

1-1 By: Duncan S.B. No. 1671
1-2 (In the Senate - Filed March 11, 2011; March 23, 2011, read
1-3 first time and referred to Committee on State Affairs; May 3, 2011,
1-4 reported favorably by the following vote: Yeas 8, Nays 0;
1-5 May 3, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the Teacher Retirement System of Texas.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Section 825.3021, Government Code, is repealed.

1-11 SECTION 2. Section 825.507, Government Code, is amended to
1-12 read as follows:

1-13 Sec. 825.507. RECORD CONFIDENTIALITY. (a) Records of a
1-14 participant that are in the custody of the retirement system or of
1-15 an administrator, carrier, attorney, consultant, or governmental
1-16 agency acting in cooperation with or on behalf of the retirement
1-17 system are confidential and not subject to public disclosure in a
1-18 form that would identify an individual and are exempt from the
1-19 public access provisions of Chapter 552, except as otherwise
1-20 provided by this section. Because the records described by this
1-21 subsection are exempt from the public access provisions of Chapter
1-22 552, the retirement system is not required to accept or comply with
1-23 a request for a record or information about a record or to seek an
1-24 opinion from the attorney general, except as otherwise provided by
1-25 this section.

1-26 (b) The retirement system may release records of a
1-27 participant, including a participant to which Chapter 803 applies,
1-28 to:

1-29 (1) the participant or the participant's attorney or
1-30 guardian or another person who the executive director determines is
1-31 acting on behalf of the participant;

1-32 (2) the executor or administrator of the deceased
1-33 participant's estate, or, when there is no executor or
1-34 administrator of the deceased participant's estate, to a person or
1-35 entity who the executive director determines is acting in the
1-36 interest of the participant's estate, or to an heir, legatee, or
1-37 devisee of the participant, including information relating to the
1-38 deceased participant's beneficiary;

1-39 (3) When there is no executor or administrator of the
1-40 deceased participant's estate, a person or entity who the executive
1-41 director determines is acting in the interest of the participant,
1-42 the participant's estate, or the participant's heirs, legatees, or
1-43 devisees;

1-44 (4) a spouse or former spouse of the participant if the
1-45 executive director determines that the information is relevant to
1-46 the spouse's or former spouse's interest in member accounts,
1-47 benefits, or other amounts payable by the retirement system;

1-48 (5) ~~[(4)]~~ an administrator, carrier, consultant,
1-49 attorney, or agent acting on behalf of the retirement system;

1-50 (6) ~~[(5)]~~ a governmental entity, an employer, or the
1-51 designated agent of an employer, only to the extent the retirement
1-52 system needs to share the information to perform the purposes of the
1-53 retirement system, as determined by the executive director;

1-54 (7) ~~[(6)]~~ a person authorized by the participant in
1-55 writing to receive the information;

1-56 (8) ~~[(7)]~~ a federal, state, or local criminal law
1-57 enforcement agency that requests a record for a law enforcement
1-58 purpose;

1-59 (9) ~~[(8)]~~ the attorney general to the extent necessary
1-60 to enforce child support; or

1-61 (10) ~~[(9)]~~ a party in response to a subpoena issued
1-62 under applicable law if the executive director determines that the
1-63 participant will have a reasonable opportunity to contest the
1-64 subpoena.

2-1 (c) The records of a participant remain confidential after
2-2 release to a person as authorized by this section. This section
2-3 does not prevent the disclosure or confirmation, on an individual
2-4 basis, of the status or identity of a participant as a member,
2-5 former member, retiree, deceased member or retiree, beneficiary, or
2-6 alternate payee of the retirement system.

2-7 (d) The executive director may designate other employees of
2-8 the retirement system to make the necessary determinations under
2-9 this section. A determination and disclosure under this section
2-10 may be made without notice to the participant.

2-11 (e) The retirement system may make not more than two
2-12 mailings a year on behalf of a nonprofit association of active or
2-13 retired school employees, for purposes of association membership
2-14 and research only, to persons identified in information contained
2-15 in records that are in the custody of the retirement system. The
2-16 nonprofit association requesting a mailing shall pay the expenses
2-17 of the mailing.

2-18 (f) This section does not authorize the retirement system to
2-19 compile or disclose a list of participants' names, addresses, or
2-20 social security numbers unless the executive director determines
2-21 that a compilation or disclosure is necessary to administer the
2-22 retirement system.

