

GOVERNMENT CODE

TITLE 8. PUBLIC RETIREMENT SYSTEMS

SUBTITLE B. EMPLOYEES RETIREMENT SYSTEM OF TEXAS

CHAPTER 814. BENEFITS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 814.001. TYPES OF BENEFITS. The types of benefits payable by the retirement system are:

- (1) service retirement benefits;
- (2) occupational disability retirement benefits;
- (3) nonoccupational disability retirement benefits;

and

- (4) death benefits.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.001 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989.

Sec. 814.002. BENEFITS FROM BOTH MEMBERSHIP CLASSES. (a) If a member has service credit in both classes of membership, is eligible to retire from one class, and does not hold a position included in the other class, the member may retire from both classes and receive benefits based on all service credited in the retirement system.

(b) If a member is retiring and uses service credited in a class of membership to meet a length-of-service requirement for retirement, the member must retire from that class.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.002 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989.

Sec. 814.003. EFFECTIVE DATE OF RETIREMENT. (a) The effective date of a member's service retirement is the date the member designates at the time the member applies for retirement as provided by Section [814.101](#), but the date must be the last day of a calendar month.

(b) If a person elects to receive a standard service

retirement annuity and dies during the first calendar month that begins after the effective date of the person's retirement, the person is considered to have been a contributing member at the time of death.

(c) The retirement system may allow an applicant for retirement time after the effective date of the person's retirement to make a selection of a retirement annuity. If the applicant dies within the time allowed without having given the retirement system notice of a selection, the person is considered to have been a contributing member at the time of death.

(d) The effective date of a member's disability retirement is the date designated on the application for retirement filed by or for the member as provided by Section 814.201, but the date must be the last day of a calendar month.

(e) If a person elects to receive a standard disability retirement annuity and dies during the first calendar month that begins after the effective date of the person's retirement, the person is considered to have been a contributing member at the time of death.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.003 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 586, Sec. 11, eff. Aug. 28, 1995.

Sec. 814.004. WHEN BENEFITS ARE PAYABLE. A monthly annuity payable to a retiree or beneficiary is payable to that person through the month in which the person dies. A continuation of an optional annuity or the payment of a death or survivor benefit annuity begins with payment for the month following the month in which the death occurs.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.004 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 586, Sec. 12, eff. Aug. 28, 1995.

Sec. 814.005. WAIVER OF BENEFITS. (a) A person may, on a

form prescribed by and filed with the retirement system, waive all or a portion of any benefits from the retirement system to which the person is entitled. The retirement system also shall give effect as a waiver to a full or partial disclaimer executed in accordance with Chapter 240, Property Code, unless the benefit to be disclaimed is a lifetime annuity. A person may revoke a waiver of benefits in the same manner as the original waiver was made, unless the original waiver by its terms was made irrevocable.

(b) A waiver or a revocation of a waiver applies only to benefits that become payable on or after the date the document is filed.

(c) The retirement system shall transfer to the state accumulation account amounts from the appropriate benefit payment accounts not used to pay benefits because of a waiver executed under this section.

(d) The board of trustees may adopt rules for the administration of waivers under this section.

Added by Acts 1983, 68th Leg., p. 1147, ch. 257, Sec. 1, eff. May 27, 1983. Amended by Acts 1985, 69th Leg., ch. 91, Sec. 4, eff. Sept. 1, 1985. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.005 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1997, 75th Leg., ch. 1048, Sec. 11, eff. Sept. 1, 1997.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 562 (H.B. 2428), Sec. 9, eff. September 1, 2015.

Sec. 814.006. SIMULTANEOUS DEATH OF MEMBER AND BENEFICIARY. When a member or annuitant and the beneficiary of the member or annuitant have died within a period of less than 120 hours, the member or annuitant is considered to have survived the beneficiary for the purpose of determining the rights to amounts payable under this subtitle on the death of the member or annuitant.

Added by Acts 1995, 74th Leg., ch. 586, Sec. 13, eff. Aug. 28, 1995.

Sec. 814.007. BENEFICIARY CAUSING DEATH OF MEMBER OR ANNUITANT. (a) Any benefits, funds, or account balances payable

on the death of a member or annuitant may not be paid to a person convicted of or adjudicated as having caused that death but instead are payable as if the convicted person had predeceased the decedent.

(b) A person who becomes eligible under this section to select death or survivor benefits may select benefits as if the person were the designated beneficiary.

(c) The retirement system shall reduce any annuity computed in part on the age of the convicted or adjudicated person to a lump sum equal to the present value of the remainder of the annuity. The reduced amount is payable to a person entitled as provided by this section to receive the benefit.

(d) The retirement system is not required to change the recipient of any benefits, funds, or account balances under this section unless it receives actual notice of the conviction or adjudication of a beneficiary. However, the retirement system may delay payment of any benefits, funds, or account balances payable on the death of a member or annuitant pending the results of a criminal investigation or civil proceeding and other legal proceedings relating to the cause of death.

(e) For the purposes of this section, a person has been convicted of or adjudicated as having caused the death of a member or annuitant if the person:

(1) pleads guilty or nolo contendere to, or is found guilty by a court or jury in a criminal proceeding of, causing the death of the member or annuitant, regardless of whether sentence is imposed or probated, and no appeal of the conviction is pending and the time provided for appeal has expired; or

(2) is found liable by a court or jury in a civil proceeding for causing the death of the member or annuitant and no appeal of the judgment is pending and the time provided for appeal has expired.

Added by Acts 1995, 74th Leg., ch. 586, Sec. 13, eff. Aug. 28, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1249 (S.B. [1664](#)), Sec. 7, eff. September 1, 2011.

Sec. 814.008. CHANGE OF BENEFICIARY AFTER RETIREMENT. (a) A retiree receiving an optional service or disability retirement annuity approved by the board of trustees or described by Section [814.108](#)(c)(1), (c)(2), or (c)(5) may change the designated beneficiary as provided by this section for the benefits payable after the retiree's death.

(b) If the beneficiary designated at the time of the retiree's retirement is the spouse or former spouse of the retiree:

(1) the spouse or former spouse must give written, notarized consent to the change; or

(2) a court with jurisdiction over the marriage must have ordered the change.

(c) 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:

(1) the remainder of the life expectancy of the beneficiary designated as of the effective date of the retiree's retirement; or

(2) the remainder of the new beneficiary's life.

(d) A retiree may not change 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.

Added by Acts 1999, 76th Leg., ch. 168, Sec. 1, eff. May 21, 1999.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. [2559](#)), Sec. 9, eff. September 1, 2009.

Sec. 814.009. DEDUCTION FROM ANNUITY FOR STATE EMPLOYEE ORGANIZATION. (a) A person who receives an annuity under this subtitle may, on a form prescribed by and filed with the retirement system, authorize the retirement system to deduct from the person's monthly annuity payment the amount of a fee for the person's membership in a state employee organization that:

(1) is a certified eligible state employee organization under Section [403.0165](#); or

(2) has at least 2,500 retirees as members on January 1 preceding the fiscal year for which the deduction is made.

(b) An authorization made under this section remains in effect until:

(1) the person who receives the annuity modifies or revokes the authorization; or

(2) the state employee organization fails to meet the requirements of Subsection (a).

(c) The retirement system shall adopt rules to administer this section.

Added by Acts 2001, 77th Leg., ch. 1231, Sec. 7, eff. Sept. 1, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 280 (H.B. 1608), Sec. 3, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1249 (S.B. 1664), Sec. 8, eff. September 1, 2011.

