

By: Ortega

H.B. No. 3789

A BILL TO BE ENTITLED

AN ACT

1
2 relating to withdrawal of participating entities with more than
3 1,000 employees from the uniform group coverage program for active
4 school employees.

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

6 SECTION 1. Subchapter D, Chapter 1579, Insurance Code, is
7 amended by adding Section 1579.155 to read as follows:

8 Sec. 1579.155. WITHDRAWAL OF PARTICIPATING ENTITY WITH MORE
9 THAN 1,000 EMPLOYEES. (a) A participating entity that has more
10 than 1,000 employees may withdraw from the program, notwithstanding
11 any previous election or requirement to participate, by notifying
12 the trustee in writing that the entity is withdrawing from the
13 program.

14 (b) Withdrawal from the program under this section is
15 effective on the earliest September 1 that occurs after the
16 earliest March 1 after the date the entity provides the notice
17 required by Subsection (a).

18 (c) A participating entity that withdraws from the program
19 under this section may not resume participation in the program.

20 SECTION 2. This Act takes effect September 1, 2019.