

By: Swinford

H.B. No. 19

A BILL TO BE ENTITLED

AN ACT

relating to certain governmental benefit plans.

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

SECTION 1. Section 1551.102, Insurance Code, is amended by adding Subsection (i) to read as follows:

(i) Subject to Section 1551.323, an individual and the individual's dependents are eligible to participate in the group benefits program as an annuitant and the dependents of an annuitant if the individual:

(1) served in a position for which the individual was eligible to participate in the group benefits program under Section 1551.101 on or before August 31, 2003; and

(2) at the time of retirement meets the requirements for eligibility for participation in the program as an annuitant as those requirements existed on August 31, 2003.

SECTION 2. Section 1551.111, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e) Subject to Section 1551.323, an individual and the individual's dependents are eligible to participate in the group benefits program as an annuitant and the dependents of an annuitant as described under this section if the individual:

(1) served as an officer or employee as described by Subsection (b)(1) on or before August 31, 2003; and

(2) at the time of retirement meets the requirements

1 for eligibility for participation in the program as an annuitant as
2 those requirements existed on August 31, 2003.

3 SECTION 3. Section 1551.112, Insurance Code, is amended by
4 adding Subsection (c) to read as follows:

5 (c) Subject to Section 1551.323, an individual and the
6 individual's dependents are eligible to participate in the group
7 benefits program as an annuitant and the dependents of an annuitant
8 as described under this section if the individual:

9 (1) served in a position described by Subsection (a)
10 on or before August 31, 2003; and

11 (2) at the time of retirement meets the requirements
12 for eligibility for participation in the program as an annuitant as
13 those requirements existed on August 31, 2003.

14 SECTION 4. Subchapter G, Chapter 1551, Insurance Code, is
15 amended by adding Section 1551.323 to read as follows:

16 Sec. 1551.323. COST OF CERTAIN ANNUITANTS. (a) An
17 annuitant eligible to participate under Section 1551.102(i),
18 1551.111(e), or 1551.112(c) is, except as provided by this
19 subsection, required to pay the total cost, as determined by the
20 board, attributable to the participation of that individual and the
21 dependents of that individual until the date the individual is 65
22 years of age. If the General Appropriations Act or other similar
23 legislation addresses the payment of those costs, those costs shall
24 be paid in the manner specified by that legislation.

25 (b) This section applies only to an individual who is
26 eligible to participate as an annuitant under Section 1551.102(i),
27 1551.111(e), or 1551.112(c) and who is not eligible to participate

1 under another provision of Section 1551.102, 1551.111, or 1551.112.

2 SECTION 5. Section 1575.004, Insurance Code, as amended by
3 Chapter 1231 (S.B. No. 1369), Chapter 201 (H.B. No. 3459), and
4 Chapter 1276 (H.B. No. 3507), Acts of the 78th Legislature, Regular
5 Session, 2003, is reenacted and amended to read as follows:

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

8 (1) an individual not eligible for coverage under a
9 plan provided under Chapter 1551 or 1601 who:

10 (A) is at least 65 years of age and has taken a
11 service retirement under the Teacher Retirement System of Texas
12 with at least 10 years of service credit in the system for actual
13 service in public schools in this state; ~~or~~

14 (B) was employed in actual service in public
15 schools in this state during or before the 2003-2004 school year and
16 at the time of retirement meets the requirements for eligibility as
17 a retiree as those requirements existed on August 31, 2004; or

18 (C) has taken a service retirement under the
19 Teacher Retirement System of Texas and who has at least 10 years of
20 service credit for actual public service in the public schools in
21 this state or has at least five years of service credit for actual
22 public service in the public schools in this state and has five
23 years of military service credited in the Teacher Retirement System
24 of Texas, and the sum of the individual's age and amount of service
25 credit earned for service in the public schools of this state equals
26 or exceeds the number 80; or

27 (2) an individual who:

1 (A) has taken a disability retirement under the
2 Teacher Retirement System of Texas; and

3 (B) is entitled to receive monthly benefits from
4 the Teacher Retirement System of Texas.

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

7 SECTION 6. Section 1575.211, Insurance Code, as added by
8 Chapter 1231 (S.B. No. 1369) and Chapter 201 (H.B. No. 3459), Acts
9 of the 78th Legislature, Regular Session, 2003, is amended by
10 adding Subsection (c) to read as follows:

11 (c) A retiree eligible to participate under Section
12 1575.004(a)(1)(B) is, except as provided by this subsection,
13 required to pay the total cost, as determined by the trustee,
14 attributable to the participation of that individual and the
15 dependents of that individual until the date the individual is 65
16 years of age. The General Appropriations Act or other similar
17 legislation may specify a different allocation of total costs for
18 retirees eligible to participate under Section 1575.004(a)(1)(B)
19 and the dependents of those retirees. This subsection applies only
20 to an individual who is eligible to participate as an annuitant
21 under Section 1575.004(a)(1)(B) and who is not eligible to
22 participate under another provision of Section 1575.004.

