

1-1 By: Taylor S.B. No. 2304
 1-2 (In the Senate - Filed March 8, 2019; March 21, 2019, read
 1-3 first time and referred to Committee on Business & Commerce;
 1-4 April 24, 2019, reported favorably by the following vote: Yeas 6,
 1-5 Nays 2; April 24, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hancock	X			
1-8 Nichols	X			
1-9 Campbell	X			
1-10 Creighton	X			
1-11 Menéndez		X		
1-12 Paxton	X			
1-13 Schwertner	X			
1-14 Whitmire		X		
1-15 Zaffirini			X	

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to eligibility to establish a multiple employer welfare
 1-20 arrangement.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section [846.053](#), Insurance Code, is amended by
 1-23 amending Subsections (b) and (c) and adding Subsections (c-1) and
 1-24 (d-1) to read as follows:

1-25 (b) The employers in the multiple employer welfare
 1-26 arrangement must:

1-27 (1) be members of an association or group of five or
 1-28 more businesses that are in the same trade or industry, including
 1-29 closely related businesses that provide support, services, or
 1-30 supplies primarily to that trade or industry; or

1-31 (2) each have a principal place of business in the same
 1-32 region that does not exceed the boundaries of this state or the
 1-33 boundaries of a metropolitan statistical area designated by the
 1-34 United States Office of Management and Budget.

1-35 (c) If the employers in the multiple employer welfare
 1-36 arrangement are members of an association, the association must

1-37 ~~[(1)]~~ be engaged in substantial activity for its
 1-38 members other than sponsorship of an employee welfare benefit
 1-39 plan, ~~and~~

1-40 ~~[(2) have been in existence for at least two years~~
 1-41 ~~before engaging in any activities relating to providing employee~~
 1-42 ~~health benefits to its members].~~

1-43 (c-1) To determine whether a multiple employer welfare
 1-44 arrangement is considered a large employer, participating
 1-45 employees are counted in the aggregate at the level of the multiple
 1-46 employer welfare arrangement.

1-47 (d-1) A working owner of a trade or business without
 1-48 employees may qualify both as an employer and as an employee of the
 1-49 trade or industry for the purposes of this section.

1-50 SECTION 2. Section [846.053](#), Insurance Code, as amended by
 1-51 this Act, applies only to an application for a certificate of
 1-52 authority as a multiple employer welfare arrangement submitted on
 1-53 or after January 1, 2020. An application submitted before January
 1-54 1, 2020, is governed by the law as it existed immediately before the
 1-55 effective date of this Act, and that law is continued in effect for
 1-56 that purpose.

1-57 SECTION 3. This Act takes effect September 1, 2019.

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