136 GCH-D

H.B. 264  
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State Affairs  
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Engrossed

### **DIGEST**

Currently, a person who retires under the Employees Retirement System (ERS) and chooses one of two optional retirement annuity plans can never make a change in beneficiary after the retiree's annuity payments have begun. Some retirees would like to have the option of changing the designated beneficiary. If ERS allows a retiree to change the beneficiary with the understanding that the annuity payments would not be recomputed to reflect the age and life expectancy of the new beneficiary, the cost to ERS are minimized. H.B. 264 would authorize a retiree who retired under ERS and selected an optional retirement annuity plan to change the beneficiary designated at the time of retirement after annuity payments have begun.

### **PURPOSE**

As proposed, H.B. 264 authorizes a change of beneficiary by a retiree of the Employees Retirement System of Texas.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 814A, Government Code, by adding Section 814.008, as follows:

Sec. 814.008. CHANGE OF BENEFICIARY AFTER RETIREMENT. Authorizes a retiree receiving an optional service or disability retirement annuity approved by the board of trustees or described by Section 814.108(c)(1) or (c)(2) to change the designated beneficiary as provided by this section for the benefits payable after the retiree's death. Provides that if the beneficiary designated at the time of the retiree's retirement is the spouse or former spouse of the retiree certain action must be taken. Provides that a beneficiary designated under this section is entitled on the retiree's death to receive monthly payments of the survivor's portion of the retiree's optional retirement annuity for the shorter of certain periods. Prohibits a retiree from changing a beneficiary under this section after retirement if the retiree has previously changed after retirement a beneficiary for optional retirement annuity payments under this subtitle.

SECTION 2. Amends Section 814.108(g), Government Code, to make a conforming change.

SECTION 3. Emergency clause.

Effective date: upon passage.