

CS for EHB 1047

1 THE STATE SENATE  
2 Tuesday, April 3, 2001

3 Committee Substitute for  
4 ENGROSSED  
5 House Bill No. 1047

6 COMMITTEE SUBSTITUTE FOR ENGROSSED HOUSE BILL NO. 1047 - By: TURNER  
7 of the House and SHURDEN of the Senate.

8 [ insurance - amending 74 O.S. 1991, Section 1315, as last  
9 amended by Section 1, Chapter 338, O.S.L. 1996 (74 O.S.  
10 Supp. 2000, Section 1315) - State and Education Employees  
11 Group Insurance Act - effective date -  
12 emergency ]

13 SECTION 1. AMENDATORY 74 O.S. 1991, Section 1315, as  
14 last amended by Section 1, Chapter 338, O.S.L. 1996 (74 O.S. Supp.  
15 2000, Section 1315), is amended to read as follows:

16 Section 1315. A. Upon application in writing approved by a  
17 majority action of the board of county commissioners of any county  
18 or the governing body of any city, town, county hospital, the  
19 trustees of any public trust for which the state is the primary  
20 beneficiary, or the Oklahoma Conservation Commission on behalf of  
21 the conservation districts, all of the aforementioned groups which  
22 must be participating employers in the Oklahoma Public Employees  
23 Retirement System, or upon application in writing approved by a  
24 majority action of the board of directors of any rural water, sewer,  
25 gas or solid waste management district ~~or~~, of any nonprofit water  
26 corporation, of any conservancy district or master conservancy

1 district authorized by the provisions of Section 541 of Title 82 of  
2 the Oklahoma Statutes, or of any voluntary associations of Oklahoma  
3 local governmental jurisdictions listed in Section 2003 of Title 62  
4 of the Oklahoma Statutes and subject to any underwriting criteria  
5 that may be established by the Board, the Board may extend the  
6 benefits of the State and Education Employees Group Health and Life  
7 Insurance to employees who are employed in positions requiring  
8 actual performance of duty during not less than one thousand (1,000)  
9 hours per year, and to all full-time employees of such county, city,  
10 town, county hospital, public trust, conservation district, rural  
11 water, sewer, gas or solid waste management district ~~or~~, nonprofit  
12 water corporation, of any conservancy district or master conservancy  
13 district authorized by the provisions of Section 541 of Title 82 of  
14 the Oklahoma Statutes, or voluntary associations of Oklahoma local  
15 governmental jurisdictions listed in Section 2003 of Title 62 of the  
16 Oklahoma Statutes provided that such county, city, town, county  
17 hospital, public trust, conservation district, rural water, sewer,  
18 gas or solid waste management district ~~or~~, nonprofit water  
19 corporation, of any conservancy district or master conservancy  
20 district authorized by the provisions of Section 541 of Title 82 of  
21 the Oklahoma Statutes, or voluntary associations of Oklahoma local  
22 governmental jurisdictions listed in Section 2003 of Title 62 of the  
23 Oklahoma Statutes participating therein shall pay all costs

1 attributable to its participation therein. The benefits of said  
2 plans for a participant provided coverage pursuant to this section  
3 shall be the same and shall include the same plan options as would  
4 be made available to a state employee participating in the plan that  
5 resided at the same location. The premium for participating  
6 counties, cities, towns, county hospitals, public trusts,  
7 conservation districts, rural water, sewer, gas or solid waste  
8 management district ~~or~~, nonprofit water corporation, of any  
9 conservancy district or master conservancy district authorized by  
10 the provisions of Section 541 of Title 82 of the Oklahoma Statutes,  
11 or voluntary associations of Oklahoma local governmental  
12 jurisdictions listed in Section 2003 of Title 62 of the Oklahoma  
13 Statutes shall be the same as paid by the State and Education  
14 Employees Group Health and Life Insurance Plan. Such county, city,  
15 town, county hospital, public trust, conservation district, rural  
16 water, sewer, gas or solid waste management district ~~or~~, nonprofit  
17 water corporation, of any conservancy district or master conservancy  
18 district authorized by the provisions of Section 541 of Title 82 of  
19 the Oklahoma Statutes, or voluntary associations of Oklahoma local  
20 governmental jurisdictions listed in Section 2003 of Title 62 of the  
21 Oklahoma Statutes shall not be required to offer dental insurance as  
22 defined in paragraph ~~(k)~~ (11) of Section 1303 of this title, or  
23 other insurance as defined in paragraph ~~(l)~~ (12) of Section 1303 of

