

EHB 1418

THE STATE SENATE
Tuesday, April 3, 2001

ENGROSSED

House Bill No. 1418

As Amended

6 ENGROSSED HOUSE BILL NO. 1418 - By: STAGGS, EASLEY, MADDUX, CORN,
7 STITES, TOURE, MCCARTER, BRADDOCK, MITCHELL, TURNER, ASKINS,
8 BLACKBURN, ADKINS, BALKMAN, CARGILL, COX, DAVIS, ERICSON, FRISKUP,
9 GILBERT, HEFNER, INGMIRE, JONES, LINDLEY, MILLER (Ray), NANCE,
10 PETERS, PETTIGREW, PIATT, ROGGOW, STEELE, TIBBS, WELLS and WILSON of
11 the House and ROZELL and HELTON of the Senate.

12 [schools - increase support employee salaries - amending
13 Section 5, Chapter 380, O.S.L. 1998, as amended by Section
14 1, Chapter 334, O.S.L. 1999 and Section 7, Chapter 380,
15 O.S.L. 1998, as last amended by Section 5, Chapter 308,
16 O.S.L. 2000 (70 O.S. Supp. 2000, Sections 26-103 and 26-105)
17 - Education Flexible Benefits Allowance Act - changing
18 amount of flexible benefit allowance - noncodification -
19 effective date -
20 emergency]

21 SECTION 1. NEW LAW A new section of law not to be
22 codified in the Oklahoma Statutes reads as follows:

23 The salary level of state-paid support employees, as defined in
24 Section 6-101.40 of Title 70 of the Oklahoma Statutes, employed by a
25 local public school district shall be increased by at least One
26 Dollar (\$1.00) per hour. The salary increase provided for in this
27 section shall be in addition to, and not as a replacement for, any
28 portion of any salary which would have been received by a support
29 employee in the absence of this legislation and shall be in addition

1 to any negotiated salary increase to which a school district and
2 support employees of that school district have previously agreed.
3 The salary increase shall be provided to all support employees
4 regardless of the number of hours per day the employee works.

5 SECTION 2. AMENDATORY Section 5, Chapter 380, O.S.L.
6 1998, as amended by Section 1, Chapter 334, O.S.L. 1999 (70 O.S.
7 Supp. 2000, Section 26-103), is amended to read as follows:

8 Section 26-103. The following words and phrases as used in this
9 act, unless a different meaning is clearly required by the context,
10 shall have the following meanings:

11 1. "Benefit" means any of the benefits which may be purchased
12 or are required to be purchased under the cafeteria plan;

13 2. "Cafeteria plan" means a benefit plan established pursuant
14 to 26 U.S.C. Section 125;

15 3. "Flexible benefit allowance" means amounts credited by the
16 school district for each school district employee for the purchase
17 of benefits under the cafeteria plan;

18 4. "Support personnel" means full-time employees of a school
19 district as determined by the standard period of labor which is
20 customarily understood to constitute full-time employment for the
21 type of services performed by the employees who are employed a
22 minimum of ~~six (6)~~ four (4) hours per day for a minimum of one
23 hundred seventy-two (172) days and who provide services not

1 performed by certified personnel, which is necessary for the
2 efficient and satisfactory functioning of a school district, and
3 shall include cooks, janitors, maintenance personnel, bus drivers,
4 noncertified or nonregistered nurses, noncertified librarians, and
5 clerical employees of a school district but shall not include adult
6 education instructors or adult coordinators employed by ~~area~~
7 ~~vocational-technical~~ technology center school districts;

8 5. "Plan year" means the twelve-month period established by the
9 school district for the cafeteria plan;

10 6. "School district" means the public school districts and ~~area~~
11 ~~vocational-technical~~ technology center school districts of this
12 state;

13 7. "School district employee" means certified or support
14 personnel as defined in this act;

15 8. "Certified personnel" means a certified person employed on a
16 full-time basis to serve as a teacher, principal, supervisor,
17 administrator, counselor, librarian, or certified or registered
18 nurse, but shall not mean a superintendent of a school district; and

19 9. "Self-insured" means a health care program in which the
20 school district funds the benefit plans from its own resources
21 without purchasing insurance and which may be administered by the
22 school district or by an outside administrator under contract with
23 the school district for administrative services. The State Board of

1 Education shall prepare by May 1st of each year a list of each
2 school district in the state that is self-insured and the number of
3 support personnel and the number of certified personnel that are
4 participating in each self-insured school district plan.

