

By: Cook

S.B. No. 2733

A BILL TO BE ENTITLED

AN ACT

relating to the election of certain participating entities to participate in the uniform group coverage program for active school employees.

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

SECTION 1. Subchapter D, Chapter 1579, Insurance Code, is amended by adding Section 1579.1551 to read as follows:

Sec. 1579.1551. PARTICIPATING ENTITY PROGRAM PARTICIPATION. (a) This section applies to a participating entity that discontinued participation in the program effective on September 1, 2022, in accordance with Section 1579.155(a).

(b) Notwithstanding Section 1579.155(b), a participating entity to which this section applies may elect to participate in the program before the fifth anniversary of the effective date of the participating entity's election to discontinue participation in the program if the participating entity:

(1) provides written notice to the trustee not later than December 31, 2025, of the participating entity's election to participate in the program effective beginning September 1, 2026; and

(2) complies with any other requirements established by the trustee for program participation.

(c) For the plan year beginning September 1, 2026, the trustee shall impose a risk stabilization fee in an amount

1 determined by the trustee on the premiums of a participating entity
2 to which this section applies.

3 (d) A participating entity that elects to participate in the
4 program in accordance with this section may not elect to
5 discontinue participation until September 1, 2031.

6 (e) The trustee by rule may impose additional requirements,
7 conditions, and deadlines with which a participating entity to
8 which this section applies must comply to elect to participate in
9 the program in accordance with this section.

10 (f) This section expires September 1, 2031.

11 SECTION 2. This Act takes effect September 1, 2025.