

By: Carona

S.B. No. 425

A BILL TO BE ENTITLED

AN ACT

relating to the state contribution to the Teacher Retirement System of Texas, including an adjustment to the standard service retirement annuity.

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

SECTION 1. Section 824.203, Government Code, is amended by adding Subsection (e) to read as follows:

(e) Notwithstanding Subsections (a) and (b), the amount of a standard service retirement annuity is increased by four percent of the amount otherwise required to be paid as determined under this section and 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 system during that fiscal year.

SECTION 3. Section 824.203, Government Code, as amended by this Act, applies only to a monthly benefit payment of a standard service retirement annuity made by the Teacher Retirement System of

1 Texas on or after September 1, 2007.

2 SECTION 4. Section 825.404(a), Government Code, as amended  
3 by this Act, applies beginning with the fiscal year that begins  
4 September 1, 2007.

5 SECTION 5. This Act takes effect September 1, 2007.