Acts 2021, 87th Leg., R.S., Ch. 940 (S.B. 321), Sec. 8, eff. September 1, 2021.

Sec. 814.0095. CHARITABLE DEDUCTION FROM ANNUITY.

(a) Except as provided by Section 814.0096(c), a person who receives an annuity under this subtitle may, on a printed or electronic form filed with the retirement system, authorize the retirement system to deduct from the person's monthly annuity payment the amount of a contribution to the state employee charitable campaign in the manner and for the same purposes for which a state employee may authorize deductions to that campaign under Subchapter I, Chapter 659.

(b) An authorization under this section must direct the board of trustees to deposit the deducted funds with the comptroller for distribution as required by Section 659.132(g) in the same manner in which a state employee's deduction is distributed.

(c) An authorization under this section remains in effect for the period described by Section 659.137 unless the person revokes the authorization by giving notice to the board of trustees.

(d) The board of trustees may adopt rules to administer this section. Any rules adopted must be consistent with the comptroller's rules related to the state employee charitable campaign.

Added by Acts 2011, 82nd Leg., R.S., Ch. 280 (H.B. 1608), Sec. 4, eff. June 17, 2011.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1249 (S.B. 1664), Sec. 9, eff. September 1, 2011.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 940 (S.B. 321), Sec. 9, eff. September 1, 2021.

Sec. 814.0096. COORDINATION WITH STATE EMPLOYEE CHARITABLE CAMPAIGN POLICY COMMITTEE. (a) The board of trustees and the state employee charitable campaign policy committee established under Section 659.140 shall coordinate responsibility for the administration of charitable deductions from annuity payments to the state employee charitable campaign under Section 814.0095.

(b) The state employee charitable campaign policy committee is authorized to approve a budget that includes funding for as many of the expenses incurred by the retirement system associated with the implementation and administration of annuitants' participation in the state employee charitable campaign as is practicable, including notification of annuitants.

(c) Except as provided by this subsection, the board of trustees shall charge an administrative fee to cover any costs not paid under Subsection (b) in the implementation of Section 814.0095 to the charitable organizations participating in the state employee charitable campaign conducted under that section in the same proportion that the contributions to that charitable organization bear to the total of contributions in that campaign. The board of trustees shall determine the most efficient and effective method of collecting the administrative fee and shall adopt rules for the implementation of this subsection.

(d) If necessary, the board of trustees and the state employee charitable campaign policy committee may make the annuity deduction authorization under Section 814.0095(a) available in

stages to subgroups of the retirement system's annuity recipients as money becomes available to cover the expenses under Subsection (b) of this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 280 (H.B. 1608), Sec. 4, eff. June 17, 2011.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1249 (S.B. 1664), Sec. 9, eff. September 1, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 9.015, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 9.016, eff. September 1, 2013.

Sec. 814.010. ELECTRONIC FILING OF BENEFICIARY DESIGNATION. (a) In this section, "electronic filing" means the filing of data in the form of digital electronic signals transformed by computer and stored on magnetic tape, optical disks, or any other medium.

(b) A person entitled to designate a beneficiary under any system or program administered by the retirement system may make the designation by electronic filing under procedures adopted by the retirement system.

Added by Acts 2003, 78th Leg., ch. 1111, Sec. 16, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 51, eff. June 20, 2003.

Sec. 814.011. LUMP-SUM PAYMENTS IN LIEU OF ANNUITIES. The retirement system may elect to make a lump-sum payment to a retiree or beneficiary in lieu of annuity payments if the actuarial present value of the annuity at the time of retirement or death does not exceed \$20,000. Payment of a lump sum under this section does not affect eligibility for any other program administered by the retirement system.

Added by Acts 2005, 79th Leg., Ch. 347 (S.B. 1176), Sec. 11, eff. September 1, 2005.

Sec. 814.012. DISPOSITION OF UNCLAIMED BENEFICIARY BENEFITS. If, as of the fourth anniversary of the death of a member

or annuitant, the retirement system has not paid benefits and a claim for benefits is not pending with the retirement system based on the death of the member or annuitant, the accumulated contributions of the deceased member or the balance of the reserve for the deceased annuitant reverts to the benefit of the retirement system. The retirement system shall transfer funds reverted under this section to the state accumulation account.

Added by Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. 2559), Sec. 10, eff. September 1, 2009.

SUBCHAPTER B. SERVICE RETIREMENT BENEFITS

Sec. 814.1005. INAPPLICABILITY OF SUBCHAPTER TO CASH BALANCE GROUP MEMBERS. This subchapter does not apply to a cash balance group member.

Added by Acts 2021, 87th Leg., R.S., Ch. 940 (S.B. 321), Sec. 10, eff. September 1, 2021.

Sec. 814.101. APPLICATION FOR SERVICE RETIREMENT BENEFITS.

(a) A member may apply for a service retirement annuity by filing an application for retirement with the board of trustees.

(b) An application for a service retirement annuity may not be made:

(1) after the date the member wishes to retire; or

(2) more than 90 days before the date the member wishes to retire.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.101 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989.

Sec. 814.102. ELIGIBILITY OF ELECTED MEMBERS FOR SERVICE RETIREMENT. Except as provided by rule adopted under Section 813.304(d) or Section 803.202(a)(2), a member who has service credit in the elected class of membership, is eligible to retire and receive a service retirement annuity if the member:

(1) is at least 60 years old and has 8 years of service credit in that class; or

(2) is at least 50 years old and has 12 years of service credit in that class.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1983, 68th Leg., p. 1978, ch. 361, Sec. 1, eff. Sept. 1, 1983. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.102 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 9, eff. Sept. 1, 1991.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 11.014, eff. September 1, 2011.

Sec. 814.103. SERVICE RETIREMENT BENEFITS FOR ELECTED CLASS SERVICE. (a) Except as provided by Subsection (a-1) or (b), the standard service retirement annuity for service credited in the elected class of membership is an amount equal to the number of years of service credit in that class, times 2.3 percent of the state base salary, excluding longevity pay payable under Section 659.0445 and as adjusted from time to time, being paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a).

(a-1) Except as provided by Subsection (b), the standard service retirement annuity for service credited in the elected class of membership for a member of the class under Section 812.002(a)(3) whose effective date of retirement is on or after September 1, 2019, is an amount equal to the number of years of service credit in that class, times 2.3 percent of the state salary, excluding longevity pay payable under Section 659.0445 and as adjusted from time to time, being paid in accordance with Section 659.012 to a district judge who has the same number of years of contributing service credit as the member on the member's last day of service as a district or criminal district attorney, as applicable.

(b) The standard service retirement annuity for service credited in the elected class may not exceed at any time 100 percent of the state salary of a district judge on which the annuity is based under Subsection (a) or (a-1), as applicable.

(c) For purposes of this section, "contributing service credit" with respect to:

(1) a member means service credit established in the elected class under Section 813.201 or 813.402 for each month of service in which the member held a position described by Section 812.002(a)(3), including service credit established under either section that was previously canceled but reestablished under Section 813.102; and

(2) a district judge has the meaning assigned by Section 659.012(f).

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1983, 68th Leg., p. 1979, ch. 361, Sec. 2, eff. Sept. 1, 1983. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.103 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 10, eff. Sept. 1, 1991.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1328 (S.B. 1519), Sec. 4, eff. September 1, 2007.

Acts 2019, 86th Leg., R.S., Ch. 1121 (H.B. 2384), Sec. 20, eff. September 1, 2019.

Sec. 814.104. ELIGIBILITY OF MEMBER FOR SERVICE RETIREMENT.

