

1-1 By: Huffman S.B. No. 1682
 1-2 (In the Senate - Filed March 6, 2019; March 14, 2019, read
 1-3 first time and referred to Committee on State Affairs;
 1-4 April 9, 2019, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 9, 2019,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1682 By: Huffman

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to establishing a contingency reserve account under the
 1-22 Texas Public School Employees Group Insurance Program.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter G, Chapter 1575, Insurance Code, is
 1-25 amended by adding Section 1575.307 to read as follows:

1-26 Sec. 1575.307. CONTINGENCY RESERVE ACCOUNT. (a) Before
 1-27 the first day of each state fiscal biennium, the trustee shall
 1-28 estimate for an average 60-day period during the biennium the
 1-29 expenditures from the fund anticipated for the group program,
 1-30 considering projected claims and administrative expenses.

1-31 (b) The trustee shall place the estimated amount in a
 1-32 contingency reserve account to provide for adverse fluctuations in
 1-33 claims or administrative expenses.

1-34 (c) The trustee shall include in each request for
 1-35 legislative appropriations to the group program the amount the
 1-36 trustee determines to be necessary to maintain the contingency
 1-37 reserve account at the level required by this section.

1-38 (d) The trustee may invest and reinvest any portion of the
 1-39 contingency reserve account in accordance with Sections 825.103(b)
 1-40 and 825.301, Government Code, considering the functional need to
 1-41 provide for adverse fluctuations in claims or administrative
 1-42 expenses.

1-43 (e) The interest on, earnings of, and proceeds from the sale
 1-44 of investments of assets in the contingency reserve account shall
 1-45 be credited to the account.

1-46 (f) The trustee, from time to time and in amounts the
 1-47 trustee considers appropriate, may transfer unused money for
 1-48 administrative expenses to the contingency reserve account to be
 1-49 used by the trustee only for charges, claims, and expenses under the
 1-50 group program.

1-51 SECTION 2. This Act takes effect immediately if it receives
 1-52 a vote of two-thirds of all the members elected to each house, as
 1-53 provided by Section 39, Article III, Texas Constitution. If this
 1-54 Act does not receive the vote necessary for immediate effect, this
 1-55 Act takes effect September 1, 2019.

1-56 * * * * *