

ENROLLED HOUSE
BILL NO. 2662

By: Adair, Kirby, Wells,
Braddock, Sweeden, Adkins,
Armes, Askins, Blackburn,
Covey, Deutschendorf,
DeWitt, Easley, Gilbert,
Hastings, Hilliard,
Ingmire, Mass, Nance,
Nations, Peters, Pettigrew,
Roberts, Staggs, Bengel,
Jones, Piatt, Roggow and
Steele of the House

and

Corn, Gumm and Rabon of the
Senate

An Act relating to schools; amending 70 O.S. 2001, Section 18-114.7, which relates to minimum salary schedules; modifying definition of fringe benefits; amending 70 O.S. 2001, Section 26-105, as last amended by Section 32, Chapter 415, O.S.L. 2003 (70 O.S. Supp. 2003, Section 26-105), which relates to flexible benefit allowance for school district employees; modifying amount of flexible benefit allowance; amending Section 18, Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2003, Section 18-114.9), which relates to teacher salary and fringe benefit level; clarifying language; prescribing use of certain funds for certain purposes; requiring payment of certain funds to certain employees; repealing Section 4, Chapter 418, O.S.L. 2002 (70 O.S. Supp. 2003, Section 18-114.10), which relates to computation of district's contribution toward certain employees' health insurance; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 18-114.7, is amended to read as follows:

Section 18-114.7 A. Beginning with the 2000-01 school year, teachers in the public schools of Oklahoma shall receive in salary and/or fringe benefits not less than the amounts specified in the following schedule:

MINIMUM SALARY SCHEDULE

Years of Experience	Bachelor's Degree	Master's Degree	Doctor's Degree
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0	\$27,060	\$28,166	\$29,272
1	\$28,221	\$29,327	\$30,433
2	\$28,553	\$29,659	\$30,765
3	\$28,885	\$29,991	\$31,097
4	\$29,217	\$30,323	\$31,429
5	\$29,549	\$30,655	\$31,761
6	\$29,881	\$30,987	\$32,093
7	\$30,213	\$31,319	\$32,425
8	\$30,545	\$31,651	\$32,757
9	\$30,877	\$31,983	\$33,089
10	\$31,209	\$32,315	\$33,421
11	\$31,541	\$32,647	\$33,753
12	\$31,873	\$32,979	\$34,085
13	\$32,205	\$33,311	\$34,417
14	\$32,537	\$33,643	\$34,749
15	\$32,869	\$33,975	\$35,081
16	\$33,201	\$34,307	\$35,413
17	\$33,533	\$34,639	\$35,745
18	\$33,865	\$34,971	\$36,077
19	\$34,197	\$35,303	\$36,409
20	\$34,529	\$35,635	\$36,741
21	\$34,861	\$35,967	\$37,073
22	\$35,193	\$36,299	\$37,405
23	\$35,525	\$36,631	\$37,737
24	\$35,857	\$36,963	\$38,069
25	\$36,189	\$37,295	\$38,401

For the 2000-01 school year, any amounts received pursuant to Section 1, Chapter 1, O.S.L. 2000, shall count towards the minimum salary schedule established in this section for those teachers who qualified for the salary increase under Section 1, Chapter 1, O.S.L. 2000.

When determining the Minimum Salary Schedule, "fringe benefits" shall mean all or part of ~~hospital or medical benefits, and sickness, accident, health or life insurance, and~~ retirement benefits, excluding the contributions made pursuant to subsection A of Section 17-108.1 of this title and the flexible benefit allowance pursuant to Section 26-105 of this title from the flexible benefit allowance funds disbursed by the State Board of Education and the State Board of Career and Technology Education pursuant to Section 26-104 of this title. Any of the degrees referred to in this section shall be from a college recognized by the State Board of Education. The State Board of Education shall accept teaching experience from out-of-state school districts that are accredited by the State Board of Education or appropriate state accrediting agency for said districts. For the purpose of state salary increments and retirement, no teacher shall be granted credit for more than five (5) years' active duty in the military service, or out-of-state teaching experience as a certified teacher or its equivalent. Nothing in this section shall prohibit boards of education from crediting more years of experience on local salary schedules than those allowed for state purposes. The State Board of Education shall recognize, for purposes of certification and salary increments, the years of experience of a certified teacher who teaches in the Department of Corrections' educational program beginning with fiscal year 1981. The State Board of Education shall recognize for purposes of certification and salary increments the years of experience of a Vocational Rehabilitation Counselor under the Department of Human Services if such counselor was employed as a certified teacher by the State Department of Education when the Division of Vocational Rehabilitation was transferred from the State Board of Career and Technology Education or the State Board of Education to the Oklahoma Public Welfare Commission on July 1, 1968.

