

SENATE AMENDMENTS
2nd Printing

By: Darby, Lambert, Metcalf, Guillen H.B. No. 3126

A BILL TO BE ENTITLED

AN ACT

relating to the election of certain school districts and open-enrollment charter schools 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. SMALL SCHOOL DISTRICT AND CHARTER SCHOOL PROGRAM PARTICIPATION. (a) This section applies to a school district or open-enrollment charter school 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 school district or charter school to which this section applies may elect to participate in the program before the fifth anniversary of the effective date of the district's or school's election to discontinue participation in the program if the district or school:

(1) provides written notice to the trustee not later than December 31, 2025, of the district's or school'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

1 trustee shall impose a risk stabilization fee in an amount
2 determined by the trustee on the premiums of a school district or
3 charter school to which this section applies.

4 (d) A school district or charter school that elects to
5 participate in the program in accordance with this section may not
6 elect to discontinue participation until September 1, 2031.

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

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

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

ADOPTED

MAY 25 2025

Latey Shaw
Secretary of the Senate

By: Lattin

H.B. No. 3126

Substitute the following for H.B. No. 3126:

By: Joe Menef

C.S. H.B. No. 3126

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the election of certain entities to participate in the
3 uniform group coverage program for active school employees;
4 imposing a fee.

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 1579.1551 to read as follows:

8 Sec. 1579.1551. PROGRAM PARTICIPATION BY CERTAIN ENTITIES.

9 (a) This section applies to an entity that discontinued
10 participation in the program effective on September 1, 2022, in
11 accordance with Section 1579.155(a).

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

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

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

21 (c) For the plan year beginning September 1, 2026, the
22 trustee shall impose a risk stabilization fee in an amount
23 determined by the trustee on the premiums of an entity to which this
24 section applies.

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

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

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

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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 25, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3126 by Darby (Relating to the election of certain entities to participate in the uniform group coverage program for active school employees; imposing a fee.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

Participating school districts would incur risk stabilization fees and healthcare costs.

Source Agencies: 323 Teacher Retirement System, 454 Department of Insurance

LBB Staff: JMc, SD, NC, ASA, ENA, FV

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 13, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3126 by Darby (relating to the election of certain entities to participate in the uniform group coverage program for active school employees; imposing a fee.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

Participating school districts would incur risk stabilization fees and healthcare costs.

Source Agencies: 323 Teacher Retirement System, 454 Department of Insurance

LBB Staff: JMc, NC, ASA, ENA, FV

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 6, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3126 by Darby (Relating to the election of certain school districts and open-enrollment charter schools to participate in the uniform group coverage program for active school employees.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

Participating school districts would incur risk stabilization fees and healthcare costs.

Source Agencies: 323 Teacher Retirement System, 454 Department of Insurance

LBB Staff: JMc, NC, ASA, ENA, FV

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 28, 2025

TO: Honorable Stan Lambert, Chair, House Committee on Pensions, Investments & Financial Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB3126** by Darby (Relating to the election of certain school districts to participate in the uniform group coverage program for active school employees.), **As Introduced**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

Participating school districts would incur risk stabilization fees and healthcare costs.

Source Agencies: 323 Teacher Retirement System, 454 Department of Insurance

LBB Staff: JMc, FV, ASA, ENA