Amend **CSHB 31** as follows:

(1) On page 1, line 23, strike "out-of-state" and substitute "equivalent or special".

(2) On page 2, lines 2-3, strike "2009, and, at the time of retirement; and" and substitute "2009;".

(3) On page 2, line 7, after the semicolon, insert the following:

and

(iv) has taken a service retirement without reduction for early age;

(4) On page 2, line 17, strike "in the system" and substitute "described by this paragraph".

(5) On page 2, line 20, strike "take" and substitute "taken".

(6) On page 3, strike lines 1-2 and substitute the following:

(b) Each year of service credit in the system that an individual would have received but for the individual's participation in the deferred retirement option plan under Subchapter I, Chapter 824, Government Code, is considered a year of service credit solely for the purpose of meeting the definition of "retiree" under Subsection (a)(1)(A) or (D).

(c) In this section, "public school" has the meaning assigned by Section 821.001, Government Code.

SECTION 2. Section 1575.161(b), Insurance Code, as added by Chapter 1231 and Chapter 201, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

(b) In addition to the enrollment periods authorized under Subsection (a), a retiree who:

(1) is enrolled in the group program as of August 31, 2004, and who is 65 years of age or older on that date may select coverage as described by Subsections (c) and (d) on September 1, 2004; [or]

(2) is enrolled in the group program as of August 31, 2004, and who is 65 years of age after that date may select coverage as described by Subsections (c) and (d) on the date that the retiree is 65 years of age; or

(3) enrolls in the group program on or after September 1, 2004, and who is 65 years of age or older on or after that date

may select coverage as described in Subsections (c) and (d) on the date that the retiree is 65 years of age.

SECTION 3. Section 1575.161, Insurance Code, as added by Chapter 213, Acts of the 78th Legislature, Regular Session, 2003, is redesignated as Section 1575.170, Insurance Code.

(7) On page 3, lines 11-12, strike "65 years of age" and substitute "eligible under Section 1575.004".

(8) On page 3, line 18, before the period, insert "at the time of retirement".

(9) On page 6, line 18, strike "or whether".

(10) On page 6, lines 20-21, strike "either reported or spent".

(11) Renumber SECTIONS of the bill appropriately.