

BILL ANALYSIS

Senate Research Center
78R5964 PB-D

S.B. 1117
By: Williams
State Affairs
4/29/2003
As Filed

DIGEST AND PURPOSE

Current law allows the Teacher Retirement System (TRS), in offering health insurance programs for local school districts, to also offer optional benefits plans. As proposed, S.B. 1117 prohibits TRS from offering optional benefits plans, and clarifies that local school districts are not prohibited from offering optional benefits plans to their employees.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Teacher Retirement System in SECTION 4 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 4(e), Article 3.50-7, Insurance Code, to prohibit the Teacher Retirement System (TRS) from, rather than authorizing it to, offering optional coverages to employees participating in the program. Provides that this subsection does not affect the right of a participating entity to offer optional coverages to its employees under terms and conditions established by the participating entity. Deletes the authorization for TRS to define by rule the types of optional coverages offered under this subsection.

SECTION 2. Amends Section 8(b), Article 3.50-7, Insurance Code, to remove a provision stating that the fund is composed partially of contributions made by employees or participating entities for optional coverages. Renumbers subsequent subdivisions accordingly.

SECTION 3. Provides that, to the extent of any conflict, this Act prevails over another Act of the 78th Legislature, Regular Session, 2003, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 4. Requires the board of trustees of TRS to adopt any rules required by the change in law made by this Act not later than December 1, 2003.

SECTION 5. Makes application of this Act prospective to January 1, 2004.

SECTION 6. Effective date: September 1, 2003.