

AN ACT

1
2 relating to the administration of and benefits payable by the
3 Teacher Retirement System of Texas and to certain domestic
4 relations orders.

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

6 SECTION 1. Subsection (i), Section 411.081, Government
7 Code, as amended by Chapters 183 (H.B. 1830), 780 (S.B. 1056), 816
8 (S.B. 1599), and 1027 (H.B. 4343), Acts of the 81st Legislature,
9 Regular Session, 2009, is reenacted and amended to read as follows:

10 (i) A criminal justice agency may disclose criminal history
11 record information that is the subject of an order of nondisclosure
12 under Subsection (d) to the following noncriminal justice agencies
13 or entities only:

14 (1) the State Board for Educator Certification;

15 (2) a school district, charter school, private school,
16 regional education service center, commercial transportation
17 company, or education shared service arrangement;

18 (3) the Texas Medical Board;

19 (4) the Texas School for the Blind and Visually
20 Impaired;

21 (5) the Board of Law Examiners;

22 (6) the State Bar of Texas;

23 (7) a district court regarding a petition for name
24 change under Subchapter B, Chapter 45, Family Code;

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- 1 (8) the Texas School for the Deaf;
- 2 (9) the Department of Family and Protective Services;
- 3 (10) the Texas Youth Commission;
- 4 (11) the Department of Assistive and Rehabilitative
- 5 Services;
- 6 (12) the Department of State Health Services, a local
- 7 mental health service, a local mental retardation authority, or a
- 8 community center providing services to persons with mental illness
- 9 or retardation;
- 10 (13) the Texas Private Security Board;
- 11 (14) a municipal or volunteer fire department;
- 12 (15) the Texas Board of Nursing;
- 13 (16) a safe house providing shelter to children in
- 14 harmful situations;
- 15 (17) a public or nonprofit hospital or hospital
- 16 district;
- 17 (18) the Texas Juvenile Probation Commission;
- 18 (19) the securities commissioner, the banking
- 19 commissioner, the savings and mortgage lending commissioner, or the
- 20 credit union commissioner;
- 21 (20) the Texas State Board of Public Accountancy;
- 22 (21) the Texas Department of Licensing and Regulation;
- 23 (22) the Health and Human Services Commission;
- 24 (23) the Department of Aging and Disability Services;
- 25 (24) the Texas Education Agency; [~~and~~]
- 26 (25) the Guardianship Certification Board; [~~and~~]
- 27 (26) a county clerk's office in relation to a

1 proceeding for the appointment of a guardian under Chapter XIII,
2 Texas Probate Code;

3 (27) [~~(25)~~] the Department of Information Resources
4 but only regarding an employee, applicant for employment,
5 contractor, subcontractor, intern, or volunteer who provides
6 network security services under Chapter 2059 to:

- 7 (A) the Department of Information Resources; or
 - 8 (B) a contractor or subcontractor of the
- 9 Department of Information Resources;

10 (28) [~~(25)~~] the Court Reporters Certification Board;

11 [~~and~~]

12 (29) [~~(25)~~] the Texas Department of Insurance; and

13 (30) the Teacher Retirement System of Texas.

14 SECTION 2. Subchapter F, Chapter 411, Government Code, is
15 amended by adding Section 411.0971 to read as follows:

16 Sec. 411.0971. ACCESS TO CRIMINAL HISTORY RECORD

17 INFORMATION: TEACHER RETIREMENT SYSTEM OF TEXAS. (a) The Teacher
18 Retirement System of Texas is entitled to obtain from the
19 department, the Federal Bureau of Investigation Criminal Justice
20 Information Services Division, or another law enforcement agency
21 criminal history record information maintained by the department,
22 division, or agency that relates to a person who:

23 (1) is an employee or an applicant for employment with
24 the retirement system;

25 (2) is a consultant, contract employee, independent
26 contractor, intern, or volunteer for the retirement system or an
27 applicant to serve in one of those positions;

1 (3) proposes to enter into a contract with or has a
2 contract with the retirement system to perform services for or
3 supply goods to the retirement system; or

4 (4) is an employee or subcontractor, or an applicant
5 to be an employee or subcontractor, of a contractor that provides
6 services to the retirement system.