B. The State Board of Education shall recognize for purposes of certification and salary increments all of the years of experience a:

1. Vocational Rehabilitation Counselor completed while employed by the Department of Human Services if such counselor was certified as a teacher or was eligible for certification as a teacher in Oklahoma;

2. Certified teacher completed while employed by the Department of Human Services Child Study Center at University Hospital, if the teacher was certified as a teacher in Oklahoma; and

3. Certified school psychologist or psychometrist completed while employed as a doctoral intern, psychological assistant, or psychologist with any agency of the State of Oklahoma if such experience primarily involved work with persons of school or pre-school age and if such person was, at the time the experience was acquired, certified as, or eligible for certification as, a school psychologist or psychometrist.

C. The provisions of this section shall not apply to teachers who have entered into postretirement employment with a public school in Oklahoma and are still receiving a monthly retirement benefit.

SECTION 2. AMENDATORY 70 O.S. 2001, Section 26-105, as last amended by Section 32, Chapter 415, O.S.L. 2003 (70 O.S. Supp. 2003, Section 26-105), is amended to read as follows:

Section 26-105. A. The flexible benefit allowance shall be used by a school district employee who is participating in the cafeteria plan to purchase major medical health care plan coverage offered by the school district through a cafeteria plan. Any excess flexible benefit allowance over the cost of the major medical coverage purchased by the employee who is participating in the cafeteria plan may be used to purchase any of the additional benefits offered by the school district or may be taken as taxable compensation as provided in subsection C of this section. Certified personnel who choose not to participate in the school-district-sponsored cafeteria plan shall receive Sixty-nine Dollars and seventy-one cents (\$69.71) per month as taxable compensation in lieu of the flexible benefit allowance amount provided in subsection B of this section. Support personnel who choose not to participate in the school-district-sponsored cafeteria plan shall receive One Hundred Eighty-nine Dollars and sixty-nine cents (\$189.69) per month as taxable compensation in lieu of the flexible benefit allowance amount provided in subsection B of this section.

B. Each eligible school district employee shall be credited annually with a specified amount as a flexible benefit allowance which shall be available for the purchase of benefits. The amount of the flexible benefit allowance credited to each eligible school district employee shall be communicated to the employee prior to the enrollment period for each plan year.

1. For the fiscal year ending June 30, 2002, the flexible benefit allowance amount for certified personnel shall be no less than Sixty-nine Dollars and seventy-one cents (\$69.71) per month. For the fiscal year ending June 30, 2002, the flexible benefit allowance amount for support personnel shall be no less than One Hundred Eighty-nine Dollars and sixty-nine cents (\$189.69) per month.

2. For the fiscal year ending June 30, 2004, the flexible benefit allowance amount for certified personnel shall be no less than fifty-eight percent (58%) of the premium amount for the HealthChoice (Hi) option plan for an individual offered by the State and Education Employees Group Insurance Board. For the fiscal year ending June 30, 2003, and each fiscal year thereafter, the flexible benefit allowance amount for support personnel shall be no less than one hundred percent (100%) of the premium amount for the HealthChoice (Hi) option plan for an individual offered by the State and Education Employees Group Insurance Board.

3. For the fiscal year ending June 30, 2005, and each fiscal year thereafter, the flexible benefit allowance amount for certified personnel shall be no less than ~~eighty-three percent (83%)~~ one hundred percent (100%) of the premium amount for the HealthChoice (Hi) option plan for an individual offered by the State and Education Employees Group Insurance Board.

C. If a school district employee who is participating in the cafeteria plan elects benefits whose sum total is less than the flexible benefit allowance, the employee shall receive any excess flexible benefit allowance as taxable compensation. Such taxable compensation shall be paid in substantially equal amounts each pay period over the plan year. On termination during a plan year, a participating school district employee shall have no right to

receive any such taxable cash compensation allocated to the portion of the plan year after the termination of the employee.

