

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

HOUSE BILL HB1632

By: Erwin

AS INTRODUCED

An Act relating to state insurance; amending 74 O.S. 1991, Section 1344, which relates to the flexible benefits plan; updating statutory language and citations; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 1991, Section 1344, is amended to read as follows:

Section 1344. A. The Board shall establish a flexible benefits plan. All ~~state~~ employers as defined in Section 1342 of this title shall offer the flexible benefits plan to employees.

B. Expenses included in an employee's salary adjustment agreement pursuant to the flexible benefits plan shall be limited to expenses for:

1. Dependent health insurance pursuant to the provisions of Section 1309 of ~~Title 74 of the Oklahoma Statutes~~ this title;

2. Insurance premiums or retirement plan premiums or payments which are supplemental to insurance or retirement programs offered by the State of Oklahoma or which are paid for under salary adjustment agreements pursuant to the provisions of ~~paragraph 1 or 2 of subsection D of~~ Section 7.10 of Title 62 of the Oklahoma Statutes;

3. Dependent care;

4. Medical care as defined by the Board; or

5. All other eligible programs offered under Title 26, Section 125 et seq. of the Internal Revenue Code of the United States.

C. The amount by which an employee's salary is adjusted pursuant to a salary adjustment agreement shall be excluded from income in computation of income tax withholding, unemployment payments and workers' compensation coverage. Such amount shall be included as income in computation of state retirement contributions and benefits. Provided, if the inclusions and exclusions provided in this subsection conflict with the provisions of federal law or regulations pertaining to flexible benefits plans, the Board is authorized to modify or abolish such inclusions and exclusions.

D. The Administrator of the State and Education Employees Group Insurance Board with approval of the Board shall promulgate rules~~7~~ ~~regulations~~ and procedures as necessary for implementation and administration of the flexible benefits plan.

E. The Administrator of the State and Education Employees Group Insurance Board under the direction of the Board shall contract with one or more private firms or organizations to administer the flexible benefits plan. The contract shall be made at no cost to any employee of the State of Oklahoma.

F. All employers shall begin offering the flexible benefits plan to employees not later than January 1, 1990.

SECTION 2. This act shall become effective November 1, 2001.

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