

By: Garcia

H.B. No. 3536

A BILL TO BE ENTITLED

AN ACT

relating to a pension increase for retired teachers.

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

SECTION 1. Subchapter A, Chapter 824, Government Code, is amended by adding Section 824.007 to read as follows:

Sec. 824.007. ADJUSTMENT FOR COST OF LIVING. (a) The amount of a monthly service retirement benefit, disability retirement benefit, or death benefit paid under this chapter is increased to include a three percent cost-of-living 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 three percent adjustment to the monthly amount otherwise required to be paid as determined in accordance with the other applicable provisions of this chapter.

SECTION 2. Section 825.404(a), 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 seven [~~six and not more than 10~~] percent of the aggregate annual compensation of all members of the retirement system during that fiscal year. The state shall contribute a higher amount specified in the General Appropriations Act but may not contribute more than 10 percent of the aggregate annual compensation of all members of the retirement

1 system during that fiscal year.

2 SECTION 3. This Act applies only to a benefit paid by the
3 Teacher Retirement System of Texas on or after January 1, 2008.

4 SECTION 4. This Act takes effect September 1, 2007.