5 SECTION 3. AMENDATORY Section 7, Chapter 380, O.S.L.
6 1998, as last amended by Section 5, Chapter 308, O.S.L. 2000 (70
7 O.S. Supp. 2000, Section 26-105), is amended to read as follows:

8 Section 26-105. A. At a minimum, the flexible benefit
9 allowance may be used by a school district employee that is
10 participating in the cafeteria plan to purchase major medical health
11 care plan coverage offered by the school district through a
12 cafeteria plan, or the excess flexible benefit allowance may be used
13 to purchase any of the additional benefits offered by the school
14 district. A school district employee that is not participating in
15 the school district sponsored cafeteria plan, may elect to receive
16 the flexible benefit allowance as taxable compensation.

17 B. Each eligible school district employee shall be credited
18 annually with a specified amount as a flexible benefit allowance
19 which shall be available for the purchase of benefits. The amount
20 of the flexible benefit allowance credited to each eligible school
21 district employee shall be communicated to the employee prior to the
22 enrollment period for each plan year. For the fiscal year ending
23 June 30, 2001, the flexible benefit allowance amount for certified

1 personnel shall be no less than Fifty-seven Dollars and eighty-three
2 cents (\$57.83) per month. For the fiscal year ending June 30, ~~2001~~
3 2002, the flexible benefit allowance amount for support personnel
4 who work six (6) hours per day or more shall be no less than ~~One~~
5 ~~Hundred Seventy Dollars and twenty-four cents (\$170.24)~~ Two Hundred
6 Eleven Dollars and twenty-four cents (\$211.24) per month. For the
7 fiscal year ending June 30, 2002, the flexible benefit allowance
8 amount for support personnel who work less than six (6) hours per
9 day but four (4) hours or more per day shall be no less than One
10 Hundred Five Dollars and sixty-two cents (\$105.62) per month.

11 C. If a school district employee who is participating in the
12 cafeteria plan elects benefits whose sum total is less than the
13 flexible benefit allowance, the employee shall receive any excess
14 flexible benefit allowance as taxable compensation. Such taxable
15 compensation shall be paid in substantially equal amounts each pay
16 period over the plan year. On termination during a plan year, a
17 participating school district employee shall have no right to
18 receive any such taxable cash compensation allocated to the portion
19 of the plan year after the termination of the employee.

20 D. Each school district employee shall make an annual election
21 of benefits under the plan during an enrollment period to be held
22 prior to the beginning of each plan year. The enrollment period
23 dates will be determined annually and will be announced by the

1 school district, providing the enrollment period shall end no later
2 than thirty (30) days before the beginning of the plan year. Each
3 such school district employee shall make an irrevocable advance
4 election for the plan year or the remainder thereof pursuant to such
5 procedures as the school district shall prescribe.

6 E. The school district shall prescribe the forms that school
7 district employees shall be required to use in making their
8 elections, and may prescribe deadlines and other procedures for
9 filing the elections.

10 F. School district employees hired after the closing of the
11 enrollment period shall be allowed to make an election as provided
12 in this act.

13 G. A school district shall have the option of providing a
14 flexible benefit allowance to the superintendent of that school
15 district in an amount not more than the amount of the flexible
16 benefit allowance established for certified personnel in subsection
17 B of this section. Funding for the flexible benefit allowance for a
18 superintendent shall be provided through local revenue.

19 SECTION 4. This act shall become effective July 1, 2001.

20 SECTION 5. It being immediately necessary for the preservation
21 of the public peace, health and safety, an emergency is hereby
22 declared to exist, by reason whereof this act shall take effect and
23 be in full force from and after its passage and approval.

1 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 3-28-01 - DO
2 PASS, As Amended and Coauthored.