(a) Except as provided by Subsections (d) and (e) of this section, Section 814.102, or by rule adopted under Section 813.304(d) or 803.202(a)(2), a member who has service credit in the retirement system is eligible to retire and receive a service retirement annuity if the member:

(1) is at least 60 years old and has at least 5 years of service credit in the employee class; or

(2) has at least 5 years of service credit in the employee class and the sum of the member's age and amount of service credit in the employee class, including months of age and credit, equals or exceeds the number 80.

(b) A member who is at least 55 years old and who has at least 10 years of service credit as a commissioned peace officer engaged in criminal law enforcement activities of the Department of

Public Safety, the Texas Alcoholic Beverage Commission, the Parks and Wildlife Department, or the office of inspector general at the Texas Juvenile Justice Department, or as a custodial officer, is eligible to retire and receive a service retirement annuity.

(c) For the sole purpose of determining eligibility to receive a service retirement annuity, the retirement system shall consider service performed as a participant in the optional retirement program under Chapter 830 as if it were service for which credit is established in the retirement system.

(d) Except as provided by Subsection (e) of this section, Section 814.102, or by rule adopted under Section 813.304(d) or 803.202(a)(2), a member who was not a member on the date hired, was hired on or after September 1, 2009, and has service credit in the retirement system is eligible to retire and receive a service retirement annuity if the member:

(1) is at least 65 years old and has at least 10 years of service credit in the employee class; or

(2) has at least 10 years of service credit in the employee class and the sum of the member's age and amount of service credit in the employee class, including months of age and credit, equals or exceeds the number 80.

(e) A member who takes the oath of office for a position included in the elected class of membership, other than a district attorney or criminal district attorney, is not eligible to retire and receive a service retirement annuity under this section that is based on service credit transferred to the employee class from the elected class under Section 813.503 until the member no longer holds that position. This provision does not prohibit a member from retiring and receiving a service retirement annuity under this section that is based on service credit earned in a position included in the employee class of membership under Section 812.003. Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1983, 68th Leg., p. 1979, ch. 361, Sec. 3, eff. Sept. 1, 1983. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.104 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 11, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 297, Sec. 1, eff.

Sept. 1, 1995; Acts 1995, 74th Leg., ch. 688, Sec. 2, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1048, Sec. 12, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1541, Sec. 13, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1111, Sec. 17, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 74 (S.B. 262), Sec. 2, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 263 (S.B. 103), Sec. 22, eff. June 8, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. 2559), Sec. 11, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1249 (S.B. 1664), Sec. 10, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 110, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 998 (H.B. 408), Sec. 2, eff. June 19, 2015.

Sec. 814.105. SERVICE RETIREMENT BENEFITS FOR EMPLOYEE CLASS SERVICE. (a) The standard service retirement annuity for service credited in the employee class of membership is an amount computed as the member's average monthly compensation for service in that class for the 60 highest months of compensation multiplied by 2.3 percent for each year of service credit in that class.

(b) The standard service retirement annuity for service credited in the employee class may not be less than \$150 a month nor more than 100 percent of the average monthly compensation computed under Subsection (a).

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 618, Sec. 26(a)(5), eff. September 1, 2013.

(d) The standard service retirement annuity computed under this section is reduced by five percent for each year the member retires before the member reaches age 62.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981.

Amended by Acts 1986, 69th Leg., 2nd C.S., ch. 15, Sec. 1, eff. Sept. 23, 1986; Acts 1987, 70th Leg., ch. 577, Sec. 1, eff. Aug. 31, 1987; Acts 1987, 70th Leg., 2nd C.S., ch. 4, Sec. 3, eff. Sept. 1,

1987; Acts 1989, 71st Leg., ch. 602, Sec. 4, eff. Sept. 1, 1989. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.105 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1989, 71st Leg., ch. 1100, Sec. 4.09(a), eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 850, Sec. 11, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 1048, Sec. 14, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1231, Sec. 8, eff. Sept. 1, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. [2559](#)), Sec. 12, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 618 (S.B. [1459](#)), Sec. 9, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 618 (S.B. [1459](#)), Sec. 26(a)(5), eff. September 1, 2013.

Sec. 814.107. SERVICE RETIREMENT BENEFITS FOR CERTAIN PEACE OFFICERS. (a) A member who has at least 20 years of service credit as a law enforcement or custodial officer is eligible to retire regardless of age and receive a standard service retirement annuity in an amount and to be funded as provided by this section.

(b) The standard service retirement annuity payable for at least 20 years of service credit as a law enforcement or custodial officer is an amount computed on the basis of the member's average monthly compensation for the 60 highest months of compensation in the employee class, times the sum of the percentage factor used in the computation of a standard service retirement annuity under Section [814.105](#) plus .5 percent.

(c) The standard combined service retirement annuity that is payable under this section is based on retirement on or after the attainment of the normal retirement age, which for purposes of this section is the earlier of either the age of 57 or the age at which the sum of the member's age and amount of service credit in the employee class equals the number 80. The annuity of a law enforcement or custodial officer who retires before reaching the age of 57 under any eligibility criteria is actuarially reduced by five percent for each year of difference between the member's age at retirement and 57. The actuarial reduction described by this

section is in addition to any other actuarial reduction required by law.

(c-1) A law enforcement or custodial officer who retires before attaining the age of 50 is entitled only to an annuity that is actuarially reduced from the annuity available at the age of 50 to the law enforcement or custodial officer whose service credit annuity amount is based on the sum of the member's age and amount of law enforcement or custodial officer service credit and employee class service credit, and is not entitled to have the annuity recalculated at normal retirement age. The standard or reduced annuity under this section is payable from the trust fund established by Section 815.310 and the law enforcement and custodial officer supplemental retirement fund in a ratio determined by the retirement system.

(d) A member who retires under this section retires simultaneously from the employee class of membership. Optional retirement annuities provided by Section 814.108 are available to a member eligible to receive a service retirement annuity under this section, but the same optional plan and beneficiary must be selected for the portion of the annuity payable from the law enforcement and custodial officer supplemental retirement fund and the portion payable from the trust fund established by Section 815.310.

(e) The amount payable from the law enforcement and custodial officer supplemental retirement fund is reducible by the amount paid from the trust fund established by Section 815.310 for service as a law enforcement or custodial officer. The total combined amount of an annuity under this section may not be less than the authorized benefit under Subsection (b) subtracted by any amount necessary because of selection of an optional annuity, because of retirement before the normal retirement age, or as provided by Subsection (f).

(f) The standard combined service retirement annuity payable for at least 20 years of service credit as a law enforcement or custodial officer may not exceed 100 percent of the average compensation computed under Subsection (b).

(g) For purposes of this section, service as a law

enforcement or custodial officer is creditable as provided by rule of the board of trustees or on a month-to-month basis, whichever is greater.

(h) Repealed by Acts 1995, 74th Leg., ch. 586, Sec. 45(1), eff. Aug. 28, 1995.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1981, 67th Leg., 1st C.S., p. 199, ch. 18, Sec. 13, 14, eff. Nov. 10, 1981; Acts 1989, 71st Leg., ch. 1227, Sec. 1, eff. Sept. 1, 1989. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.107 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 16, Sec. 11.08(a), eff. Aug. 26, 1991; Acts 1991, 72nd Leg., ch. 850, Sec. 12, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 586, Sec. 15, 45(1), eff. Aug. 28, 1995; Acts 1999, 76th Leg., ch. 1541, Sec. 16, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1231, Sec. 9, eff. Sept. 1, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. [2559](#)), Sec. 13, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 618 (S.B. [1459](#)), Sec. 10, eff. September 1, 2013.

