By: Van de Putte S.B. No. 1898

A BILL TO BE ENTITLED

AN ACT

- 2 relating to the participation of certain retired employees of
- 3 juvenile probation departments in the group benefits plan for state
- 4 employees.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 1551.002, Insurance Code, is amended to
- 7 read as follows:
- 8 Sec. 1551.002. PURPOSES. The purposes of this chapter are
- 9 to:

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- 10 (1) provide uniformity in life, accident, and health
- 11 benefit coverages for all state officers and employees and their
- 12 dependents;
- 13 (2) enable the state to attract and retain competent
- 14 and able employees by providing employees and their dependents with
- 15 life, accident, and health benefit coverages at least equal to
- those commonly provided in private industry;
- 17 (3) foster, promote, and encourage employment by and
- 18 service to the state as a career profession for individuals of high
- 19 standards of competence and ability;
- 20 (4) recognize and protect the state's investment in
- 21 each permanent employee by promoting and preserving economic
- 22 security and good health among employees and their dependents;
- 23 (5) foster and develop high standards of
- 24 employer-employee relationships between the state and its

- 1 employees;
- 2 (6) recognize the long and faithful service and
- 3 dedication of state officers and employees and encourage them to
- 4 remain in state service until eligible for retirement by providing
- 5 health benefits for them and their dependents; [and]
- 6 (7) recognize the service to the state by employees
- 7 and retired employees of community supervision and corrections
- 8 departments by extending to them and their dependents the same
- 9 life, accident, and health benefit coverages as those provided
- 10 under this chapter to state employees, retired state employees, and
- 11 their dependents; and
- 12 (8) recognize the service to the state by retired
- 13 employees of juvenile probation departments, who retire from
- 14 departments located in a county with a population of less than
- 15 500,000, by extending to them the same life, accident, and health
- 16 benefit coverages as those provided under this chapter to retired
- 17 <u>state employees</u>.
- SECTION 2. Section 1551.111(c), Insurance Code, is amended
- 19 to read as follows:
- 20 (c) Except as provided by Section 1551.114 and 1551.115,
- 21 participation in the group benefits program does not extend to:
- 22 (1) the governing body of either system;
- 23 (2) a municipality or subdivision participating in
- 24 either system; or
- 25 (3) a trustee, officer, or employee, or a dependent of
- 26 a trustee, officer, or employee, of a participating municipality or
- 27 subdivision.

- 1 SECTION 3. Subchapter C, Chapter 1551, Insurance Code, is
- 2 amended by adding Section 1551.115 to read as follows:
- 3 Sec. 1551.115. PARTICIPATION BY RETIRED EMPLOYEES OF
- 4 CERTAIN JUVENILE PROBATION DEPARTMENTS. (a) In this section,
- 5 "retired employee of juvenile probation department" means an
- 6 employee of a department established under Chapter 142, Human
- 7 Resources Code, that retires from that department.
- 8 <u>(b) A retired employee of a juvenile probation department</u>
- 9 shall be treated as an annuitant for purposes of this chapter only
- 10 as provided by this section.
- 11 (c) A retired employee of a juvenile probation department
- may participate in the group benefits program administered by the
- 13 board of trustees under this chapter. Participation under this
- 14 section is limited to retired employees of juvenile probation
- departments who are described by Subsections (d) and (e).
- 16 (d) For a retired employee of a juvenile probation
- department who is, on August 31, 2007, employed by a juvenile
- 18 probation department, the retired employee may participate in the
- 19 group benefits program if:
- 20 (1) the retired employee:
- 21 (A) retires from the juvenile probation
- department on or after September 1, 2007;
- 23 (B) has at least 10 years of creditable service
- 24 earned for service at a juvenile probation department; and
- (C) meets all the requirements for retirement
- 26 benefits prescribed by the Texas County and District Retirement
- 27 System; and

Τ	(2) the juvenile probation department from which the
2	retired employee of a juvenile probation department retires:
3	(A) does not provide retired employees access to
4	a health benefit plan on or after the effective date of the
5	<pre>employee's retirement; or</pre>
6	(B) provides retired employees access to a health
7	benefit plan on or after the effective date of the employee's
8	retirement that provides coverage that is less comprehensive than
9	the coverage provided to annuitants under the basic coverage for
10	annuitants.
11	(e) For a retired employee of a juvenile probation
12	department who is not described by Subsection (d) and who is
13	employed by the department on or after September 1, 2007, the
14	retired employee may participate in the group benefits program if:
15	(1) the retired employee:
16	(A) retires from the juvenile probation
17	department on or after September 1, 2017;
18	(B) has at least 10 years of creditable service
19	earned for service at a juvenile probation department on or after
20	September 1, 2007; and
21	(C) meets all the requirements for retirement
22	benefits prescribed by the Texas County and District Retirement
23	System; and
24	(2) the juvenile probation department from which the
25	retired employee of a juvenile probation department retires:
26	(A) does not provide retired employees access to
27	a health benefit plan on or after the effective date of the

- 1 employee's retirement; or
- 2 (B) provides retired employees access to a health
- 3 benefit plan on or after the effective date of the employee's
- 4 retirement that provides coverage that is less comprehensive than
- 5 the coverage provided to annuitants under the basic coverage for
- 6 annuitants.
- 7 (f) A retired employee of a juvenile probation department is
- 8 eligible to participate in the group benefits program on
- 9 application to the board of trustees. On application, a retired
- 10 employee is automatically covered by the basic coverage for
- 11 annuitants unless the retired employee is expelled from the
- 12 program.
- 13 (g) A retired employee is eligible to receive a state
- 14 contribution under Subchapter G for premiums to the same extent as
- an individual eligible to participate as an annuitant under Section
- 16 <u>1551.102.</u>
- (h) Each participating retired employee of a juvenile
- 18 probation department shall pay that portion of the cost of group
- 19 coverage selected by the retired employee that exceeds the amount
- 20 of the state contribution. The retired employee shall pay
- 21 contributions required from the retired employee in the manner
- 22 prescribed by the board of trustees.
- 23 SECTION 4. Subchapter G, Chapter 1551, Insurance Code, is
- amended by adding Section 1551.325 to read as follows:
- 25 Sec. 1551.325. REQUIRED REPORTS OF JUVENILE PROBATION
- 26 DEPARTMENTS. Not later than June 1 of each year, a juvenile
- 27 probation department shall submit to the board of trustees a good

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- 1 faith estimate of the number of retired employees and active
- 2 employees employed on June 1 but expected to retire before the next
- 3 June 1 that may elect to enroll in the group benefits program for
- 4 the following fiscal year.
- 5 SECTION 5. (a) The Employees Retirement System of Texas
- 6 shall develop a plan for the extension of benefits under the group
- 7 benefits program to retired employees of juvenile probation
- 8 departments eligible to participate in the group benefits program
- 9 under Section 1551.115, Insurance Code, as added by this Act. The
- 10 Employees Retirement System of Texas shall adopt rules necessary to
- implement this subsection not later than September 1, 2008.
- 12 (b) Coverage under Section 1551.115, Insurance Code, as
- added by this Act, shall become effective September 1, 2008.
- 14 SECTION 6. This Act takes effect September 1, 2007.