2-23 (g) In this section, "participant" means a member, former
2-24 member, retiree, annuitant, beneficiary, or alternate payee of the
2-25 retirement system.

2-26 SECTION 3. Subdivision (1), Section 1575.003, Insurance
2-27 Code, is amended to read as follows:

2-28 (1) "Dependent" means:

2-29 (A) the spouse of a retiree;

2-30 (B) an unmarried child of a retiree or deceased
2-31 active member if the child is younger than 25 years of age,
2-32 including:

2-33 (i) an adopted child;

2-34 (ii) a foster child, stepchild, or other
2-35 child who is in a regular parent-child relationship; or

2-36 (iii) a recognized natural child;

2-37 (C) a retiree's recognized natural child,
2-38 adopted child, foster child, stepchild, or other child who is in a
2-39 regular parent-child relationship and who lives with or has his or
2-40 her care provided by the retiree or surviving spouse on a regular
2-41 basis regardless of the child's age, if the child has a mental
2-42 disability [~~is mentally retarded~~] or is physically incapacitated to
2-43 an extent that the child is dependent on the retiree or surviving
2-44 spouse for care or support, as determined by the trustee; or

2-45 (D) a deceased active member's recognized
2-46 natural child, adopted child, foster child, stepchild, or other
2-47 child who is in a regular parent-child relationship, without regard
2-48 to the age of the child, if, while the active member was alive, the
2-49 child:

2-50 (i) lived with or had the child's care
2-51 provided by the active member on a regular basis; and

2-52 (ii) had a mental disability [~~was mentally~~
2-53 ~~retarded~~] or was physically incapacitated to an extent that the
2-54 child was dependent on the active member or surviving spouse for
2-55 care or support, as determined by the trustee.

2-56 SECTION 4. Section 1575.206, Insurance Code, is amended to
2-57 read as follows:

2-58 Sec. 1575.206. CONTRIBUTIONS HELD IN TRUST FOR FUND. An
2-59 employing public school [~~district~~] and its governing body
2-60 [~~trustees~~]:

2-61 (1) hold contributions required by this subchapter in
2-62 trust for the fund and its participants; and

2-63 (2) may not divert the contributions for any other
2-64 purpose.

2-65 SECTION 5. Section 1575.207, Insurance Code, is amended to
2-66 read as follows:

2-67 Sec. 1575.207. INTEREST ASSESSED ON LATE PAYMENT OF
2-68 DEPOSITS BY EMPLOYING SCHOOL DISTRICTS. (a) An employing public
2-69 school [~~district~~] that does not remit to the trustee all

3-1 contributions required by this subchapter before the seventh day
3-2 after the last day of the month shall pay to the fund:

- 3-3 (1) the contributions; and
- 3-4 (2) interest on the unpaid amounts at the annual rate
3-5 of six percent compounded monthly.

3-6 (b) On request, the trustee may grant a waiver of the
3-7 deadline imposed by this section based on an employing public
3-8 school's [~~district's~~] financial or technological resources.

3-9 SECTION 6. Section 1579.004, Insurance Code, is amended to
3-10 read as follows:

3-11 Sec. 1579.004. DEFINITION OF DEPENDENT. In this chapter,
3-12 "dependent" means:

3-13 (1) a spouse of a full-time employee or part-time
3-14 employee;

3-15 (2) an unmarried child of a full-time or part-time
3-16 employee if the child is younger than 25 years of age, including:

3-17 (A) an adopted child;

3-18 (B) a foster child, stepchild, or other child who
3-19 is in a regular parent-child relationship; and

3-20 (C) a recognized natural child;

3-21 (3) a full-time or part-time employee's recognized
3-22 natural child, adopted child, foster child, stepchild, or other
3-23 child who is in a regular parent-child relationship and who lives
3-24 with or has his or her care provided by the employee or the
3-25 surviving spouse on a regular basis, regardless of the child's age,
3-26 if the child has a mental disability [~~is mentally retarded~~] or is
3-27 physically incapacitated to an extent that the child is dependent
3-28 on the employee or surviving spouse for care or support, as
3-29 determined by the board of trustees; and

3-30 (4) notwithstanding any other provision of this code,
3-31 any other dependent of a full-time or part-time employee specified
3-32 by rules adopted by the board of trustees.

3-33 SECTION 7. This Act takes effect September 1, 2011.

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