Sec. 814.108. OPTIONAL SERVICE RETIREMENT BENEFITS. (a) Instead of the standard service retirement annuity payable under Section [814.103](#) or [814.105](#), the standard combined service retirement annuity payable under Section [814.107](#), or an annuity actuarially reduced because of age under Section [814.107](#), a retiring member may elect to receive an optional service retirement annuity under this section.

(b) A person who selects an optional lifetime retirement annuity must designate before the selection becomes effective one person to receive the annuity on the death of the person making the selection. A person who selects an optional retirement annuity payable for a guaranteed period may designate, before or after retirement, one or more persons to receive the annuity on the death of the person making the selection.

(c) An eligible person may select one of the following

options, which provides that:

(1) after the retiree's death, the reduced annuity is payable in the same amount throughout the life of the person designated by the retiree before retirement;

(2) after the retiree's death, one-half of the reduced annuity is payable throughout the life of the person designated by the retiree before retirement;

(3) if the retiree dies before 60 monthly annuity payments have been made, the remainder of the 60 payments are payable to one or more beneficiaries or, if one does not exist, to the retiree's estate;

(4) if the retiree dies before 120 monthly annuity payments have been made, the remainder of the 120 payments are payable to one or more beneficiaries or, if one does not exist, to the retiree's estate; or

(5) after the retiree's death, three-fourths of the reduced annuity is payable throughout the life of the person designated by the retiree before retirement.

(d) If a person who is nominated by a retiree in the written designation under Subsection (b) predeceases the retiree, the reduced annuity of a retiree who has elected an optional lifetime retirement annuity shall be increased to the standard service retirement annuity that the retiree would otherwise be entitled to receive if the retiree had not selected that annuity option. The standard service retirement annuity shall be adjusted as appropriate for:

(1) early retirement as permitted by law; and

(2) postretirement increases in retirement benefits authorized by law after the date of retirement.

(e) The increase in the annuity under Subsection (d) begins with the monthly payment made to the retiree for the month following the month in which the person nominated dies or the September 30, 1991, payment, whichever is later, and is payable to the retiree for the remainder of the retiree's life.

(f) The computation of an optional annuity must be made without regard to the gender of the annuitant or designee involved.

(g) Except as provided by Section [814.008](#) or [814.1081](#), a

person who selected an optional service retirement annuity approved by the board of trustees or an optional service retirement annuity described by Subsection (c)(1), (c)(2), or (c)(5) may not change or revoke a beneficiary designation after the person's effective date of retirement.

(h) A beneficiary designation that names a former spouse as beneficiary for a guaranteed optional annuity described by Subsection (c)(3) or (c)(4) is invalid unless the designation is made after the date of the divorce.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.108 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 13, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 586, Sec. 16, eff. Aug. 28, 1995; Acts 1999, 76th Leg., ch. 168, Sec. 2, eff. May 21, 1999; Acts 2001, 77th Leg., ch. 1231, Sec. 10, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1111, Sec. 18, eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. [2559](#)), Sec. 15, eff. September 1, 2009.

Sec. 814.1081. CHANGE IN ANNUITY SELECTION. (a) A person who retired and selected an optional service retirement annuity described by Section [814.108\(c\)\(1\)](#), (c)(2), or (c)(5) may change the optional annuity selection to the selection of a standard service retirement annuity if:

(1) pursuant to a divorce decree, a court orders the change in the annuity selection to a standard service retirement annuity; or

(2) the retiree files with the retirement system a request to change the annuity selection, if the retiree designated a person as beneficiary who:

(A) was not at the time of designation and is not currently the retiree's spouse or dependent child; or

(B) is not currently the retiree's spouse or dependent child and has executed since the designation a written, notarized instrument that releases the retirement system from any

claim to the annuity by the beneficiary and that transfers all of the beneficiary's interest in the annuity to the retiree.

(b) If a retiree files a request as provided by Subsection (a), the retirement system shall recompute the annuity as a standard service retirement annuity. The increase in the annuity under this section begins with the monthly payment made to the retiree for the month following the month in which a request is filed as provided by Subsection (a).

(c) Expired.

Added by Acts 1991, 72nd Leg., ch. 850, Sec. 14, eff. Sept. 1, 1991.

Amended by Acts 1995, 74th Leg., ch. 586, Sec. 17, eff. Aug. 28, 1995; Acts 1997, 75th Leg., ch. 1048, Sec. 15, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1231, Sec. 11, eff. Sept. 1, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. [2559](#)), Sec. 16, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 618 (S.B. [1459](#)), Sec. 11, eff. September 1, 2013.

Sec. 814.1082. PARTIAL LUMP-SUM OPTION. (a) A member who is eligible for an unreduced service retirement annuity may select a standard retirement annuity or an optional retirement annuity described by Section [814.108](#) together with a partial lump-sum distribution.

(b) The amount of the lump-sum distribution under this section may not exceed the sum of 36 months of a standard service retirement annuity computed without regard to this section.

(c) The service retirement annuity selected by the member shall be actuarially reduced to reflect the lump-sum option selected by the member and shall be actuarially equivalent to a standard or optional service retirement annuity, as applicable, without the partial lump-sum distribution. The annuity and lump sum shall be computed to result in no actuarial loss to the retirement system.

(d) Unless otherwise specified in rules adopted by the board of trustees, the lump-sum distribution will be made as a single payment payable at the time that the first monthly annuity payment

is paid to the retiree.

(e) The amount of the lump-sum distribution will be deducted from any amount otherwise payable under Section 814.505.

(f) The partial lump-sum option under this section may be elected only once by a member and may not be elected by a retiree. A member retiring under the proportionate retirement program under Chapter 803 is not eligible for the partial lump-sum option.

(g) Before a retiring member selects a partial lump-sum distribution under this section, the retirement system shall provide a written notice to the member of the amount by which the member's annuity will be reduced because of the selection. The member shall be asked to sign a copy of or a receipt for the notice, and the retirement system shall maintain the signed copy or receipt.

(h) The board of trustees may adopt rules for the implementation of this section and may authorize the option to be used for a death benefit annuity. This section does not apply to a disability retirement annuity.

Added by Acts 1999, 76th Leg., ch. 1541, Sec. 17, eff. Sept. 1, 1999.

Sec. 814.109. ELIGIBILITY OF CERTAIN MEMBERS FOR SERVICE RETIREMENT. Notwithstanding any other law other than Section 815.507:

(1) a member eligible to retire under this subchapter from either class of membership may retire without separating from a position in that class if the member:

(A) has accrued enough service credit in the class to receive the maximum annuity permitted under this subchapter; and

(B) is at least 60 years old; and

(2) a member who retires from either class of membership under this section is not entitled to earn any additional retirement benefits under this subtitle.

Added by Acts 2021, 87th Leg., R.S., Ch. 940 (S.B. 321), Sec. 11, eff. September 1, 2021.

SUBCHAPTER C. DISABILITY RETIREMENT BENEFITS

Sec. 814.201. APPLICATION FOR DISABILITY RETIREMENT BENEFITS. (a) A member may apply for a disability retirement annuity by:

(1) filing an application for retirement with the board of trustees; or

(2) having an application filed with the board by the member's spouse, employer, or legal representative.

(b) An application for a disability retirement annuity may not be made:

(1) after the date the disability retirement is to become effective; or

(2) more than 90 days before the date the disability retirement is to become effective.

