

Amend CSHB 3540 as follows:

(1) On page 1, line 15, strike "WAIVER OF AND SUPPLEMENTAL".

(2) In Article 2 of the bill, insert the following appropriately numbered SECTIONS and renumber SECTIONS of the article appropriately:

SECTION _____. Section 1551.101(a), Insurance Code, is amended to read as follows:

(a) An elected or appointed officer or employee who performs service, other than as an independent contractor, for this state, including an institution of higher education, and who is described by this section is eligible to participate in the group benefits program as an employee ~~[on the date specified by Section 1551.1055]~~.

SECTION _____. Section 1551.102(a), Insurance Code, is amended to read as follows:

(a) An individual who has at least 10 years of service credit, as determined by the board of trustees, for which the individual was eligible to participate in the group benefits program under Section 1551.101 or who has at least five years of membership and five years of military service credited in the Employees Retirement System of Texas and who retires in a manner described by this section is eligible~~[, subject to Section 1551.1055,]~~ to participate as an annuitant in the group benefits program.

SECTION _____. Section 1551.111(b), Insurance Code, is amended to read as follows:

(b) Participation is limited to:

(1) an officer or employee of either system who has been an officer or employee of either system ~~[following completion of the waiting period described by Section 1551.1055]~~;

(2) an eligible dependent of an officer or employee of either system described by Subdivision (1);

(3) an individual who:

(A) was an officer or employee of either system;

(B) has retired from either system~~[, subject to Section 1551.1055]~~;

(C) receives or is eligible to receive an annuity

from either system or under Chapter 803, Government Code, based on at least 10 years of service credit and is at least 65 years of age; and

(D) has at least 10 years of service credit with a state agency whose employees are authorized to participate in the group benefits program; and

(4) an eligible dependent of a retired officer or employee described by Subdivision (3).

SECTION _____. Section 1551.112(a), Insurance Code, is amended to read as follows:

(a) An individual may participate in the group benefits program as an annuitant~~[, subject to Section 1551.1055,]~~ and may obtain coverage for the individual's dependents as any other participating annuitant if the individual:

(1) began employment with, or became an officer of, the Texas Turnpike Authority within the three-year period preceding August 31, 1997;

(2) was an officer or employee of the Texas Turnpike Authority on August 31, 1997;

(3) became an officer or employee of the North Texas Tollway Authority on September 1, 1997; and

(4) retires or is eligible to retire with at least 10 years of service credit under the proportionate retirement program established by Chapter 803, Government Code, or under a public retirement system to which Chapter 803 applies and is at least 65 years of age.

SECTION _____. Section 1551.1055, Insurance Code, is repealed.

SECTION _____. A person who, immediately before the effective date of this Act, would be eligible to participate in the group benefits program established under Chapter 1551, Insurance Code, except that the person's eligibility has not begun under Section 1551.1055, Insurance Code, as that section existed immediately before repeal by this Act, becomes eligible on the effective date of this Act if the person is otherwise eligible to participate in the group benefits plan under Chapter 1551, Insurance Code, as that chapter exists on the effective date of this

Act.