

Amend CSSB 1846 (house committee printing) by striking all below the enacting clause and substituting the following:

SECTION 1. Subsection (a), Section 825.404, Government Code, is amended to read as follows:

(a) During each fiscal year, the state shall contribute to the retirement system an amount equal to at least 6.7 ~~[six]~~ and not more than 10 percent of the aggregate annual compensation of all members of the retirement system during that fiscal year.

SECTION 2. Subsection (e), Section 825.4092, Government Code, is amended to read as follows:

(e) The amounts required to be paid under Subsections (b) and (c) are not required to be paid by a reporting employer for a retiree who retired from ~~[was reported under]~~ the retirement system ~~[rules in effect for the report month of January 2005 by:~~

~~[(1) that reporting employer, or~~

~~[(2) another employer, if both employers are school districts that consolidated into a consolidated school district on or] before September 1, 2005.~~

SECTION 3. Subsection (b), Section 1575.204, Insurance Code, is amended to read as follows:

(b) Each state fiscal year, each employer who reports to the retirement system under Section 824.6022, Government Code, the employment of a retiree who is enrolled in the group program shall contribute to the fund the difference, if any, between the contribution amount that the reported retiree is required to pay for the retiree and any enrolled dependents to participate in the group program and the full cost of the retiree's and enrolled dependents' participation in the group program, as determined by the trustee. The amounts required to be paid under this subsection are not required to be paid by a reporting employer for a retiree who retired from the ~~[was reported by that employer under]~~ retirement system before September 1, ~~[rules in effect for the report month of January]~~ 2005.

SECTION 4. (a) The Teacher Retirement System of Texas shall make a one-time supplemental payment of a retirement or death benefit, as provided by this section.

(b) The supplemental payment is payable not later than

September of 2007 and, to the extent practicable, on a date or dates that coincide with the regular annuity payment payable to each eligible annuitant.

(c) The amount of the supplemental payment is equal to the gross amount of the regular annuity payment to which the eligible annuitant is otherwise entitled for the month of August 2007.

(d) The supplemental payment is payable without regard to any forfeiture of benefits under Section 824.601, Government Code. The Teacher Retirement System of Texas shall make applicable tax withholding and other legally required deductions before disbursing the supplemental payment. A supplemental payment under this section is in addition to and not in lieu of the regular monthly annuity payment to which the eligible annuitant is otherwise entitled.

(e) Subject to Subsection (f) of this section, to be eligible for the supplemental payment, a person must be, for the month of August 2007, and disregarding any forfeiture of benefits under Section 824.601, Government Code, an annuitant eligible to receive:

- (1) a standard retirement annuity payment;
- (2) an optional retirement annuity payment as either a retiree or beneficiary;
- (3) a life annuity payment under Section 824.402(a)(4), Government Code;
- (4) an annuity for a guaranteed period of 60 months under Section 824.402(a)(3), Government Code; or
- (5) an alternate payee annuity payment under Section 804.005, Government Code.

(f) If the annuitant is a retiree or a beneficiary under an optional retirement payment plan, to be eligible for the supplemental payment, the effective date of the retirement of the member of the Teacher Retirement System of Texas must have been on or before December 31, 2006. If the annuitant is a beneficiary under Section 824.402(a)(3) or (4), Government Code, to be eligible for the supplemental payment, the date of death of the member of the retirement system must have been on or before December 31, 2006. The supplemental payment shall be made to an alternate payee who is

an annuitant under Section 804.005, Government Code, only if the annuity payment to the alternate payee commenced on or before December 31, 2006. The supplemental payment is in addition to the guaranteed number of payments under Section 824.402(a)(3) or 824.204(c)(3) or (4), Government Code, and may not be counted as one of the guaranteed monthly payments.

(g) The supplemental payment does not apply to payments under:

(1) Section 824.304(a), Government Code, relating to disability retirees with less than 10 years of service credit;

(2) Section 824.804(b), Government Code, relating to participants in the deferred retirement option plan with regard to payments from their deferred retirement option plan accounts;

(3) Section 824.501(a), Government Code, relating to retiree survivor beneficiaries who receive a survivor annuity in an amount fixed by statute; or

(4) Section 824.404(a), Government Code, relating to active member survivor beneficiaries who receive a survivor annuity in an amount fixed by statute.

(h) Except as provided by this section, the board of trustees of the Teacher Retirement System of Texas shall determine the eligibility for and the amount and timing of a supplemental payment and the manner in which the payment is made.

SECTION 5. Section 825.404(a), Government Code, as amended by this Act, applies beginning with the fiscal year that begins September 1, 2007.

SECTION 6. Section 825.4092, Government Code, as amended by this Act, applies only to an employer contribution required to be made under that section on or after September 1, 2007. An employer contribution required to be made before September 1, 2007, is governed by the law as it existed at the time the contribution was required to be made, and that law is continued in effect for that purpose.

SECTION 7. This Act takes effect September 1, 2007.