7 (b) Criminal history record information obtained by the
8 Teacher Retirement System of Texas under Subsection (a) may not be
9 released or disclosed to any person except:

- 10 (1) on court order;
- 11 (2) with the consent of the person who is the subject
12 of the criminal history record information; or
- 13 (3) to a federal agency as required by federal law or
14 executive order.

15 (c) The Teacher Retirement System of Texas shall destroy
16 criminal history record information obtained under this section
17 after the information is used for the purposes authorized by this
18 section.

19 (d) The Teacher Retirement System of Texas may provide a
20 copy of the criminal history record information obtained from the
21 department, the Federal Bureau of Investigation Criminal Justice
22 Information Services Division, or other law enforcement agency to
23 the individual who is the subject of the information.

24 (e) The failure or refusal of an employee or applicant to
25 provide the following on request constitutes good cause for
26 dismissal or refusal to hire:

- 27 (1) a complete set of fingerprints;

- 1 (2) a true and complete name; or
- 2 (3) other information necessary for a law enforcement
- 3 entity to obtain criminal history record information.

4 SECTION 3. Subchapter F, Chapter 551, Government Code, is
5 amended by adding Section 551.130 to read as follows:

6 Sec. 551.130. BOARD OF TRUSTEES OF TEACHER RETIREMENT
7 SYSTEM OF TEXAS: QUORUM PRESENT AT ONE LOCATION. (a) In this
8 section, "board" means the board of trustees of the Teacher
9 Retirement System of Texas.

10 (b) This chapter does not prohibit the board or a board
11 committee from holding an open or closed meeting by telephone
12 conference call.

13 (c) The board or a board committee may hold a meeting by
14 telephone conference call only if a quorum of the applicable board
15 or board committee is physically present at one location of the
16 meeting.

17 (d) A telephone conference call meeting is subject to the
18 notice requirements applicable to other meetings. The notice must
19 also specify:

20 (1) the location of the meeting where a quorum of the
21 board or board committee, as applicable, will be physically
22 present; and

23 (2) the intent to have a quorum present at that
24 location.

25 (e) The location where a quorum is physically present must
26 be open to the public during the open portions of a telephone
27 conference call meeting. The open portions of the meeting must be

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1 audible to the public at the location where the quorum is present
2 and be tape-recorded at that location. The tape recording shall be
3 made available to the public.

4 (f) The location of the meeting shall provide two-way
5 communication during the entire telephone conference call meeting,
6 and the identification of each party to the telephone conference
7 call must be clearly stated before the party speaks.

8 (g) The authority provided by this section is in addition to
9 the authority provided by Section 551.125.

10 (h) A member of the board who participates in a board or
11 board committee meeting by telephone conference call but is not
12 physically present at the location of the meeting is not considered
13 to be absent from the meeting for any purpose. The vote of a member
14 of the board who participates in a board or board committee meeting
15 by telephone conference call is counted for the purpose of
16 determining the number of votes cast on a motion or other
17 proposition before the board or board committee.

18 (i) A member of the board may participate remotely by
19 telephone conference call instead of by being physically present at
20 the location of a board meeting for not more than one board meeting
21 per calendar year. A board member who participates remotely in any
22 portion of a board meeting by telephone conference call is
23 considered to have participated in the entire board meeting by
24 telephone conference call. For purposes of the limit provided by
25 this subsection, remote participation by telephone conference call
26 in a meeting of a board committee does not count as remote
27 participation by telephone conference call in a meeting of the

1 board, even if:

2 (1) a quorum of the full board attends the board
3 committee meeting; or

4 (2) notice of the board committee meeting is also
5 posted as notice of a board meeting.

6 (j) A person who is not a member of the board may not speak
7 at the meeting from a remote location by telephone conference call,
8 except as provided by Section 551.129.

9 SECTION 4. Subchapter C, Chapter 552, Government Code, is
10 amended by adding Section 552.153 to read as follows:

11 Sec. 552.153. EXCEPTION: NAME OF APPLICANT FOR EXECUTIVE
12 DIRECTOR, CHIEF INVESTMENT OFFICER, OR CHIEF AUDIT EXECUTIVE OF
13 TEACHER RETIREMENT SYSTEM OF TEXAS. The name of an applicant for
14 the position of executive director, chief investment officer, or
15 chief audit executive of the Teacher Retirement System of Texas is
16 excepted from the requirements of Section 552.021, except that the
17 board of trustees of the Teacher Retirement System of Texas must
18 give public notice of the names of three finalists being considered
19 for one of those positions at least 21 days before the date of the
20 meeting at which the final action or vote is to be taken on choosing
21 a finalist for employment.

