



News Release

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Governor Authorizes One-Time Supplemental Payment for Eligible TRS Retirees

AUSTIN – **Texas Governor Greg Abbott** signed into law legislation enabling a one-time supplemental payment to eligible Teacher Retirement System members who retired on or before Dec. 31, 2020. Senate Bill 7 provides a payment to eligible retirees and beneficiaries in either the same amount of their monthly annuity or \$2,400, whichever is less.

It is estimated 426,000 annuitants will receive the supplemental payment. Eligible retirees and beneficiaries will receive the check in January 2022. This timing will allow annuitants to make any necessary adjustments to their tax or financial planning for the 2022 tax year. The last capped 13th check the legislature paid for and authorized TRS to give was in 2019.

“We listened to our members’ concerns in 2019 when the supplemental payment was made in the latter part of that year. Some members said they did not have sufficient time to make changes to accommodate tax withholding issues. The new law (Senate Bill 7) addresses that,” said **TRS Executive Director Brian Guthrie**. “Also, as many may know, our members receive a modest fixed income and 96% do not receive Social Security, so we welcome the opportunity to administer a supplemental payment.”

House Bill 5 provides direct funding from the state to pay for the capped 13th check. As a result, the payment will not impact the actuarial soundness of the TRS pension fund. **Jarvis Hollingsworth, Chairman of the TRS Board of Trustees**, said “I am pleased Texas lawmakers decided to provide this supplemental payment for our retired educators and that it does not affect the pension fund.”

State law requires the pension fund to be actuarially sound for the legislature to consider a benefit enhancement, such as a supplemental payment. Changes made by the legislature in 2019 to contribution rates made the fund actuarially sound. Funding to pay for the supplemental payment was provided in the most recent special session.

Contact TRS Media Relations at: mediarequests@trs.texas.gov

The Teacher Retirement System of Texas is the largest public retirement system in Texas, serving nearly 1.7 million people. TRS improves the retirement security of Texas public education employees through our professional investment management that oversees an approximately \$193.1 billion trust and delivers pension and health care benefits that make a positive difference in members’ lives.

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