

05/22/2012 03:01:51 PM

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB3056

By: Steele of the House and Bingman of the Senate

Title: State government; modifying plan year dates for state and education employee benefits;
effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recedes from Amendment No. 1.
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

HOUSE CONFEREES

Armes _____ Sears

Earl Sears

Billy ~~_____~~ Walker

Ermy D. Walker

Blackwell _____

Brown Mike Brown

Cox Douglas G. Cox M.P.

Dank David M. Dank

DeWitt Hale DeWitt

Denney Lee Denney

Dorman Joe Dorman

Hoskin Charles Hoskin

Liebmann Ray Liebmann

Martin (Scott) Scott C. Martin

McPeak Jerry McPeak

Nelson Lyson Nelson

Peters Jon Peters

HB3056 CCR A

SENATE CONFEREES

Ballenger

Branan

Brinkley

Burrage

Crain

David

Ford

Griffin

Halligan

Ivester

Jolley

Justice

Marlatt

Mazzei

McAffrey

Newberry

Nichols

Paddack

Stanislawski

Sykes

Wilson

Wyrick

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Paddack
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House Action _____ Date _____ Senate Action _____ Date _____

House Action _____ Date _____ Senate Action _____ Date _____

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 3056

By: Steele and McDaniel
(Jeannie) of the House

7 and

Bingman of the Senate

8
9 CONFERENCE COMMITTEE SUBSTITUTE

10 An Act relating to state government; amending 70 O.S.
11 2011, Section 26-104, which relates to the Larry
12 Dickerson Education Flexible Benefits Allowance Act;
13 modifying appropriation requirements; providing for
14 allocation of certain funding by the State Board of
15 Education under certain circumstances; modifying
16 calculation of the appropriation amount for the
17 flexible benefit allowance; changing certain count
18 date; clarifying disbursement amount and process;
19 amending 74 O.S. 2011, Section 1310.1, which relates
20 to premiums for employees of education entities;
21 deleting certain fiscal year payment language;
22 allowing a school district to forward premiums to the
23 State and Education Employees Group Insurance Board;
24 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. 2011, Section 26-104, is
amended to read as follows:

1 Section 26-104. A. ~~The~~ Each fiscal year, the Legislature shall
2 ~~annually~~ appropriate adequate funding to the State Board of
3 Education and the State Board of Career and Technology Education for
4 the purpose of providing a flexible benefit allowance to school
5 district employees pursuant to this act. Unless the Legislature
6 appropriates adequate funding specifically for the purpose of
7 providing a flexible benefit allowance to school district employees,
8 the Oklahoma State Board of Education shall allocate from the funds
9 appropriated to the Oklahoma State Board of Education for the
10 support of public school activities an amount to fully fund the
11 flexible benefit allowance, which shall occur first prior to
12 allocating the funds for any other purpose. The amount appropriated
13 for funding and disbursed to school districts shall be ~~based on~~
14 calculated by multiplying the number of eligible school district
15 employees employed by ~~a school district~~ districts which ~~is~~ are
16 participating in the health insurance plan offered by the State and
17 Education Employees Group Insurance Board or ~~is~~ are self-insured as
18 counted ~~on May 1st~~ in February of each year by the amount of the
19 flexible benefit allowance credited to the eligible school employees
20 as established in Section 26-105 of this title. Each Board shall
21 disburse the total amount appropriated for funding the flexible
22 benefit allowance ~~funds in~~ to school districts during the fiscal
23 year. From the total amount appropriated, each Board shall disburse
24 the appropriate amounts, based on the number of eligible school

1 district employees employed by that school district, to each school
2 districts district.

3 B. Every school district shall establish or make available to
4 school district employees a cafeteria plan pursuant to 26 U.S.C.
5 Section 125 of the United States Code. The plan shall offer, as a
6 benefit, major medical health care plan coverage.

7 C. The flexible benefit allowance amount established pursuant
8 to Section 26-105 of this title shall be credited to each eligible
9 school district employee. School district employees shall elect
10 whether to use the flexible benefit allowance to pay for coverage in
11 the health insurance plan offered by the State and Education
12 Employees Group Insurance Board or the self-insured plan offered by
13 the school district and may receive the excess flexible benefit
14 allowance as taxable compensation as provided in Section 26-105 of
15 this title.

16 D. The administrator of the cafeteria plan shall maintain a
17 separate account for each participating school district employee.
18 School districts shall forward the school district employee flexible
19 benefit allowance amounts to the administrator for elected purchases
20 of cafeteria plan benefits.

21 E. Expenses included in an employee's salary adjustment
22 agreement pursuant to the cafeteria plan shall be limited to
23 expenses for:
24

1 1. Premiums for any health insurance, health maintenance
2 organization, life insurance, long term disability insurance, dental
3 insurance or high deductible health benefit plan offered to
4 employees and their dependents; and

5 2. All other eligible benefit programs offered under 26 U.S.C.
6 Section 125 of the United States Code.

7 F. The flexible benefit allowance amount established in Section
8 26-105 of this title shall not be included as income in computation
9 of state retirement contributions and benefits or as part of the
10 Minimum Salary Schedule for teachers established in Section 18-
11 114.12 of this title. School districts shall not consider the
12 flexible benefit allowance amount as income for eligible support
13 employees and thereby shall not reduce the salary of an eligible
14 support employee.

15 SECTION 2. AMENDATORY 74 O.S. 2011, Section 1310.1, is
16 amended to read as follows:

17 Section 1310.1 A. If a certified employee elects health care
18 coverage under a plan offered by a school district, including a plan
19 offered by the State and Education Employees Group Insurance Board
20 or a self-insured plan offered by the school district, then a school
21 district shall pay ~~for the fiscal year ending June 30, 2005, and~~
22 ~~each fiscal year thereafter,~~ no less than one hundred percent (100%)
23 of the premium amount for the HealthChoice (HI) option plan for an
24

1 individual offered by the State and Education Employees Group
2 Insurance Board.

3 The amount a school district is required to pay pursuant to this
4 subsection shall be reduced by the flexible benefit allowance
5 provided for in Section 26-105 of Title 70 of the Oklahoma Statutes.

6 B. The premium for education entities that participate in the
7 health and dental insurance plans offered through the State and
8 Education Employees Group Insurance Act shall be the same as paid by
9 state agencies for said plans.

10 C. All education entities that participate in the insurance
11 plans offered through the State and Education Employees Group
12 Insurance Act shall forward the appropriate premiums for each
13 employee to the Board no later than the tenth day of each month
14 following the month for which payment is due. Nothing shall
15 prohibit a school district from forwarding appropriate premiums to
16 the Board prior to the month for which payment is due.

17 SECTION 3. This act shall become effective July 1, 2012.

18 SECTION 4. It being immediately necessary for the preservation
19 of the public peace, health and safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

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23 53-2-10517 KB 05/15/12

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