22 SECTION 5. Section 804.003, Government Code, is amended by
23 amending Subsections (f) and (g) and adding Subsection (p) to read
24 as follows:

25 (f) A domestic relations order is a qualified domestic
26 relations order only if such order:

27 (1) clearly specifies the:

1 (A) name [~~social security number,~~] and last
2 known mailing address [~~if any,~~] of:

- 3 (i) the member or retiree; and
- 4 (ii) [~~the name, social security number, and~~
- 5 ~~mailing address of~~] each alternate payee covered by the order; and

6 (B) social security number, or an express
7 authorization for the parties to use an alternate method acceptable
8 to the public retirement system to verify the social security
9 number, of the member or retiree and each alternate payee covered by
10 the order;

11 (2) clearly specifies the amount or percentage of the
12 member's or retiree's benefits to be paid by a public retirement
13 system to each such alternate payee or the manner in which such
14 amount or percentage is to be determined;

15 (3) clearly specifies the number of payments or the
16 period to which such order applies;

17 (4) clearly specifies that such order applies to a
18 designated public retirement system;

19 (5) does not require the public retirement system to
20 provide any type or form of benefit or any option not otherwise
21 provided under the plan;

22 (6) does not require the public retirement system to
23 provide increased benefits determined on the basis of actuarial
24 value;

25 (7) does not require the payment of benefits to an
26 alternate payee which are required to be paid to another alternate
27 payee under another order previously determined to be a qualified

1 domestic relations order; and

2 (8) does not require the payment of benefits to an
3 alternate payee before the retirement of a member, the distribution
4 of a withdrawal of contributions to a member, or other distribution
5 to a member required by law.

6 (g) A public retirement system may reject a domestic
7 relations order as a qualified domestic relations order unless the
8 order:

9 (1) provides for a proportional reduction of the
10 amount awarded to an alternate payee in the event of the retirement
11 of the member before normal retirement age;

12 (2) does not purport to require the designation of a
13 particular person as the recipient of benefits in the event of a
14 member's or annuitant's death;

15 (3) does not purport to require the selection of a
16 particular benefit payment plan or option;

17 (4) provides clearly for each possible benefit
18 distribution under plan provisions;

19 (5) does not require any action on the part of the
20 retirement system contrary to its governing statutes or plan
21 provision other than the direct payment of the benefit awarded to an
22 alternate payee;

23 (6) does not make the award of an interest contingent
24 on any condition other than those conditions resulting in the
25 liability of a retirement system for payments under its plan
26 provisions;

27 (7) does not purport to award any future benefit

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1 increases that are provided or required by the legislature; ~~and~~

2 (8) provides for a proportional reduction of the
3 amount awarded to an alternate payee in the event that benefits
4 available to the retiree or member are reduced by law; and

5 (9) if required by the retirement system, conforms to
6 a model order adopted by the retirement system.

7 (p) A public retirement system may assess administrative
8 fees on a party who is subject to a domestic relations order for the
9 review of the order under this subchapter and, as applicable, for
10 the administration of payments under an order that is determined to
11 be qualified. In addition to other methods of collecting fees that
12 a retirement system may establish, the retirement system may deduct
13 fees from payments made under the order.

14 SECTION 6. Section 821.008, Government Code, is amended to
15 read as follows:

16 Sec. 821.008. PURPOSE OF RETIREMENT SYSTEM. (a) The
17 purpose of the retirement system is to invest and protect funds of
18 the retirement system and to deliver the benefits provided by
19 statute, not to advocate or influence legislative action or
20 inaction or to advocate higher benefits.

21 (b) This section does not prohibit comments by an employee
22 of the retirement system on federal laws, regulations, or other
23 official actions or proposed actions affecting or potentially
24 affecting the retirement system that are made in accordance with
25 policies adopted by the board.

