

Amend **HB 2427** (house committee printing) by inserting the following SECTIONS, appropriately numbered, and renumbering SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter A, Chapter 824, Government Code, is amended by adding Section 824.007 to read as follows:

Sec. 824.007. BIENNIAL COST-OF-LIVING ADJUSTMENT. (a) The amount of a monthly service retirement benefit, disability retirement benefit, or death benefit paid under this chapter is increased to include an annual cost-of-living adjustment in accordance with this section.

(b) Effective September 1 of each odd-numbered year, the board of trustees shall recompute the amount of a benefit paid monthly under this chapter by applying a five percent cost-of-living adjustment to the monthly amount otherwise required to be paid as determined in accordance with this chapter, including the amount of any previous cost-of-living adjustment made under this section or other increase required by law.

SECTION \_\_\_\_\_. Not later than September 1, 2007, or as soon as practicable after that date, the Board of Trustees of the Teacher Retirement System of Texas shall make the first cost-of-living adjustment under Section 824.007, Government Code, as added by this Act.