1 this title. However, if dental insurance or any other insurance is  
2 offered, it must be provided to all eligible employees. If an  
3 employee retires and begins to receive benefits from the Oklahoma  
4 Public Employees Retirement System or terminates service and has a  
5 vested benefit with the Oklahoma Public Employees Retirement System,  
6 the employee may elect, in the manner provided in Section 1316.2 of  
7 this title, to participate in the dental insurance plan offered  
8 through the State and Education Employees Group Insurance Act,  
9 Section 1301 et seq. of this title. The employee shall pay the full  
10 cost of the dental insurance. Any employee who retires or who has a  
11 vested benefit pursuant to the Oklahoma Public Employees Retirement  
12 System may begin the health insurance coverage only if the employer  
13 of the employee is ~~not~~ a participant of the State and Education  
14 Employees Group Insurance Act ~~if~~ and the election to begin coverage  
15 is made within thirty (30) days from the date of termination of  
16 service.

17 B. Any county, city, town, county hospital, public trust,  
18 conservation district, or rural water, sewer, gas or solid waste  
19 management district, or nonprofit water corporation, any of which of  
20 the aforementioned groups is not a participating employer in the  
21 Oklahoma Public Employees Retirement System, but which has employees  
22 who are participating in the health ~~or~~, dental or life insurance  
23 plans offered by or through the State and Education Employees Group

1 Insurance Act on July 1, 1997, may continue to allow its current and  
2 future employees to participate in such health ~~or~~, dental or life  
3 insurance plans. Participation of such employees may also continue  
4 following retirement or termination of employment if the employee  
5 has completed at least eight (8) years of service and such an  
6 election to continue in force is made within thirty (30) days  
7 following retirement or termination. Provided, also, any retiree or  
8 terminated employee electing coverage pursuant to this section shall  
9 pay the full cost of the insurance.

10 Effective July 1, 1997, any county, city, town, county hospital,  
11 public trust, conservation district, or rural water, sewer, gas or  
12 solid waste management district, or nonprofit water corporation, any  
13 of which of the aforementioned groups is not a participating  
14 employer in the Oklahoma Public Employees Retirement System and  
15 which does not have any employees who are participating in the  
16 health ~~or~~, dental or life insurance plans offered by or through the  
17 State and Education Employees Group Insurance Board on July 1, 1997,  
18 shall be ineligible to allow its current or future employees to  
19 participate in such health ~~and~~, dental and life insurance plans.

20 C. Employees of any conservancy district or master conservancy  
21 district authorized by the provisions of Section 541 of Title 82 of  
22 the Oklahoma Statutes or of a participating voluntary association of  
23 Oklahoma local governmental jurisdictions listed in Section 2003 of

1 Title 62 of the Oklahoma Statutes may also continue in force health,  
2 dental and life insurance coverage following retirement or  
3 termination of employment if the employee who has retired or  
4 terminated employment has a minimum of eight (8) years of service  
5 with the participating voluntary association and the election to  
6 continue in force is made within thirty (30) calendar days following  
7 retirement or termination.

8 D. An employer may cease to participate in the State and  
9 Education Employees Group Insurance Act but provide health insurance  
10 coverage for its current and former employees through another  
11 insurance carrier. The subsequent carrier shall be responsible for  
12 providing coverage to the entity's employees who terminated  
13 employment with a vested benefit, or who have eight (8) or more  
14 years of service but did not have a vested benefit through the  
15 Oklahoma Public Employees Retirement System, if the election to  
16 retain health insurance coverage was made within thirty (30) days of  
17 termination of employment. Coverage shall also be provided to the  
18 eligible dependents of the employees if an election to retain  
19 coverage is made within thirty (30) days of termination of  
20 employment. Employees who terminate employment from an employer  
21 covered by this paragraph before December 31, 2001, and elect  
22 coverage under the State and Education Employees Group Insurance  
23 Act, shall not be required to change insurance carriers in the event

1 that the employer changes its insurance carrier to a subsequent  
2 carrier.

3 E. Notwithstanding the provisions of subsection B of this  
4 section, a rural water district, regardless of whether it is  
5 participating in the Oklahoma Public Employees Retirement System,  
6 may elect on or before December 31, 2001, to become a participating  
7 employer in the plans offered under the State and Education  
8 Employees Group Insurance Act, in the same manner as any other  
9 participating county, city, town, county hospital, public trust,  
10 conservation district, or rural water, sewer, gas or solid waste  
11 management district, or nonprofit water corporation.

12 SECTION 2. This act shall become effective July 1, 2001.

13 SECTION 3. It being immediately necessary for the preservation  
14 of the public peace, health and safety, an emergency is hereby  
15 declared to exist, by reason whereof this act shall take effect and  
16 be in full force from and after its passage and approval.

17 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 3-28-01 - DO  
18 PASS, As Amended.