Amend SB 1691 (house committee printing) as follows:

- (1) Strike SECTION 12 of the bill (page 15, lines 18-25).
- (2) Insert the following new SECTION to the bill, numbered appropriately:

SECTION ____. Section 825.110, Government Code, is amended to read as follows:

Sec. 825.110. DETERMINATION OF ANNUAL COMPENSATION. The board of trustees <u>shall</u> [may] adopt rules to exclude from annual compensation all or part of salary and wages in the final years of a member's employment that reasonably can be presumed to have been derived from a conversion of fringe benefits, maintenance, or other payments not includable in annual compensation to salary and wages. The board of trustees <u>shall</u> [may] adopt rules that include a percentage limitation on the amount of increases in annual compensation that may be subject to credit and deposit during a member's final years of employment.

(3) Renumber SECTIONS of the bill accordingly.