Amend CSHB 7 as follows:

(1) In ARTICLE 15 of the bill, strike SECTION 15.05 of the bill (page 16, line 50 through page 17, line 37, senate committee printing) and substitute the following:

SECTION 15.05. Section 1575.004, Insurance Code, as amended by Chapters 201, 1231, and 1276, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

Sec. 1575.004. DEFINITION OF RETIREE. (a) In this chapter, "retiree" means:

- (1) an individual not eligible for coverage under a plan provided under Chapter 1551 or 1601 who:
- (A) is at least 65 years of age and has taken a service retirement under the Teacher Retirement System of Texas with at least 10 years of service credit in the system, which may include up to five years of military service credit, but which may not include any other service credit purchased for equivalent or special service credit [for actual service in public schools in this state]; [or]
- (B) was employed in actual service in public schools in this state during or before the 2003-2004 school year and at the time of retirement meets the requirements for eligibility as a retiree as those requirements existed on August 31, 2004;
- (C) purchased service credit under Chapter 823,
 Government Code, and:
- (i) had that service credited on or before August 31, 2004; and
- (ii) at the time of retirement, meets the requirements for eligibility as a retiree as those requirements existed on August 31, 2004, including using up to five years of out-of-state service toward retiree eligibility;
- (D) has taken a service retirement under the Teacher Retirement System of Texas and who has at least 10 years of service credit in the system, which may include up to [for actual public service in the public schools in this state or has at least five years of service credit for actual public service in the public schools in this state and has] five years of military service credit, but which may not include any other service credit

purchased for equivalent or special service credit [credited in the Teacher Retirement System of Texas], and the sum of the individual's age and amount of any service credit in the system [carned for service in the public schools of this state] equals or exceeds the number 80; or

- (E) has taken a service retirement under the Teacher Retirement System of Texas on or before August 31, 2004, and who is enrolled in the group program on August 31, 2004; or
 - (2) an individual who:
- (A) has taken a disability retirement under the Teacher Retirement System of Texas; and
- (B) is entitled to receive monthly benefits from the Teacher Retirement System of Texas.
- (b) In this section, "public school" has the meaning assigned by Section 821.001, Government Code.
- (2) In ARTICLE 15 of the bill, strike SECTION 15.08 of the bill (page 17, line 59 through page 18, line 6, senate committee printing).
- (3) In SECTION 15.10 of the bill, strike Subsection (b) of that SECTION (page 19, lines 43-44, senate committee printing) and substitute the following:
- (b) Section 15.05 of this article takes effect September 1, 2004.