

By: Pitts, Luna, McClendon

H.B. No. 31

A BILL TO BE ENTITLED

AN ACT

relating to certain provisions regarding teachers and retired teachers.

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

SECTION 1. 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 equivalent or special service credit and:

1 (i) had that service credited on or before
2 August 31, 2003;

3 (ii) retires on or before August 31, 2009;

4 (iii) at the time of retirement, meets the
5 requirements for eligibility as a retiree as those requirements
6 existed on August 31, 2004, including using up to five years of
7 out-of-state service toward retiree eligibility; and

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

10 (D) has taken a service retirement under the
11 Teacher Retirement System of Texas and who has at least 10 years of
12 service credit in the system, which may include up to ~~[for actual~~
13 ~~public service in the public schools in this state or has at least~~
14 ~~five years of service credit for actual public service in the public~~
15 ~~schools in this state and has]~~ five years of military service
16 credit, but which may not include any other service credit
17 purchased for equivalent or special service credit, [credited in
18 ~~the Teacher Retirement System of Texas,~~] and the sum of the

19 individual's age and amount of service credit described by this

20 paragraph ~~[earned for service in the public schools of this state]~~

21 equals or exceeds the number 80; or

22 (E) has taken a service retirement under the
23 Teacher Retirement System of Texas on or before August 31, 2004, and
24 who is enrolled in the group program on August 31, 2004; or

25 (2) an individual who:

26 (A) has taken a disability retirement under the

27 Teacher Retirement System of Texas; and

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

(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 Chapters 201 and 1231, 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.

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

4 SECTION 4. Section 1575.211, Insurance Code, as added by
5 Chapters 201 and 1231, Acts of the 78th Legislature, Regular
6 Session, 2003, is amended by adding Subsection (c) to read as
7 follows:

8 (c) A retiree eligible to participate under Section
9 1575.004(a)(1)(B) is, except as provided by this subsection,
10 required to pay the total cost, as determined by the trustee,
11 attributable to the participation of that individual and the
12 dependents of that individual until the date the individual is
13 eligible under Section 1575.004. The General Appropriations Act or
14 other similar legislation may specify a different allocation of
15 total costs for retirees eligible to participate under Section
16 1575.004(a)(1)(B) and the dependents of those retirees. This
17 subsection applies only to an individual who is eligible to
18 participate as an annuitant under Section 1575.004(a)(1)(B) and who
19 is not eligible to participate under another provision of Section
20 1575.004 at the time of retirement.

21 SECTION 5. Subchapter E, Chapter 3, Insurance Code, is
22 amended by adding Article 3.50-8A to read as follows:

23 Art. 3.50-8A. ADMINISTRATION OF ACTIVE EMPLOYEE HEALTH
24 COVERAGE OR COMPENSATION SUPPLEMENTATION. (a) In administering
25 the program for active employee health coverage or compensation
26 supplementation established under Article 3.50-8 of this code
27 before September 1, 2004, in accordance with Article 3, Chapter

1 313, Acts of the 78th Legislature, Regular Session, 2003, each year
2 the Teacher Retirement System of Texas, as trustee, shall deliver
3 to each school district, including a school district that is
4 ineligible for state aid under Chapter 42, Education Code, each
5 other education district that is a member of the Teacher Retirement
6 System of Texas, each participating charter school, and each
7 regional education service center, state funds in an amount, as
8 determined by the trustee, equal to:

9 (1) the product of the number of full-time active
10 employees employed by the district, school, or service center,
11 other than in the capacity of administrators, multiplied by \$500 or
12 a greater amount as provided by the General Appropriations Act for
13 purposes of Article 3.50-8 of this code; and

14 (2) the product of the number of part-time active
15 employees employed by the district, school, or service center,
16 other than in the capacity of administrators, multiplied by \$250 or
17 a greater amount as provided by the General Appropriations Act for
18 purposes of Article 3.50-8 of this code.

19 (b) An administrator of a district, charter school, or
20 service center described by Subsection (a) of this article is not
21 eligible to receive state funds under the program for active
22 employee health coverage or compensation supplementation.

23 (c) For purposes of this article, an individual is an
24 administrator of a district, charter school, or service center
25 described by Subsection (a) of this article if:

26 (1) 50 or more percent of the individual's time is
27 reported under any combination of the following role

identifications in the Public Education Information Management System (PEIMS), or under any subsequently created role identifications that describe roles that are substantially similar to the ones identified in this subdivision:

(A) central administrators:

(i) assistant or associate superintendent (004);

(ii) instructional officer (central office, 012);

(iii) superintendent, CAO, CEO, or president (027);

(iv) teacher supervisor (central office, 028);

(v) vocational education coordinator (central office, 032);

(vi) athletic director (central office, 040);

(vii) business manager (043);

(viii) tax assessor or collector (044);

(ix) director--personnel/human resources (045); or

(x) registrar (central office, 055); or

(B) campus administrators:

(i) assistant principal (003);

(ii) instructional officer (not central office, 012);

(iii) principal (020);

1 (iv) teacher supervisor (not central
2 office, 028);

3 (v) vocational education coordinator (not
4 central office, 032);

5 (vi) athletic director (not central office,
6 040); or

7 (vii) registrar (not central office, 055);

8 (2) the individual is employed by a regional education
9 service center and 50 or more percent of the individual's time is
10 reported under any combination of the following role
11 identifications in the Public Education Information Management
12 System (PEIMS), or under any subsequently created role
13 identifications that describe roles that are substantially similar
14 to the ones identified in this subdivision:

15 (A) executive director (60);

16 (B) assistant, associate, or deputy executive
17 director (61);

18 (C) component or department director (62); or

19 (D) coordinator, manager, or supervisor (63); or

20 (3) regardless of how the individual's time is
21 reported in the Public Education Information Management System
22 (PEIMS), 50 or more percent of the individual's time is in a role
23 that is substantially similar to a role described by Subdivision
24 (1) or (2) of this subsection, as determined by the reporting entity
25 or combination of entities.

26 (d) This article applies notwithstanding Section 2(a),
27 Article 3.50-8, of this code, as that subsection existed before

1 amendment by Chapter 313, Acts of the 78th Legislature, Regular
2 Session, 2003, or as that subsection was amended by Section 57,
3 Chapter 201, Acts of the 78th Legislature, Regular Session, 2003.

4 (e) Sections 2(b), (c), and (d), Article 3.50-8, of this
5 code, as those sections existed before amendment by Chapter 313,
6 Acts of the 78th Legislature, Regular Session, 2003, apply to the
7 delivery of state funds under Subsection (a) of this article.

8 (f) The terms used in this article have the meanings
9 assigned by Section 1, Article 3.50-8, of this code.

10 (g) This article expires September 1, 2004.

11 SECTION 6. Sections 2(e) and (f), Article 3.50-8, Insurance
12 Code, as added by Section 57, Chapter 201, Acts of the 78th
13 Legislature, Regular Session, 2003, are repealed.

14 SECTION 7. (a) Except as otherwise provided by this
15 section, this Act takes effect immediately if this Act receives a
16 vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect on the 91st day after the last day of the
20 legislative session.

21 (b) Sections 1 and 2 of this Act take effect September 1,
22 2004.