

By: Eckhardt, et al.

S.B. No. 66

A BILL TO BE ENTITLED

AN ACT

relating to a cost-of-living adjustment applicable to certain benefits paid by the Employees Retirement System of Texas and a biennial study on providing additional adjustments based on the effects of increased inflation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter G, Chapter 814, Government Code, is amended by adding Section 814.605 to read as follows:

Sec. 814.605. ONE-TIME ADJUSTMENT TO BENEFITS. (a) The amount of a monthly service retirement benefit, disability retirement benefit, or death benefit paid under this chapter to a retiree or beneficiary for service credited in the employee class is increased to include a one-time 10 percent adjustment in accordance with this section.

(b) The board of trustees shall recompute the amount of a benefit paid monthly under this chapter by applying the 10 percent adjustment to the monthly amount otherwise required to be paid as determined in accordance with this chapter.

SECTION 2. Subchapter F, Chapter 815, Government Code, is amended by adding Section 815.5105 to read as follows:

Sec. 815.5105. BIENNIAL STUDY AND REPORT ON PROVIDING ADDITIONAL COST-OF-LIVING ADJUSTMENTS BASED ON EFFECTS OF INFLATION. Not later than January 1 of each odd-numbered year, the retirement system shall:

1 (1) conduct a study to evaluate and identify the
2 effects, if any, that increased inflation has had on annuitants of
3 the system:

4 (A) during the preceding state fiscal biennium;
5 and

6 (B) if applicable, since annuitants last
7 received a cost-of-living adjustment; and

8 (2) submit a written report to the legislature
9 containing:

10 (A) findings of the study; and

11 (B) if appropriate, recommendations for
12 potential legislation to address any adverse effects of inflation
13 identified under Subdivision (1), including specific
14 recommendations regarding whether and in what amount the
15 legislature would need to provide a cost-of-living adjustment to
16 the benefits of annuitants to remedy those effects.

17 SECTION 3. Section 814.604, Government Code, is repealed.

18 SECTION 4. Section 814.605, Government Code, as added by
19 this Act, applies only to a monthly benefit payment made by the
20 Employees Retirement System of Texas on or after September 1, 2024.

21 SECTION 5. This Act takes effect on the 91st day after the
22 last day of the legislative session.