26 SECTION 7. Section 823.002, Government Code, is amended by
27 adding Subsection (b) to read as follows:

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1 (b) A member shall notify the retirement system in writing
2 of membership service that has not been properly credited by the
3 retirement system on an annual statement. The member must provide
4 verification and make deposits as required by the retirement system
5 before the service may be credited. A member must notify the
6 retirement system of the service in writing on or before the last
7 day of the fifth school year after the end of the school year in
8 which the service was rendered for the service to be credited.

9 SECTION 8. Subchapter A, Chapter 824, Government Code, is
10 amended by adding Section 824.008 to read as follows:

11 Sec. 824.008. DEDUCTIONS FROM AMOUNTS PAYABLE BY THE
12 RETIREMENT SYSTEM. (a) Notwithstanding Section 821.005, the
13 retirement system may deduct the amount of a person's indebtedness
14 to the retirement system from an amount payable by the retirement
15 system to the person or the person's estate and the distributees of
16 the estate.

17 (b) If the retirement system makes a payment to a
18 participant who is deceased and the payment is not payable, the
19 retirement system may deduct the amount of the payment from any
20 amount payable by the retirement system to a person who received the
21 payment or to that person's estate and distributees of the estate.

22 SECTION 9. Section 824.1013, Government Code, is amended by
23 adding Subsection (c-1) to read as follows:

24 (c-1) Notwithstanding Subsection (c), a beneficiary
25 designated under this section is entitled on the retiree's death to
26 receive monthly payments of the survivor's portion of the retiree's
27 optional retirement annuity for the remainder of the beneficiary's

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1 life if the beneficiary designated at the time of the retiree's
2 retirement is a trust and the beneficiary designated under this
3 section is the sole beneficiary of that trust.

4 SECTION 10. Subsection (a), Section 824.103, Government
5 Code, is amended to read as follows:

6 (a) Benefits payable on the death of a member or annuitant,
7 except an optional retirement annuity under Section 824.204(c)(1),
8 (c)(2), or (c)(5), are payable, and rights to elect survivor
9 benefits, if applicable, are available, to one of the classes of
10 persons described in Subsection (b), if:

11 (1) the member or annuitant fails to designate a
12 beneficiary before death;

13 (2) a designated beneficiary does not survive the
14 member or annuitant; [~~or~~]

15 (3) a designated beneficiary, under Section 824.004,
16 waives claims to benefits payable on the death of the member or
17 annuitant;

18 (4) a beneficiary designation is revoked under Section
19 824.101(g); or

20 (5) a person is not eligible to receive a benefit under
21 Section 824.105.

22 SECTION 11. Section 824.105, Government Code, is amended by
23 amending Subsections (a), (c), and (d) and adding Subsection (f) to
24 read as follows:

25 (a) A benefit payable on the death of a member or annuitant
26 may not be paid to a person who has been convicted of causing that
27 death or who is otherwise ineligible under Subsection (f) but

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1 instead is payable to a person who would be entitled to the benefit
2 had the convicted or otherwise ineligible person predeceased the
3 decedent.

4 (c) The retirement system shall reduce any annuity computed
5 in part on the age of the convicted or otherwise ineligible person
6 to a lump sum equal to the present value of the remainder of the
7 annuity. The reduced amount is payable to a person entitled as
8 provided by this section to receive the benefit.

9 (d) The retirement system is not required to pay benefits
10 under this section unless it receives actual notice of the
11 conviction or other ground of ineligibility of a beneficiary.
12 However, the retirement system may delay payment of a benefit
13 payable on the death of a member or annuitant pending the results of
14 a criminal investigation and of legal proceedings relating to the
15 cause of death.

16 (f) A person is ineligible to receive a benefit payable on
17 the death of a member or annuitant if the person is:

18 (1) found not guilty by reason of insanity under
19 Chapter 46C, Code of Criminal Procedure, of causing the death of the
20 member or annuitant; or

21 (2) the subject of an indictment, information,
22 complaint, or other charging instrument alleging that the person
23 caused the death of the member or annuitant and the person is
24 determined to be incompetent to stand trial under Chapter 46B, Code
25 of Criminal Procedure.