(c) An application for an occupational disability retirement annuity may not be made after the second anniversary of the date the injury or disease that causes the disability occurs unless the executive director permits the application after that date because of a showing of good cause for delay.

(d) An applicant must submit to medical examination and provide other pertinent information as required by the retirement system.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1983, 68th Leg., p. 1111, ch. 252, Sec. 5, eff. Aug. 29, 1983. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.201 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 2001, 77th Leg., ch. 1231, Sec. 12, eff. Sept. 1, 2001.

Sec. 814.202. ELIGIBILITY FOR DISABILITY RETIREMENT. (a) A member who was contributing to the retirement system at the time the member became permanently disabled for the further performance of duty is eligible to retire for a nonoccupational disability if the member has at least:

(1) 8 years of membership service credit in the elected class of membership;

(2) 6 years of membership service credit in the elected class plus 2 years of military service credit established before January 1, 1978; or

(3) 10 years of membership service credit in the employee class of membership.

(b) A member who was contributing to the retirement system at the time the member became permanently incapacitated for the further performance of duty, who meets the requirements provided by Section 811.001(12), and who has service credit in either membership class is eligible to retire for an occupational disability regardless of age or amount of service credit.

(c) A member otherwise eligible may not receive a disability retirement annuity unless the member is the subject of a certification issued as provided by Section 814.203.

(d) Repealed by Acts 2005, 79th Leg., Ch. 347, Sec. 36(6), eff. September 1, 2005.

(e) A member otherwise eligible may not apply for or receive a nonoccupational disability annuity if the member is eligible for a service retirement annuity under Section 814.102 or 814.104(a)(2) or (b).

(f) An application for a nonoccupational disability retirement may not be made after the second anniversary of the date the member ceased making contributions to the retirement system.

(g) A member otherwise eligible to receive a disability retirement annuity may not receive the annuity if the member is:

(1) still earning a salary or wage from the employment for which the member is claiming disability; or

(2) on leave without pay from the employment for which the member is claiming disability.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1983, 68th Leg., p. 1980, ch. 361, Sec. 4, eff. Sept. 1, 1983. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.202 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 15, eff. Sept. 1, 1991; Acts 1999, 76th Leg., ch. 1541, Sec. 18, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1231, Sec. 13, eff. Sept. 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 347 (S.B. [1176](#)), Sec. 12, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 347 (S.B. [1176](#)), Sec. 36(6), eff. September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. [2559](#)), Sec. 17, eff. September 1, 2009.

Sec. 814.203. CERTIFICATION OF DISABILITY. (a) As soon as practicable after an application for disability retirement is filed, the medical board shall evaluate the medical and other pertinent information regarding the member's application. If the medical board finds that the member is mentally or physically incapacitated for the further performance of duty, as supported by substantial, objective, medical evidence, and that the incapacity is likely to be permanent, the medical board shall issue a certification of disability and submit it to the executive director. A certification under this section is admissible in a contested case under Section [815.511](#) without proving the medical board as experts.

(b) For purposes of this subchapter, a member is incapacitated for the further performance of duty if the member has demonstrably sought and been denied workplace accommodation of the disability in accordance with applicable law, and the member is physically or mentally unable to continue to hold the position occupied or to hold any other position offering comparable pay. The employee's education, training, and experience must be considered when making a determination of incapacity under this subchapter.

(c) For the purposes of this section, "comparable pay" means 80 percent or more of the member's final state employment base pay before deductions for taxes or deferred compensation under state and federal law, including any longevity or hazardous duty pay, but excluding the monetary value of any insurance or retirement benefits. Comparable pay may be adjusted by the retirement system to account for adjustments in state pay rates.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981.

Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.203 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 2003, 78th Leg., ch. 1111, Sec. 19, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 347 (S.B. 1176), Sec. 13, eff. September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 1308 (H.B. 2559), Sec. 18, eff. September 1, 2009.

Sec. 814.204. INFORMATION ABOUT OCCUPATIONAL DISABILITY.

(a) A member who applies for retirement for an occupational disability shall furnish the retirement system all information and other data requested by the retirement system and relating to the disability.

(b) The retirement system may require information and other data relating to an occupational disability retirement application to be furnished by any officer or employee of the agency with which the applicant holds a position.

(c) If a person who is requested to submit information or other data under this section withholds the requested material, the retirement system may elect to treat the application as one for nonoccupational disability retirement benefits.

(d) After receiving information and other data the retirement system considers necessary, the executive director shall determine, subject to review by the board of trustees, whether or not the disability is occupational.

(e) A contributing member who is also a member of the Texas National Guard or the Texas State Guard is eligible for retirement for an occupational disability if the person:

(1) is injured while on active duty with the national or state guard;

(2) is discharged from that entity because of the injury; and

(3) ceases state employment.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.204 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended

by Acts 1997, 75th Leg., ch. 1245, Sec. 1, eff. Sept. 1, 1997.

Sec. 814.205. DISABILITY RETIREMENT BENEFITS FOR ELECTED CLASS SERVICE. (a) Except as provided by Subsection (b), a disability retirement annuity for service credited in the elected class of membership is an amount computed in the same manner as the standard service retirement annuity, not reduced because of age, for service credited in the elected class.

(b) An occupational disability retirement annuity for service credited in the elected class is computed on the basis of the amount of the member's service credit or eight years, whichever is greater.

(c) A person who retires under this section may select an optional retirement plan instead of the standard retirement annuity.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.205 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 16, eff. Sept. 1, 1991.

Sec. 814.2055. AVERAGE MONTHLY COMPENSATION. For purposes of Sections 814.206 and 814.207, "average monthly compensation" means:

(1) a member's average monthly compensation for service in the employee class for the 36 highest months of compensation; or

(2) a member's average monthly compensation for service in the employee class if a member retires with less than 36 months of service.

Added by Acts 2001, 77th Leg., ch. 1231, Sec. 14, eff. Sept. 1, 2001.

Sec. 814.206. DISABILITY RETIREMENT BENEFITS FOR EMPLOYEE CLASS SERVICE. (a) Except as provided by Subsection (b) and Section 814.207, a standard disability retirement annuity for service credited in the employee class of membership is an amount

computed at the rate of 2.3 percent for each year of service credit in that class, times the member's average monthly compensation.

(b) A standard disability retirement annuity under this section may not be more than 100 percent of the average monthly compensation or, if occupational, not less than 35 percent of the average monthly compensation or \$150 a month, whichever is greater.

(c) A standard disability retirement annuity computed under this section is payable throughout the life of the retiree, except as provided by Section [814.210](#).

(d) Instead of the standard disability retirement annuity payable under this section, a retiring member may elect to receive an optional disability retirement annuity payable throughout the life of the retiree and actuarially reduced, under tables adopted by the board of trustees, from the standard disability retirement annuity.

(e) Optional disability retirement annuities available to a disabled retiring member are those available to members retiring from regular service under Section [814.108](#)(c).

(f) A standard nonoccupational disability retirement annuity under this section is reducible, under actuarial tables adopted by the board of trustees, for a member who retires before reaching an applicable age provided by Section [814.102](#) or [814.104](#).

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.206 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 17, eff. Sept. 1, 1991; Acts 2001, 77th Leg., ch. 1231, Sec. 15, eff. Sept. 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 347 (S.B. [1176](#)), Sec. 14, eff. September 1, 2005.