D. Each school district employee shall make an annual election of benefits under the plan during an enrollment period to be held prior to the beginning of each plan year. The enrollment period dates will be determined annually and will be announced by the school district, providing the enrollment period shall end no later than thirty (30) days before the beginning of the plan year. Each such school district employee shall make an irrevocable advance election for the plan year or the remainder thereof pursuant to such procedures as the school district shall prescribe.

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

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

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

SECTION 3. AMENDATORY Section 18, Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2003, Section 18-114.9), is amended to read as follows:

Section 18-114.9 A. If a teacher, as defined in Section 6-101.3 of Title 70 of the Oklahoma Statutes, is employed by the same school district for the next school year as the preceding school year, the total compensation, consisting of salary and fringe benefit level benefits, of the teacher shall not be decreased the next school year unless the hours or the duties of the teacher are reduced proportionately.

B. Subject to the provisions of this section, any school district that willfully reduces or has in years previous to enactment of this section willfully reduced the salary compensation of a teacher in violation of subsection A of this section shall forfeit as a penalty a portion of its State Aid equal to the total amount that the teacher was underpaid. If the teacher was underpaid for more than one (1) school year, the amount forfeited shall equal the cumulative amount that the teacher was underpaid. The amount to be forfeited shall be deducted from the State Aid payment following confirmation of the underpayment by the State Department of Education.

C. In addition to the amount of State Aid forfeited as a penalty pursuant to subsection B of this section, in order to ensure that the teacher receives the full amount of unpaid salary compensation, the State Department of Education shall withhold an amount which is equal to the total amount that the teacher was underpaid from the State Aid payment of the school district and pay

the amount directly to the teacher. The Board shall not withhold an amount for payment to the teacher pursuant to the subsection if the teacher has recovered the underpayment pursuant to judicial action.

D. Complaints filed with the State Board of Education pursuant to this section may be based on alleged underpayments during fiscal years that began:

1. On or after July 1, 2002; or

2. Before July 1, 2002, if the teacher filed an action to recover the underpayment in a court of competent jurisdiction before July 1, 2002.

E. Complaints filed with the State Board of Education alleging underpayment during fiscal years that began on or after July 1, 2002, shall be filed within one (1) year of the end of the fiscal year in which the underpayment is alleged to have occurred.

F. Filing a complaint with the State Board of Education pursuant to this section shall not operate to prohibit a teacher from filing an action for underpayment in a court of competent jurisdiction or continuing to pursue an action for underpayment pending in a court of competent jurisdiction on ~~the effective date of this act~~ August 29, 2003.

G. The State Board of Education shall promulgate rules necessary to implement the provisions of this section. The rules shall include, but not be limited to, procedures for a teacher to file a complaint for violation of this section and the Department to investigate the complaint.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 18-114.11 of Title 70, unless there is created a duplication in numbering, reads as follows:

For school year 2004-05 and subsequent school years, the following provisions shall apply:

1. The total dollar amount a district was required to pay for all certified personnel, as defined in Section 26-103 of Title 70 of the Oklahoma Statutes, during school year 2003-04 over and above the flexible benefit allowance for certified personnel pursuant to Section 26-105 of Title 70 of the Oklahoma Statutes, in order to meet the payment mandated in Section 1310.1 of Title 74 of the Oklahoma Statutes, shall be used by the district for instruction costs as defined in the Oklahoma Cost Accounting System, including but not limited to new or existing personnel; and

2. The total dollar amount a district paid for all certified personnel, as defined in Section 26-103 of Title 70 of the Oklahoma Statutes, during school year 2003-04 as additional contributions toward employee health insurance, not including the flexible benefit allowance and not including the amount described in paragraph 1 of this section, shall be paid by the district each year to certified personnel, as defined in Section 26-103 of Title 70 of the Oklahoma Statutes, who were employed by the district for school year 2003-2004, in taxable compensation or fringe benefits as determined by the district board of education or paid pursuant to the terms of a collective bargaining agreement, in addition to any other taxable

compensation and fringe benefits mandated by law or collective bargaining agreement.

SECTION 5. REPEALER Section 4, Chapter 418, O.S.L. 2002 (70 O.S. Supp. 2003, Section 18-114.10), is hereby repealed.

SECTION 6. This act shall become effective July 1, 2004.

SECTION 7. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 12th day of April, 2004.

Presiding Officer of the House of
Representatives

Passed the Senate the 8th day of April, 2004.

Presiding Officer of the Senate