26 SECTION 12. Subsections (a-1) and (b-1), Section 824.202,
27 Government Code, are amended to read as follows:

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1 (a-1) This subsection applies only to a person who becomes a
2 member of the retirement system on or after September 1, 2007
3 [~~2006~~]. A member subject to this subsection is eligible to retire
4 and receive a standard service retirement annuity if:

5 (1) the member is at least 65 years old and has at
6 least five years of service credit in the retirement system; or

7 (2) the member is at least 60 years old and has at
8 least five years of service credit in the retirement system and the
9 sum of the member's age and amount of service credit in the
10 retirement system equals the number 80.

11 (b-1) This subsection applies only to a person who becomes a
12 member of the retirement system on or after September 1, 2007
13 [~~2006~~]. If a member subject to this subsection is at least 55 years
14 old and has at least five years of service credit in the retirement
15 system, but does not meet the requirements under Subsection (d-1),
16 the member is eligible to retire and receive a service retirement
17 annuity reduced from the standard service retirement annuity
18 available under Subsection (a-1)(1), to a percentage derived from
19 the following table:

20 Age at date of	55	56	57	58	59	60	61	62	63	64	65
21 retirement											
22 Percentage of	47%	51%	55%	59%	63%	67%	73%	80%	87%	93%	100%
23 standard annuity											
24 receivable											

25 SECTION 13. Section 824.405, Government Code, is amended to
26 read as follows:

27 Sec. 824.405. TABLES FOR DETERMINATION OF DEATH BENEFIT

1 ANNUITY. For the purpose of computing a death benefit annuity under
2 Section 824.402(a)(4) or Section 824.403, the board of trustees
3 shall extend the tables[+

4 [~~(1)~~] in Section 824.202 [~~824.202(b) or (b-1)~~], as
5 ~~applicable,~~ to ages earlier than indicated in the tables [~~55~~
6 ~~years~~] by actuarially reducing the benefit available under the
7 applicable table [~~at the age of 55 years~~] to the actuarial
8 equivalent at the attained age of the member [~~beneficiary, and~~

9 [~~(2) in Section 824.202(b) or (d-1)~~], as applicable, to
10 ~~ages earlier than the earliest retirement age by actuarially~~
11 ~~reducing the benefit available at the earliest retirement age to~~
12 ~~the actuarial equivalent at the attained age of the beneficiary].~~

13 SECTION 14. Section 825.002, Government Code, is amended by
14 amending Subsections (f) and (g) and adding Subsection (h) to read
15 as follows:

16 (f) Persons considered for nomination under Subsection (c),
17 (d), or (e) must have been nominated [~~by written ballot~~] at an
18 election conducted under rules adopted by the board of trustees.

19 (g) To provide for the nomination of persons for appointment
20 under Subsection (d), the board shall send to each retiree of the
21 retirement system:

22 (1) notice of the deadline for filing as a candidate
23 for nomination;

24 (2) information on procedures to follow in filing as a
25 candidate; and

26 (3) instructions on how to request a paper ballot or
27 vote in another manner established by the board, including by

1 telephone or other electronic means [~~a written ballot~~].

2 (h) If only two persons are nominated under Subsection (c),
3 (d), or (e), the governor shall appoint a member of the board to the
4 applicable trustee position from the slate of two nominated
5 persons. If only one person is nominated under Subsection (c), (d),
6 or (e), the governor shall appoint that person to the applicable
7 trustee position. If no member or retiree is nominated for a
8 position under Subsection (c), (d), or (e), the governor shall
9 appoint to the applicable trustee position a person who otherwise
10 meets the qualifications required for the position.

11 SECTION 15. Subsection (c), Section 825.206, Government
12 Code, is amended to read as follows:

13 (c) The board of trustees annually shall evaluate the
14 performance of the actuary during the previous year. At least once
15 every four [~~three~~] years, the board shall redesignate its actuary
16 after advertising for and reviewing proposals from providers of
17 actuarial services.

18 SECTION 16. Section 825.215, Government Code, is amended to
19 read as follows:

20 Sec. 825.215. ADVOCACY PROHIBITED. (a) An employee of the
21 retirement system may not advocate increased benefits or engage in
22 activities to advocate or influence legislative action or inaction.
23 Advocacy or activity of this nature is grounds for dismissal of an
24 employee.

25 (b) This section does not prohibit comments by an employee
26 of the retirement system on federal laws, regulations, or other
27 official actions or proposed actions affecting or potentially

1 affecting the retirement system that are made in accordance with
2 policies adopted by the board.

