

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 COMMITTEE SUBSTITUTE  
4 FOR  
5 HOUSE BILL NO. 1474

By: Wood

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7 COMMITTEE SUBSTITUTE

8 An Act relating to state government; amending 74 O.S.  
9 2011, Section 840-2.28, as last amended by Section 2,  
10 Chapter 158, O.S.L. 2014 (74 O.S. Supp. 2014, Section  
11 840-2.28), which relates to voluntary out benefits;  
allowing certain employees to receive more than one  
voluntary out benefit; and providing an effective  
date.

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

15 SECTION 1. AMENDATORY 74 O.S. 2011, Section 840-2.28, as  
16 last amended by Section 2, Chapter 158, O.S.L. 2014 (74 O.S. Supp.  
17 2014, Section 840-2.28), is amended to read as follows:

18 Section 840-2.28 A. Agencies shall be authorized to provide  
19 voluntary out benefits to permanent classified employees and regular  
20 unclassified employees with one (1) year or more of continuous state  
21 service who are voluntarily separated from the state service in  
22 order to reduce or eliminate the adverse impact of an imminent  
23 reduction-in-force. For purposes of this section, "agency" or  
24 "agencies" shall include agencies, boards, commissions, or

1 departments of all three branches of state government. Voluntary  
2 out benefit payments made pursuant to this section, in addition to  
3 the payment of any compensable accrued leave and other benefits an  
4 employee who voluntarily separates is eligible to receive upon  
5 separation from the state service, shall consist of the following  
6 elements:

7 1. All agency voluntary out benefits shall provide the  
8 following:

- 9 a. payment equal to the employee's current health  
10 insurance premium for the employee only for eighteen  
11 (18) months based on the cost of the premium at the  
12 time of the voluntary separation, and
- 13 b. a longevity payment, as prescribed by Section 840-2.18  
14 of this title in the amount which would otherwise be  
15 paid to the employee on the employee's next  
16 anniversary date. For the purposes of this  
17 subparagraph, the University Hospitals Authority shall  
18 calculate longevity for employees who were members of  
19 the University Hospitals Authority Model Personnel  
20 System pursuant to Section 3211 of Title 63 of the  
21 Oklahoma Statutes for all state service as would  
22 otherwise be determined by Section 840-2.18 of this  
23 title;
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1           2. In addition to the voluntary out benefits provided by  
2 paragraph 1 of this subsection, agencies may give employees, except  
3 as otherwise provided by paragraph 3 of this subsection, voluntary  
4 out benefit packages based on any combination of the following  
5 options, provided that all employees who are separated as a result  
6 of the agency offer of a voluntary out benefit pursuant to this  
7 section in anticipation of the imminent reduction-in-force are  
8 accorded uniform treatment pursuant to this section:

- 9           a. up to one (1) week of pay, calculated by dividing the  
10           employee's current annual salary by the whole number  
11           fifty-two (52), for each year of service,
- 12           b. a maximum lump-sum payment of Five Thousand Dollars  
13           (\$5,000.00),
- 14           c. payment for accumulated sick leave or extended illness  
15           benefits at up to one-half of the employee's hourly  
16           rate not otherwise used pursuant to law for conversion  
17           to credited retirement credit, and
- 18           d. payment of health benefit premiums as provided by the  
19           Public Health Service Act, 42 U.S.C., Section 300bb-1  
20           et seq., for a period not to exceed eighteen (18)  
21           months. The agency shall not be authorized to make a  
22           cash payment to the employee in lieu of the payment by  
23           the agency of the cost of continued health care  
24           coverage for the employee; and

1           3. An employee may direct payment of all or a portion of the  
2 employee's voluntary out benefits to the options authorized by this  
3 paragraph by exercising an option to receive education vouchers for  
4 use in connection with the Reduction-in-Force Education Voucher  
5 Action Fund subject to the following requirements and rules of the  
6 Director of the Office of Management and Enterprise Services,  
7 provided that the agency offers to match employee voluntary out  
8 funds pursuant to this paragraph. In such case:

- 9           a. the employee may purchase One Dollar (\$1.00) in  
10 voucher credit for each One Dollar (\$1.00) contributed  
11 by the employee to the fund subject to a maximum  
12 employee contribution of Three Thousand Dollars  
13 (\$3,000.00) which may be matched by a maximum agency  
14 contribution of Three Thousand Dollars (\$3,000.00);  
15 provided, that the agency contribution shall not  
16 exceed the contribution of the employee,
- 17           b. the employee may pay the cost for the voucher program  
18 directly, subject to the requirements of subparagraph  
19 a of this paragraph, or the employing agency of the  
20 employee may pay the cost of the voucher from funds  
21 which would otherwise have been used to make payments  
22 to the displaced employee pursuant to an election by  
23 the employee to receive voluntary out benefits,
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1 c. no voucher issued pursuant to the provisions of this  
2 paragraph shall:

3 (1) be redeemed by the employee for cash or anything  
4 of value other than the cost of tuition and fees  
5 at a public or private educational institution  
6 within the State of Oklahoma, or

7 (2) be valid longer than a period of four (4) years  
8 from the date upon which the voucher is issued to  
9 the employee,

10 d. the Director of the Office of Management and  
11 Enterprise Services shall pay tuition and fees  
12 directly to the educational institution and shall  
13 receive any refunds for payment of tuition and fees  
14 from the educational institution which shall be  
15 credited to the employee's account, and

16 e. the Director of the Office of Management and  
17 Enterprise Services shall distribute to the affected  
18 employee and the agency any monies remaining in the  
19 employee's account after the voucher credit has  
20 expired. The distribution shall be based on the  
21 proportional share of contributions made by the  
22 employee and the agency.

23 B. Appointing authorities in agencies of the executive branch  
24 shall submit to the Director of the Office of Management and

1 Enterprise Services and any state employee association representing  
2 state employees at such time, prior to offering voluntary out  
3 benefits pursuant to this section, a plan with details on why the  
4 agency has determined a reduction-in-force is imminent, the  
5 anticipated impact of the imminent reduction-in-force on the agency  
6 or part of the agency, the voluntary out benefits the agency intends  
7 to offer pursuant to this section and their cost, and how the agency  
8 intends to execute the offer of the voluntary out benefits. The  
9 Director shall review the fiscal components of the plan and have ten  
10 (10) business days to disapprove it.

11 C. Part-time employees who are eligible to receive voluntary  
12 out benefits shall receive benefits pursuant to this section on a  
13 prorated basis. Part-time employees shall have been compensated for  
14 at least one thousand (1,000) hours during the twelve (12) months  
15 immediately preceding the separation of the employee due to the  
16 employee's acceptance of a voluntary out benefit.

17 D. An employee who accepts voluntary out benefits pursuant to  
18 this section shall not be eligible to accept any future voluntary  
19 out benefits pursuant to this section. Employees may receive more  
20 than one voluntary out benefit if their position is being abolished  
21 due to a reorganization and a reduction-in-force is imminent.

22 SECTION 2. This act shall become effective November 1, 2015.

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