Sec. 814.207. DISABILITY RETIREMENT BENEFITS FOR CERTAIN PEACE OFFICERS. (a) An annuity payable for an occupational disability resulting from a risk to which law enforcement or custodial officers are exposed because of the nature of law enforcement or custodial duties is payable under the same terms and

conditions that apply to other occupational disability retirement annuities under this subtitle, except that the source and amount of the annuity are as provided by this section.

(b) Except as provided by Subsection (c), an occupational disability retirement annuity under this section is an amount, but not more than 100 percent, computed on the basis of the officer's average monthly compensation, times a percentage derived by application of Section 814.107(b).

(c) A disability retirement annuity under this section is not reducible because of age and may not be less than 50 percent of the officer's average monthly compensation regardless of the amount of service credited to the officer in the employee class.

(d) The portions of the annuity under this section payable from the law enforcement and custodial officer supplemental retirement fund are the amount remaining after deduction of any amount payable under Section 814.206, except the portion of an amount that exceeds the minimum payments provided by Section 814.206(b) and that is made for service other than as a law enforcement or custodial officer and any amount by which an annuity is increased under Subsection (e).

(e) If a retiring member or retiree under this section presents evidence satisfactory to the retirement system that the person's occupational disability makes the person incapable of substantial gainful activity solely because of the disability and is considered a total disability under federal social security law, the retirement system shall, notwithstanding Section 811.006, increase the person's occupational disability retirement annuity to a monthly amount computed based on the maximum salary authorized under the position classification salary schedule prescribed by the General Appropriations Act, as adjusted from time to time, applicable to the position from which the person retired.

(f) An annuity increase under Subsection (e) is not payable before the first month following the month in which the satisfactory evidence is received by the retirement system under Subsection (e).

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981.
Amended by Acts 1981, 67th Leg., 1st C.S., p. 200, ch. 18, Sec. 15,

eff. Nov. 10, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.207 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 586, Sec. 18, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1231, Sec. 16, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1111, Sec. 20, eff. Sept. 1, 2003.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 868 (S.B. [1071](#)), Sec. 1, eff. September 1, 2021.

Sec. 814.208. MEDICAL EXAMINATION OF DISABILITY RETIREE.

(a) Once each year during the first five years after a member retires for disability, and once in each three-year period after that, the retirement system may require a disability retiree to undergo a medical examination.

(b) An examination under this section may be held at the retiree's residence or at any place mutually agreed to by the retirement system and the retiree. The retirement system may designate a physician to perform the examination. The retiree shall pay the expense of the examination.

(c) If a disability retiree refuses to submit to a medical examination as provided by this section, the executive director shall discontinue the retiree's annuity payments until the retiree submits to an examination. If a retiree has not submitted to an examination as provided by this section before the first anniversary of the date of first refusal, the executive director shall revoke all rights of the retiree to an annuity.

(d) If the medical board finds that a disability retiree is no longer mentally or physically incapacitated for the performance of duty, it shall certify its findings and submit them to the executive director. If the executive director concurs in this certification, the annuity terminates and membership is restored as provided by Section [814.210](#).

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.208 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 17, eff. Sept. 1, 1991.

Sec. 814.210. RESTORATION OF DISABILITY RETIREE TO ACTIVE SERVICE. (a) If a retiree who is receiving a disability retirement annuity returns to state service or if the retiree is found to be no longer incapacitated for the further performance of duty, the person must again become a member of the retirement system or, if the person holds a position included in the elected class of membership, may elect to become a member. If a person becomes a member under this section, the executive director shall terminate the person's annuity payments.

(b) A person who becomes a member under this section is entitled to service credit for all service previously established and not canceled by a withdrawal of contributions.

(c) If a person's disability retirement annuity is discontinued under this section, the person's selection of any optional annuity becomes void.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.210 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 17, eff. Sept. 1, 1991.

Sec. 814.211. REFUND AT ANNUITY DISCONTINUANCE. (a) Except as provided by Subsection (b), if a disability retirement annuity is discontinued, the member is entitled to a lump-sum payment from the retirement annuity reserve account in an amount, if any, by which the amount in the member's individual account in the employees saving account at the time of disability retirement exceeds the amount of payments payable before the date the annuity was discontinued.

(b) The benefit provided by this section is not payable to a member who, after discontinuance of a disability retirement annuity, returns to state service or elects a service retirement annuity.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1985, 69th Leg., ch. 91, Sec. 5, eff. Sept. 1, 1985. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.211 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1,

1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 17, eff. Sept. 1, 1991.

SUBCHAPTER D. DEATH BENEFIT ANNUITIES

Sec. 814.301. SELECTION OF DEATH BENEFIT PLAN BY MEMBER.

(a) A contributing member who has at least 10 years of service credit in the elected or employee class of membership may select a death benefit plan for the payment, if the member dies while the member is eligible to select a plan, of a death benefit annuity to a person designated by the member. Death benefit annuities available for selection by a member described in this subsection are the optional annuities provided by Sections 814.108(c)(1) and (c)(4), payable as if the member had retired at the time of death.

(b) If a member of a retirement system administered by the board of trustees selects death benefit plans under more than one board-administered retirement system, each plan selected may take effect. If a member selects a death benefit plan under only one retirement system administered by the board of trustees, the plan applies to service credit in other board-administered retirement systems.

(c) The computation of a death benefit annuity selected under this section must include the ages of the member and the member's designated beneficiary at the time of the member's death.

(d) A member may select a death benefit plan by filing an application for a plan with the retirement system on a form prescribed by the retirement system. After selection, a death benefit plan takes effect at death unless the member amends the plan, selects a retirement annuity at the time of retirement, has chosen a plan that cannot take effect, or becomes ineligible to select a plan.

(e) A beneficiary designation that names a former spouse as beneficiary is invalid for purposes of this section unless the designation is made after the date of the divorce.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.301 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1,

1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 18, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 586, Sec. 19, eff. Aug. 28, 1995.

Amended by:

Acts 2005, 79th Leg., Ch. 347 (S.B. 1176), Sec. 15, eff. September 1, 2005.

Sec. 814.302. SELECTION OF DEATH BENEFIT PLAN BY SURVIVOR OF MEMBER. (a) If a contributing member eligible to select a death benefit plan under Section 814.301 dies without having made a selection, or if a selection cannot be made effective, the member's designated beneficiary may select a plan in the same manner as if the member had made the selection. If there is no designated beneficiary, the personal representative of the decedent's estate may make the selection for the benefit of the decedent's heirs or devisees. In lieu of selecting a death benefit plan, the designated beneficiary or, if there is none, the personal representative of the decedent's estate, may elect to receive a refund of contributions and any applicable payment under Section 814.401.

(b) If a person dies who, at the time of death, was a contributing member of a retirement program administered by the board of trustees and was eligible, having met the requirements of service credit and attained age, for a service retirement annuity based on service in one or more board-administered programs or was a contributing member of the employee class, had at least three years of service credit in that class, and would have been eligible to retire under the proportionate retirement program under Chapter 803, but was not eligible to select a death benefit plan, the person's surviving spouse may select a plan in the same manner that the decedent could have made the selection if the decedent had retired on the last day of the month in which the person died. If there is no surviving spouse, the guardian of the decedent's surviving minor children may select a plan. If the decedent is not survived by a spouse or minor children, an annuity may not be paid under this subsection.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.302 and

amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 19, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 586, Sec. 20, eff. Aug. 28, 1995; Acts 1999, 76th Leg., ch. 1541, Sec. 19, eff. Sept. 1, 1999.

Amended by:

Acts 2005, 79th Leg., Ch. 347 (S.B. [1176](#)), Sec. 16, eff. September 1, 2005.