3 SECTION 17. Section 825.315, Government Code, is amended to
4 read as follows:

5 Sec. 825.315. PROHIBITED USE OF ASSETS. (a) Assets of the
6 retirement system may not be used to advocate or influence the
7 outcome of an election or the passage or defeat of any legislative
8 measure. This prohibition may not be construed to prevent any
9 trustee or employee from furnishing information in the hands of the
10 trustee or employee that is not considered confidential under law
11 to a member or committee of the legislature, to any other state
12 officer or employee, or to any private citizen, at the request of
13 the person or entity to whom the information is furnished. This
14 prohibition does not apply to the incidental use of retirement
15 system facilities by groups of members or retirees or by officers or
16 employees of state agencies.

17 (b) This section does not prohibit the use of system assets
18 by an employee of the retirement system to comment on federal laws,
19 regulations, or other official actions or proposed actions
20 affecting or potentially affecting the retirement system that are
21 made in accordance with policies adopted by the board.

22 SECTION 18. Section 825.408, Government Code, is amended to
23 read as follows:

24 Sec. 825.408. INTEREST ON CONTRIBUTIONS AND FEES; DEPOSITS
25 IN TRUST. (a) An employer [~~employing district~~] that fails to
26 remit, before the seventh day after the last day of a month, all
27 member and employer deposits and documentation of the deposits

1 required by this subchapter to be remitted by the employer
2 [~~district~~] for the month shall pay to the retirement system, in
3 addition to the deposits, interest on the unpaid or undocumented
4 amounts at an annual rate compounded monthly. The rate of interest
5 is the rate established under Section 825.313(b)(1), plus two
6 percent. Interest required under this section is creditable to the
7 interest account. On request, the retirement system may grant a
8 waiver of the deadline imposed by this subsection based on an
9 employer's [~~a district's~~] financial or technological resources.

10 (b) An employer [~~employing district~~] and its trustees or
11 other governing body hold amounts due to the retirement system
12 under this subtitle in trust for the retirement system and its
13 members and may not divert the amounts to any other purpose.

14 SECTION 19. Subsection (b), Section 825.507, Government
15 Code, is amended to read as follows:

16 (b) The retirement system may release records of a
17 participant, including a participant to which Chapter 803 applies,
18 to:

19 (1) the participant or the participant's attorney or
20 guardian or another person who the executive director determines is
21 acting on behalf of the participant;

22 (2) the executor or administrator of the deceased
23 participant's estate, including information relating to the
24 deceased participant's beneficiary, or if an executor or
25 administrator of the deceased participant's estate has not been
26 named, a person or entity who the executive director determines is
27 acting in the interest of the deceased participant's estate, or an

1 heir, legatee, or devisee of the deceased participant;

2 (3) a spouse or former spouse of the participant if the
3 executive director determines that the information is relevant to
4 the spouse's or former spouse's interest in member accounts,
5 benefits, or other amounts payable by the retirement system;

6 (4) an administrator, carrier, consultant, attorney,
7 or agent acting on behalf of the retirement system;

8 (5) a governmental entity, an employer, or the
9 designated agent of an employer, only to the extent the retirement
10 system needs to share the information to perform the purposes of the
11 retirement system, as determined by the executive director;

12 (6) a person authorized by the participant in writing
13 to receive the information;

14 (7) a federal, state, or local criminal law
15 enforcement agency that requests a record for a law enforcement
16 purpose;

17 (8) the attorney general to the extent necessary to
18 enforce child support; or

19 (9) a party in response to a subpoena issued under
20 applicable law if the executive director determines that the
21 participant will have a reasonable opportunity to contest the
22 subpoena.

23 SECTION 20. Subsection (a), Section 825.515, Government
24 Code, is amended to read as follows:

25 (a) At least annually, the retirement system shall acquire
26 and maintain records identifying members and the types of positions
27 they hold as members. The type of position shall be identified as

1 Administrative/Professional, Teacher/Full-Time Librarian,
2 Support, [~~or~~] Bus Driver, or Peace Officer. For each member
3 identified as a Peace Officer, the records must specify whether the
4 member is an employee of an institution of higher education or of a
5 public school that is not an institution of higher education. An
6 employer shall provide the information required by this section in
7 the form and manner specified by the retirement system.