23 SECTION 7. Subchapter F, Chapter 2054, Government Code, is
24 amended by adding Section 2054.131 to read as follows:

25 Sec. 2054.131. ELECTRONIC BENEFITS ENROLLMENT AND
26 ADMINISTRATION SYSTEM. (a) In this section, "work site benefits
27 plan" means a plan or other arrangement to provide to officers,

1 employees, or former officers or employees:

2 (1) insurance, including health, life, and disability
3 insurance and health benefits plans;

4 (2) flexible spending accounts; or

5 (3) savings or retirement benefits.

6 (b) If the comptroller determines that a cost savings may be
7 realized through a private vendor selected under this section, the
8 comptroller may implement a project that establishes a common
9 electronic infrastructure through which each state agency,
10 including any retirement system created by statute or by the
11 constitution, shall:

12 (1) require its work site benefits plan participants
13 to electronically:

14 (A) enroll in any work site benefits plans
15 provided to the person by the state or a state agency;

16 (B) add, change, or delete benefits;

17 (C) sign any payroll deduction agreements to
18 implement a contribution made to a plan in which the participant
19 enrolls;

20 (D) terminate participation in a voluntary plan;

21 (E) initiate account investment changes and
22 withdrawals in a retirement plan;

23 (F) obtain information regarding plan benefits;

24 and

25 (G) communicate with the plan administrator; and

26 (2) administer its work site benefits plans
27 electronically by using the project to:

1 (A) enroll new plan participants and, when
2 appropriate, terminate plan participation;

3 (B) generate eligibility and enrollment reports
4 for plan participants;

5 (C) link plan administration with payroll
6 administration to facilitate payroll deductions for a plan;

7 (D) facilitate single-source billing
8 arrangements between the agency and a plan provider; and

9 (E) transmit and receive information regarding
10 the plan.

11 (c) The electronic infrastructure established under
12 Subsection (a) may include TexasOnline, the Internet, intranets,
13 extranets, and wide area networks.

14 (d) If the comptroller implements an electronic
15 infrastructure project under this section, the comptroller shall
16 select and contract with a single private vendor to implement the
17 project. The contract must require the application of the project
18 to all state agencies without cost to the state until the project is
19 initially implemented.

20 (e) The private vendor selected under Subsection (d) must
21 offer existing information resources technology for use in the
22 project that:

23 (1) will be available to all state agencies, including
24 retirement systems;

25 (2) includes each agency's work site benefits plan
26 participants;

27 (3) will use, to the extent possible, the department's

1 information technology standards, including information security,
2 privacy and disaster recovery, and Internet-based technology
3 standards;

4 (4) includes applications and a supporting platform
5 that are already developed and used in connection with the
6 electronic enrollment of work site benefits plans offered by other
7 multiple plan providers;

8 (5) is available for use with a wide variety of plan
9 and benefit providers;

10 (6) can be easily modified to permit changes in
11 benefits offered by the state or a state agency;

12 (7) provides a solution to overcome limitations caused
13 by the incompatibility of different legacy systems used by
14 different state agencies and plan providers;

15 (8) is available for use over the Internet through
16 existing or new websites or portals; and

17 (9) is supported, to the extent necessary, by:

18 (A) laptop and desktop enrollment and
19 administration capabilities; and

20 (B) a telephone call center.

21 SECTION 8. If the electronic infrastructure under Section
22 2054.131, Government Code, as added by this Act, is established,
23 the comptroller as soon as reasonably possible shall develop a
24 timetable and procedures under which each state agency shall
25 implement the electronic infrastructure project for use by all work
26 site benefits plan participants, including officers and employees
27 and former officers and employees.

1 SECTION 9. Section 1575.163, Insurance Code, as added by
2 Chapter 201 (H.B. No. 3459), Acts of the 78th Legislature, Regular
3 Session, 2003, is repealed.

4 SECTION 10. (a) Except as provided by Subsection (b) of
5 this section:

6 (1) this Act takes effect immediately if this Act
7 receives a vote of two-thirds of all the members elected to each
8 house, as provided by Section 39, Article III, Texas Constitution;
9 and

10 (2) if this Act does not receive the vote necessary for
11 immediate effect, this Act takes effect on the 91st day after the
12 last day of the legislative session.

13 (b) Sections 5 and 6 of this Act take effect September 1,
14 2004.