

By: Herrero

H.B. No. 686

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a cost of living increase applicable to benefits paid by  
3 the Teacher Retirement System of Texas.

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

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

7 Sec. 824.007. ADJUSTMENT FOR COST OF LIVING. (a) The  
8 amount of a service retirement benefit, disability retirement  
9 benefit, or death benefit paid under this chapter is adjusted in  
10 accordance with this section as necessary to reflect inflation.

11 (b) Each year, during the last seven days of October, the  
12 board of trustees shall set the rate of the adjustment for the next  
13 calendar year to equal the percentage increase, if any, in the  
14 Consumer Price Index for Urban Wage Earners and Clerical Workers  
15 (CPI-W) most recently published by the Bureau of Labor Statistics  
16 of the United States Department of Labor and used by the United  
17 States Social Security Administration to provide a cost-of-living  
18 adjustment for Social Security benefit payments payable beginning  
19 in January of the next year.

20 (c) The board of trustees shall recompute the amount of a  
21 benefit paid under this chapter by applying the adjustment computed  
22 under Subsection (b) to the amount otherwise required to be paid as  
23 determined in accordance with the other applicable provisions of  
24 this chapter.

1           SECTION 2. This Act applies only to a benefit paid by the  
2 Teacher Retirement System of Texas on or after January 1, 2010.

3           SECTION 3. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2009.