Sec. 814.304. ANNUITY FOR SURVIVOR OF ELECTED MEMBER. (a) Except as provided by Subsections (b) and (c), if a member who has at least eight years of service credit in the elected class of membership dies, a death benefit annuity is payable in an amount computed at the rate of one-half of the standard service retirement annuity to which the member would have been entitled at the member's age at the time of death or at the age of 60, whichever is later.

(b) The annuity provided by this section is payable only to the member's surviving spouse. If the member is not survived by a spouse, a benefit may not be paid under this section.

(c) An annuity may not be paid under this section if, at the time of death, the member was eligible to select a death benefit annuity under Section [814.301](#).

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.304 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989.

Sec. 814.305. ANNUITY FOR SURVIVOR OF LAW ENFORCEMENT OR CUSTODIAL OFFICER. If a member who has at least 20 years of service credit as a law enforcement or custodial officer dies, the amount of the death benefit annuity payable for the member's service as a law enforcement or custodial officer is an amount computed and funded as provided by Section [814.107](#), including any applicable reduction factors.

Added by Acts 1983, 68th Leg., p. 1977, ch. 360, Sec. 1, eff. Sept. 1, 1983. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.305 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 20,

eff. Sept. 1, 1991.

SUBCHAPTER E. MEMBER DEATH BENEFITS

Sec. 814.401. MEMBER DEATH BENEFITS GENERALLY. (a) Except as provided by Subsection (d), if a member dies under a circumstance described in Subsection (c), a lump-sum death benefit is payable from the state accumulation account in an amount computed at the rate of five percent of the amount in the member's individual account in the employees saving account at the time of death, times the number of full years of service credit the member had at the time of death, but not more than 100 percent of the amount in the member's individual account.

(b) The benefit provided by this section is payable to the beneficiary designated by the member under Section 814.403(b). If a member does not designate a beneficiary or if the beneficiary designation cannot be made effective, the benefit is payable to the member's estate.

(c) A benefit is payable under this section only if the member at the time of death was:

- (1) actively employed by the state;
- (2) receiving workers' compensation benefits for an injury sustained while employed by the state; or
- (3) on authorized sick leave.

(d) A death benefit may not be paid under this section if, at the time of death, a death benefit annuity became effective.

(e) A beneficiary designation that names a former spouse as beneficiary is invalid unless the designation is made after the date of the divorce.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1985, 69th Leg., ch. 91, Sec. 6, eff. Sept. 1, 1985. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.401 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 21, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 586, Sec. 21, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1231, Sec. 17, eff. Sept. 1, 2001.

Sec. 814.402. MEMBER OCCUPATIONAL DEATH BENEFITS. (a) Except as provided by Subsection (b), if a member dies and the executive director determines that the death was an occupational death, a lump-sum death benefit is payable from the state accumulation account in an amount equal to one year's salary, computed on the basis of the member's rate of compensation at the time of death.

(b) The benefit provided by this section is payable only to the member's surviving spouse or, if there is no surviving spouse, to the guardian of the member's surviving dependent minor children. If the member is not survived by a spouse or dependent minor children, a benefit may not be paid under this section.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1985, 69th Leg., ch. 91, Sec. 7, eff. Sept. 1, 1985. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.402 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989.

Sec. 814.403. RETURN OF CONTRIBUTIONS. (a) Except as provided by Subsection (d), if a member dies before retirement, the amount in the member's individual account in the employees saving account at the time of death is payable as a lump-sum death benefit.

(b) Except as provided by Subsection (c), the benefit provided by this section is payable to a person designated by the member in a signed and witnessed document filed with the retirement system before the member's death. A designation, change, or revocation of a beneficiary in a will or other document not filed with the retirement system is not effective. If a member does not designate a beneficiary or if the beneficiary designation cannot be made effective, the benefit is payable to the member's estate.

(c) A beneficiary designation that names a former spouse as beneficiary is invalid for purposes of this section unless the designation is made after the date of the divorce.

(d) A death benefit may not be paid under this section if, at the time of death, a death benefit annuity became effective.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1985, 69th Leg., ch. 91, Sec. 8, eff. Sept. 1, 1985.

Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.403 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 22, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 586, Sec. 22, eff. Aug. 28, 1995.

Sec. 814.404. ASSIGNMENT OF DEATH BENEFIT FOR FUNERAL SERVICES. (a) A beneficiary to whom a benefit is payable under this subchapter may by assignment provide that part or all of the benefit be paid in consideration for services provided in connection with the death of the member directly to a funeral director or funeral establishment licensed under:

- (1) Chapter 651, Occupations Code; or
- (2) the comparable law of another state.

(b) The board of trustees by rule may establish requirements for forms, documentation, and procedures necessary for an effective assignment under this section.

Added by Acts 2019, 86th Leg., R.S., Ch. 1178 (H.B. 3522), Sec. 1, eff. January 1, 2020.

SUBCHAPTER F. RETIREE DEATH BENEFITS

Sec. 814.501. RETIREE DEATH BENEFITS GENERALLY. (a) A lump-sum death benefit in the amount of \$5,000 is payable if the board of trustees receives proof satisfactory to it of the death, on or after September 1, 1975, of a person retired under a retirement system administered by the board. The board by rule shall adopt procedures to provide for the payment of this benefit not later than the seventh day after the date the board receives the required proof of death.

(b) The benefit provided by this section is payable to a person designated by the retiree in a signed and witnessed document filed with the retirement system before the retiree's death. A designation, change, or revocation of a beneficiary in a will or other document not filed with the retirement system is not effective. If a retiree does not designate a beneficiary or if the beneficiary designation cannot be made effective, the benefit is payable to the retiree's estate.

(c) A beneficiary designation that names a former spouse as beneficiary is invalid for purposes of this section unless the designation is made after the date of the divorce.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.501 by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 586, Sec. 23, eff. Aug. 28, 1995.

Amended by:

Acts 2005, 79th Leg., Ch. 242 (H.B. 70), Sec. 1, eff. May 30, 2005.

Sec. 814.503. OCCUPATIONAL DISABILITY RETIREE DEATH BENEFITS. (a) Except as provided by Subsection (b), if a person who receives an occupational disability retirement annuity dies and the executive director determines that the death was an occupational death, a lump-sum death benefit is payable from the state accumulation account in an amount equal to one year's salary, computed on the basis of the retiree's rate of compensation at the time of disability retirement.

(b) The benefit provided by this section is payable only to the retiree's surviving spouse or, if there is no surviving spouse, to the guardian of the retiree's surviving dependent minor children. If the retiree is not survived by a spouse or dependent minor children, a benefit may not be paid under this section.

Acts 1981, 67th Leg., p. 1876, ch. 453, Sec. 1, eff. Sept. 1, 1981. Amended by Acts 1985, 69th Leg., ch. 91, Sec. 10, eff. Sept. 1, 1985. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.503 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989.

Sec. 814.504. ASSIGNMENT OF DEATH BENEFIT FOR FUNERAL SERVICES. (a) A beneficiary to whom a benefit is payable under this subchapter may by assignment provide that part or all of the benefit be paid in consideration for services provided in connection with the death of the retiree directly to a funeral director or funeral establishment licensed under:

- (1) Chapter 651, Occupations Code; or

(2) the comparable law of another state.

(b) The board of trustees by rule may establish requirements for forms, documentation, and procedures necessary for an effective assignment under this section.

Added by Acts 2019, 86th Leg., R.S., Ch. 1178 (H.B. 3522), Sec. 2, eff. January 1, 2020.