8 SECTION 21. Subdivision (1), Section 1575.003, Insurance
9 Code, is amended to read as follows:

- 10 (1) "Dependent" means:
- 11 (A) the spouse of a retiree;
- 12 (B) an unmarried child of a retiree or deceased
13 active member if the child is younger than 25 years of age,
14 including:
- 15 (i) an adopted child;
- 16 (ii) a foster child, stepchild, or other
17 child who is in a regular parent-child relationship; or
- 18 (iii) a recognized natural child;
- 19 (C) a retiree's recognized natural child,
20 adopted child, foster child, stepchild, or other child who is in a
21 regular parent-child relationship and who lives with or has his or
22 her care provided by the retiree or surviving spouse on a regular
23 basis regardless of the child's age, if the child has a mental
24 disability [~~is mentally retarded~~] or is physically incapacitated to
25 an extent that the child is dependent on the retiree or surviving
26 spouse for care or support, as determined by the trustee; or
- 27 (D) a deceased active member's recognized

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1 natural child, adopted child, foster child, stepchild, or other
2 child who is in a regular parent-child relationship, without regard
3 to the age of the child, if, while the active member was alive, the
4 child:

5 (i) lived with or had the child's care
6 provided by the active member on a regular basis; and

7 (ii) had a mental disability [~~was mentally~~
8 ~~retarded~~] or was physically incapacitated to an extent that the
9 child was dependent on the active member or surviving spouse for
10 care or support, as determined by the trustee.

11 SECTION 22. Section 1575.206, Insurance Code, is amended to
12 read as follows:

13 Sec. 1575.206. CONTRIBUTIONS HELD IN TRUST FOR FUND. An
14 employing public school [~~district~~] and its governing body
15 [~~trustees~~]:

16 (1) hold contributions required by this subchapter in
17 trust for the fund and its participants; and

18 (2) may not divert the contributions for any other
19 purpose.

20 SECTION 23. Section 1575.207, Insurance Code, is amended to
21 read as follows:

22 Sec. 1575.207. INTEREST ASSESSED ON LATE PAYMENT OF
23 DEPOSITS BY EMPLOYING PUBLIC SCHOOLS [~~SCHOOL DISTRICTS~~]. (a) An
24 employing public school [~~district~~] that does not remit to the
25 trustee all contributions required by this subchapter before the
26 seventh day after the last day of the month shall pay to the fund:

27 (1) the contributions; and

1 (2) interest on the unpaid amounts at the annual rate
2 of six percent compounded monthly.

3 (b) On request, the trustee may grant a waiver of the
4 deadline imposed by this section based on an employing public
5 school's [~~district's~~] financial or technological resources.

6 SECTION 24. Section 1579.004, Insurance Code, is amended to
7 read as follows:

8 Sec. 1579.004. DEFINITION OF DEPENDENT. In this chapter,
9 "dependent" means:

10 (1) a spouse of a full-time employee or part-time
11 employee;

12 (2) an unmarried child of a full-time or part-time
13 employee if the child is younger than 25 years of age, including:

14 (A) an adopted child;

15 (B) a foster child, stepchild, or other child who
16 is in a regular parent-child relationship; and

17 (C) a recognized natural child;

18 (3) a full-time or part-time employee's recognized
19 natural child, adopted child, foster child, stepchild, or other
20 child who is in a regular parent-child relationship and who lives
21 with or has his or her care provided by the employee or the
22 surviving spouse on a regular basis, regardless of the child's age,
23 if the child has a mental disability [~~is mentally retarded~~] or is
24 physically incapacitated to an extent that the child is dependent
25 on the employee or surviving spouse for care or support, as
26 determined by the board of trustees; and

27 (4) notwithstanding any other provision of this code,

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1 any other dependent of a full-time or part-time employee specified
2 by rules adopted by the board of trustees.

3 SECTION 25. A member of the Teacher Retirement System of
4 Texas who seeks credit under Subsection (b), Section 823.002,
5 Government Code, as added by this Act, for service rendered before
6 September 1, 2011, but not properly credited to a member's annual
7 statement, must notify the retirement system not later than the
8 date specified in Subsection (b), Section 823.002, Government Code,
9 as added by this Act, or August 31, 2016, whichever is later.

