

1-1 By: Zaffirini S.B. No. 29  
1-2 (In the Senate - Filed November 8, 2010; January 31, 2011,  
1-3 read first time and referred to Committee on State Affairs;  
1-4 March 29, 2011, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 7, Nays 0; March 29, 2011,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 29 By: Williams

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the eligibility of certain postdoctoral fellows and  
1-11 graduate students to participate in health benefit programs at  
1-12 public institutions of higher education.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subchapter C, Chapter 1551, Insurance Code, is  
1-15 amended by adding Section 1551.1022 to read as follows:

1-16 Sec. 1551.1022. PARTICIPATION ELIGIBILITY: CERTAIN  
1-17 POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual who  
1-18 is not eligible to participate in the group benefits program under  
1-19 Section 1551.101 is eligible to participate in the group benefits  
1-20 program under this section if the individual, at an institution of  
1-21 higher education:

1-22 (1) holds:

1-23 (A) a postdoctoral fellowship; or

1-24 (B) one or more graduate student fellowships  
1-25 awarded to the individual on a competitive basis that, either  
1-26 singly or in combination, are valued at not less than \$10,000 per  
1-27 year; and

1-28 (2) is currently receiving a stipend from an  
1-29 applicable fellowship.

1-30 (b) An individual who is eligible to participate in the  
1-31 group benefits program under this section shall pay all  
1-32 contributions required under this chapter for the coverage selected  
1-33 by the individual, except that an institution of higher education  
1-34 may make contributions for the individual from available funds  
1-35 other than money appropriated to the institution from the general  
1-36 revenue fund.

1-37 (c) An institution of higher education shall determine  
1-38 which individuals are eligible to participate in the group benefits  
1-39 program under this section and, at the time of initial eligibility,  
1-40 shall notify each individual of the individual's eligibility to  
1-41 participate in the program.

1-42 (d) An individual who participates in the group benefits  
1-43 program under this section is not considered an employee of an  
1-44 institution of higher education solely as a result of the  
1-45 individual's participation in the program.

1-46 SECTION 2. Section 1551.151, Insurance Code, is amended to  
1-47 read as follows:

1-48 Sec. 1551.151. ENTITLEMENT TO COVERAGE. An individual who  
1-49 is eligible to participate in the group benefits program under  
1-50 Section 1551.101, ~~or~~ 1551.102, or 1551.1022 is entitled to secure  
1-51 for a dependent of the individual any group coverages provided  
1-52 under this chapter, as determined by the board of trustees and  
1-53 subject to the exceptions provided by this subchapter.

1-54 SECTION 3. Subchapter C, Chapter 1601, Insurance Code, is  
1-55 amended by adding Section 1601.1021 to read as follows:

1-56 Sec. 1601.1021. PARTICIPATION ELIGIBILITY: CERTAIN  
1-57 POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual who  
1-58 is not eligible to participate in the uniform program under Section  
1-59 1601.101 is eligible to participate in the uniform program under  
1-60 this section if the individual, at an institution in a system:

1-61 (1) holds:

1-62 (A) a postdoctoral fellowship; or

1-63 (B) one or more graduate student fellowships

2-1 awarded to the individual on a competitive basis that, either  
2-2 singly or in combination, are valued at not less than \$10,000 per  
2-3 year; and

2-4 (2) is currently receiving a stipend from an  
2-5 applicable fellowship.

2-6 (b) An individual who is eligible to participate in the  
2-7 uniform program under this section shall pay all contributions  
2-8 required under this chapter for the coverage selected by the  
2-9 individual, except that an institution of higher education may make  
2-10 contributions for the individual from available funds other than  
2-11 money appropriated to the institution from the general revenue  
2-12 fund.

2-13 (c) An institution of higher education shall determine  
2-14 which individuals are eligible to participate in the uniform  
2-15 program under this section and, at the time of initial eligibility,  
2-16 shall notify each individual of the individual's eligibility to  
2-17 participate in the program.

2-18 (d) An individual who participates in the uniform program  
2-19 under this section is not considered an employee of an institution  
2-20 of higher education solely as a result of the individual's  
2-21 participation in the program.

2-22 SECTION 4. Section 1601.107, Insurance Code, is amended to  
2-23 read as follows:

2-24 Sec. 1601.107. COVERAGE FOR DEPENDENTS. An individual who  
2-25 is eligible to participate in the uniform program under Section  
2-26 1601.101, ~~or~~ 1601.102, or 1601.1021 is entitled to secure for a  
2-27 dependent of the individual any group coverages provided under this  
2-28 chapter for dependents under rules adopted by the applicable  
2-29 system.

2-30 SECTION 5. Effective January 1, 2012, Subsection (d),  
2-31 Section 1601.101, Insurance Code, is repealed.

2-32 SECTION 6. (a) The board of trustees of the Employees  
2-33 Retirement System of Texas shall include coverage under Section  
2-34 1551.1022, Insurance Code, as added by this Act, in an insurance  
2-35 policy or contract or evidence of coverage delivered, issued for  
2-36 delivery, or renewed on or after January 1, 2012. The board of  
2-37 trustees may include coverage under Section 1551.1022, Insurance  
2-38 Code, as added by this Act, in an insurance policy or contract or an  
2-39 evidence of coverage delivered, issued for delivery, or renewed  
2-40 before January 1, 2012, if the board of trustees determines that the  
2-41 coverage may reasonably be included.

2-42 (b) The governing board of The University of Texas System or  
2-43 The Texas A&M University System, as applicable, shall include  
2-44 coverage under Section 1601.1021, Insurance Code, as added by this  
2-45 Act, in an insurance policy or contract or evidence of coverage  
2-46 delivered, issued for delivery, or renewed on or after January 1,  
2-47 2012. The governing board of a system may include coverage under  
2-48 Section 1601.1021, Insurance Code, as added by this Act, in an  
2-49 insurance policy or contract or an evidence of coverage delivered,  
2-50 issued for delivery, or renewed before January 1, 2012, if the  
2-51 governing board determines that the coverage may reasonably be  
2-52 included.

2-53 SECTION 7. Except as otherwise provided by this Act, this  
2-54 Act takes effect September 1, 2011.

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