Sec. 814.505. RETURN OF EXCESS CONTRIBUTIONS IN OTHER CIRCUMSTANCES. (a) Except as provided by Subsection (c), when a person who receives a service or disability retirement annuity dies, a lump-sum death benefit is payable from the retirement annuity reserve account in the amount, if any, by which the balance in the retiree's individual account in the employees saving account at the time of service retirement exceeds the total of annuity payments payable before the retiree's death.

(b) The benefit provided by Subsection (a) is payable to a person designated by the retiree at the time of retirement in a signed and witnessed document filed with the retirement system. If a retiree does not designate a beneficiary or if the beneficiary does not survive the retiree, the benefit is payable to the retiree's estate.

(c) A death benefit may not be paid under Subsections (a) and (b) if the retiree selected an optional service retirement annuity under Section 814.108.

(d) If the person designated as the beneficiary of an optional service retirement annuity, other than one selected under Section 814.108(c)(3) or 814.108(c)(4), predeceases the retiree, a lump-sum death benefit is payable from the retirement annuity reserve account in the amount, if any, by which the balance in the retiree's individual account in the employees saving account at the time of service retirement exceeds the sum of annuity payments payable to the retiree before death.

(e) The benefit provided by Subsection (d) is payable to the deceased retiree's estate.

(f) If a beneficiary dies while receiving an optional service retirement annuity, other than one selected under Section 814.108(c)(3) or 814.108(c)(4), a lump-sum death benefit is payable

from the retirement annuity reserve account in the amount, if any, by which the balance in the retiree's individual account in the employees saving account at the time of service retirement exceeds the sum of annuity payments payable to the retiree and the beneficiary before the beneficiary's death.

(g) If a beneficiary dies while receiving an optional service retirement annuity selected under Section 814.302 as described in Section 814.108(c)(1) or Section 814.304(a), a lump-sum death benefit is payable from the retirement annuity reserve account in the amount, if any, by which the balance in the member's individual account in the employees saving account at the time of death exceeds the sum of annuity payments payable to the beneficiary before the beneficiary's death.

(h) The benefits provided by Subsections (f) and (g) are payable to the deceased beneficiary's estate.

(i) A beneficiary designation that names a former spouse as beneficiary is invalid unless the designation is made after the date of the divorce.

Added by Acts 1989, 71st Leg., ch. 81, Sec. 1, eff. Sept. 1, 1989. Renumbered from Title 110B, Sec. 24.505 and amended by Acts 1989, 71st Leg., ch. 1100, Sec. 4.04(a)(1) to (4), eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 850, Sec. 23, eff. Sept. 1, 1991; Acts 2001, 77th Leg., ch. 1231, Sec. 18, eff. Sept. 1, 2001.

SUBCHAPTER G. INCREASES IN BENEFITS

Sec. 814.601. ANNUITY INCREASE AFTER DEATH OR RETIREMENT.

(a) Except as provided by Subsections (b) and (e), on the first day of each fiscal year, the retirement system shall increase the amounts of annuities that are:

(1) computed as provided by Section 814.105 or a predecessor to that section, Section 814.1051, Section 814.206 or a predecessor to that section, or if the standard annuity is derived from Section 814.105 or a predecessor, as provided by Section 814.108 or a predecessor to that section;

(2) based on service that was credited in the retirement system as employee class service; and

(3) payable to a retiree of the retirement system, to the survivor of a retiree of the retirement system, or to the survivor of a deceased member of the retirement system.

(b) The retirement system may not increase under this section the amount of an annuity unless the retirement or death on which the annuity is based occurred before the first day of the preceding fiscal year.

(c) The legislature may appropriate money from the general revenue fund to pay the costs of increasing the amounts of annuities under this section. On the first day of each fiscal year, the state comptroller of public accounts shall transfer to the retirement system any money appropriated for the fiscal year for the purpose of this section.

(d) If the amount of money appropriated for a fiscal year is insufficient to finance the rate of increase in annuities specified in the Act making the appropriation or if the Act fails to specify a rate of increase, the board of trustees shall set the rate as the rate that the amount of money appropriated will finance for the duration of the annuities payable to those persons entitled to receive an increase in annuities under this section.

(e) If an appropriation is not made for a fiscal year for the purpose of this section, the retirement system may not increase under this section the amount of annuities for that year.

Added by Acts 1981, 67th Leg., 1st C.S., p. 201, ch. 18, Sec. 16, eff. Nov. 10, 1981. Renumbered from Vernon's Ann.Civ.St. Title 110B, Sec. 24.601 and amended by Acts 1989, 71st Leg., ch. 179, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1993, 73rd Leg., ch. 39, Sec. 3, eff. April 22, 1993.

Sec. 814.602. ADJUSTMENT TO ANNUITIES. (a) Except as provided by Subsection (b), the board of trustees may adopt rules that adjust or modify annuities to the extent necessary to be consistent with changes in plan design. Any adjustment or modification must be made applicable to all members and annuitants who are similarly situated. Any rule adopted under this section supersedes conflicting portions of existing plan provisions and must be in compliance with Section 401(a) of the Internal Revenue

Code of 1986 and Section 811.006.

(b) A rule adopted under this section may not result in a reduction in any existing annuity.

Added by Acts 1991, 72nd Leg., ch. 850, Sec. 24, eff. Sept. 1, 1991.

Sec. 814.603. SUPPLEMENTAL PAYMENTS. (a) The retirement system may make a supplemental payment as provided by this section to persons whose annuities are described by Section 814.107, 814.207, 814.305, or 814.601(a) and that are based on service retirements, disability retirements, or deaths. A supplemental payment made under this section is in addition to the regular monthly annuity payment. Supplemental payments under this section must comply with Section 811.006.

(b) The board of trustees shall determine the amount and timing of a supplemental payment and the manner in which the payment is made.

(c) The retirement system shall pay any supplemental payment made under this section from the retirement annuity reserve account and may transfer to that account from the state accumulation account any portion of the amount that exceeds the amount in the retirement annuity reserve account available to finance this supplemental payment and that is actuarially determined to be necessary to finance the supplemental payment.

Added by Acts 1993, 73rd Leg., ch. 791, Sec. 10, eff. Sept. 1, 1993.

Amended by Acts 1995, 74th Leg., ch. 586, Sec. 24, eff. Aug. 28, 1995; Acts 2003, 78th Leg., ch. 1111, Sec. 21, eff. Sept. 1, 2003.

Sec. 814.604. COST-OF-LIVING ADJUSTMENT. (a) The retirement system shall grant a one-time cost-of-living adjustment as provided by Subsections (b) and (c) on a finding by the board of trustees that, as determined by an actuarial valuation:

(1) the amortization period for the unfunded actuarial liabilities of the retirement system does not exceed 30 years by one or more years; and

(2) as a result of paying the adjustment, the time required to amortize the unfunded actuarial liabilities of the retirement system would not be increased to a period that exceeds 30

years by one or more years.

(b) The retirement system shall pay the cost-of-living adjustment under this section to a retiree who has been retired for 20 years or more on the date the board of trustees makes the finding in Subsection (a), or to a beneficiary of the retiree, as an increase to a monthly service retirement benefit, disability retirement benefit, or death benefit, as applicable, paid under this chapter for service credited in the employee class.

(c) A cost-of-living adjustment under this section is limited to the lesser of:

(1) an amount equal to three percent of the monthly benefit subject to the increase; or

(2) \$100 a month.

Added by Acts 2013, 83rd Leg., R.S., Ch. 618 (S.B. [1459](#)), Sec. 12, eff. September 1, 2013.