10 SECTION 26. (a) The change in law made by this Act to
11 Section 804.003, Government Code, applies only to a qualified
12 domestic relations order entered on or after the effective date of
13 this Act. A qualified domestic relations order entered before the
14 effective date of this Act is governed by the law in effect
15 immediately before that date, and the former law is continued in
16 effect for that purpose.

17 (b) The changes in law made by this Act to Section 824.105,
18 Government Code, apply only to the death of a member or annuitant of
19 the Teacher Retirement System of Texas that is caused by conduct
20 that occurs on or after the effective date of this Act. The death of
21 a member or annuitant that is caused by conduct that occurs before
22 the effective date of this Act is governed by the law in effect
23 immediately before that date, and the former law is continued in
24 effect for that purpose.

25 (c) The change in law made by this Act to Section 825.002,
26 Government Code, applies only to a vacancy on the board of trustees
27 of the Teacher Retirement System of Texas for a term that expires on

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1 or after the effective date of this Act. A vacancy for a term that
2 expires before the effective date of this Act is governed by the law
3 in effect immediately before that date, and the former law is
4 continued in effect for that purpose.

5 (d) The change in law made by this Act to Subsection (b),
6 Section 825.507, Government Code, applies only to the release of
7 records by the Teacher Retirement System of Texas on or after the
8 effective date of this Act. The release of records before the
9 effective date of this Act is governed by the law in effect
10 immediately before that date, and the former law is continued in
11 effect for that purpose.

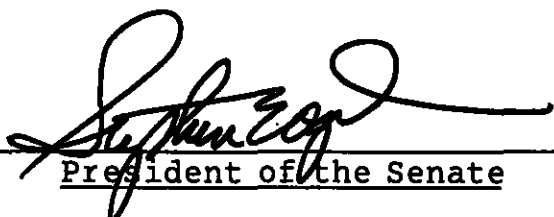
12 SECTION 27. (a) Notwithstanding Subsection (a), Section
13 825.404, Government Code, for the state fiscal year ending August
14 31, 2012, the amount of the state contribution to the Teacher
15 Retirement System of Texas under that section may be less than the
16 amount contributed by members during that fiscal year.

17 (b) Notwithstanding Subsection (a), Section 1575.202,
18 Insurance Code, for the state fiscal year ending August 31, 2013,
19 the state may contribute an amount to the retired school employees
20 group insurance fund that is less than one percent of the salary of
21 each active employee.

22 SECTION 28. This Act takes effect September 1, 2011.

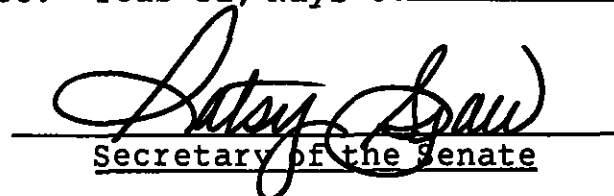
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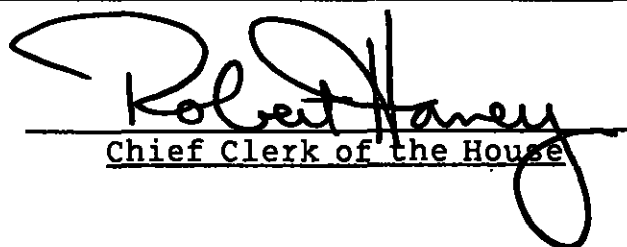

President of the Senate


Speaker of the House

I hereby certify that S.B. No. 1667 passed the Senate on April 29, 2011, by the following vote: Yeas 31, Nays 0.


Secretary of the Senate

I hereby certify that S.B. No. 1667 passed the House on May 20, 2011, by the following vote: Yeas 149, Nays 0, one present not voting.

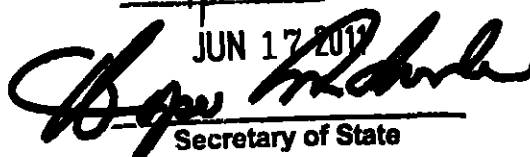

Chief Clerk of the House

Approved:

17 JUN '11
Date


Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4pm O'CLOCK

JUN 17 2011

Secretary of State