

## **BILL ANALYSIS**

Senate Research Center  
76R4777 GCH-D

H.B. 986  
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Intergovernmental Relations  
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Engrossed

### **DIGEST**

Currently, under Texas law, a member of the Texas County and District Retirement System (TCDRS) must terminate employment with all participating subdivisions before becoming eligible for service retirement. A member may still receive a retirement annuity if the member begins work with another participating subdivision provided that the member remains unemployed by TCDRS for 30 days between jobs. This bill would authorize a member to retire from the current job, begin working at another job, and receive retirement benefits from the initial employer without having to be unemployed for a certain period of time.

### **PURPOSE**

As proposed, H.B. 986 authorizes a member of the Texas County and District Retirement System to retire from the current job, begin working at another job, and receive retirement benefits from the initial employer without having to be unemployed for a certain period of time.

### **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 Section 844.003, Government Code, by amending Subsection (a) and adding Subsection (d), to authorize a member of the Texas County and District Retirement System (TCDRS) who is eligible for service retirement on the day the member terminates employment with a participating subdivision to apply for and receive a service retirement annuity regardless of whether the member becomes an employee of another participating subdivision. Prohibits service with the member's new employer from being used in determining eligibility for the annuity and prohibits contributions for the service from being used to determine the amount of the annuity. Sets forth the effective date of a retirement. Prohibits the effective date from being later than a certain date. Provides that a person who retires under this subsection is considered a retiree who has resumed service with a different employer under Section 842.111. Makes a conforming change.

SECTION 2. Authorizes a member of TCDRS who resigned from employment with a participating subdivision to accept employment with another participating subdivision after January 1, 1998, and before the effective date of this Act, who is also a contributing member of the retirement system, and who would have met the requirements of Section 844.003(d), Government Code, if that law had been in effect on January 1, 1998, to apply for and receive a service retirement annuity under the terms of that law if the retirement system receives the application before January 1, 2000. Sets forth the effective date of retirement for an eligible person who makes a timely application under this subsection. Provides that the amount of a service retirement annuity will be determined under the plan terms and conditions in effect on the last day of the month in which the member resigned from employment with the subdivision. Requires TCDRS to pay all unpaid annuity payments that would have been paid if Section 844.003(d), Government Code, had been in effect on January 1, 1998, in a single sum.

SECTION 3. Emergency clause.  
Effective date: upon passage.