

By: Shapleigh

S.B. No. 23

A BILL TO BE ENTITLED

AN ACT

1
2 relating to participation by certain retired public employees in
3 group benefit plans under the Texas Public School Retired Employees
4 Benefits Act.

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

6 SECTION 1. Sections 1575.004(a) and (b), Insurance Code, as
7 effective September 1, 2004, are amended to read as follows:

8 (a) In this chapter, "retiree" means:

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

11 (A) is at least 65 years of age and has taken a
12 service retirement under the Teacher Retirement System of Texas
13 with at least 10 years of service credit in the system, which may
14 include up to five years of military service credit, but which may
15 not include any other service credit purchased for equivalent or
16 special service credit;

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

21 (C) ~~[purchased equivalent or special service~~
22 ~~credit, and:~~

23 ~~[(i) had that service credited on or before~~
24 ~~August 31, 2003,~~

1 ~~[(ii) retires on or before August 31, 2009;~~
2 ~~[(iii) at the time of retirement, meets the~~
3 ~~requirements for eligibility for the group program for coverage as~~
4 ~~a retiree as those requirements existed on August 31, 2004,~~
5 ~~including using up to five years of out-of-state service toward~~
6 ~~retiree eligibility; and~~

7 ~~[(iv) has taken a service retirement under~~
8 ~~the Teacher Retirement System of Texas without reduction for early~~
9 ~~age;~~

10 ~~[(D)]~~ has taken a service retirement under the
11 Teacher Retirement System of Texas and:

12 (i) who has at least 10 years of service
13 credit in the system, which may include up to five years of military
14 service credit but which may not include any other service credit
15 purchased for equivalent or special service credit; ~~[-]~~ and

16 (ii) the sum of whose ~~[the individual's]~~ age
17 and amount of any service credit in the system, including service
18 credit purchased for equivalent or special service credit,
19 ~~[described by this paragraph]~~ equals or exceeds the number 80; or

20 (D) ~~[(E)]~~ has taken a service retirement under
21 the Teacher Retirement System of Texas on or before August 31, 2004,
22 and who is enrolled in the group program on August 31, 2004; or

23 (2) an individual who:

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

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

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

7 SECTION 2. This Act takes effect September 1, 2004.