

1 ENGROSSED HOUSE
2 BILL NO. 1474

By: Wood of the House

and

Shortey of the Senate

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

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
departments of all three branches of state government. Voluntary

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

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

8 a. payment equal to the employee's current health
9 insurance premium for the employee only for eighteen
10 (18) months based on the cost of the premium at the
11 time of the voluntary separation, and

12 b. a longevity payment, as prescribed by Section 840-2.18
13 of this title in the amount which would otherwise be
14 paid to the employee on the employee's next
15 anniversary date. For the purposes of this
16 subparagraph, the University Hospitals Authority shall
17 calculate longevity for employees who were members of
18 the University Hospitals Authority Model Personnel
19 System pursuant to Section 3211 of Title 63 of the
20 Oklahoma Statutes for all state service as would
21 otherwise be determined by Section 840-2.18 of this
22 title;

23 2. In addition to the voluntary out benefits provided by
24 paragraph 1 of this subsection, agencies may give employees, except

1 as otherwise provided by paragraph 3 of this subsection, voluntary
2 out benefit packages based on any combination of the following
3 options, provided that all employees who are separated as a result
4 of the agency offer of a voluntary out benefit pursuant to this
5 section in anticipation of the imminent reduction-in-force are
6 accorded uniform treatment pursuant to this section:

- 7 a. up to one (1) week of pay, calculated by dividing the
8 employee's current annual salary by the whole number
9 fifty-two (52), for each year of service,
- 10 b. a maximum lump-sum payment of Five Thousand Dollars
11 (\$5,000.00),
- 12 c. payment for accumulated sick leave or extended illness
13 benefits at up to one-half 1/2 of the employee's
14 hourly rate not otherwise used pursuant to law for
15 conversion to credited retirement credit, and
- 16 d. payment of health benefit premiums as provided by the
17 Public Health Service Act, 42 U.S.C., Section 300bb-1
18 et seq., for a period not to exceed eighteen (18)
19 months. The agency shall not be authorized to make a
20 cash payment to the employee in lieu of the payment by
21 the agency of the cost of continued health care
22 coverage for the employee; and

23 3. An employee may direct payment of all or a portion of the
24 employee's voluntary out benefits to the options authorized by this

1 paragraph by exercising an option to receive education vouchers for
2 use in connection with the Reduction-in-Force Education Voucher
3 Action Fund subject to the following requirements and rules of the
4 Director of the Office of Management and Enterprise Services,
5 provided that the agency offers to match employee voluntary out
6 funds pursuant to this paragraph. In such case:

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

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

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

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

21 B. Appointing authorities in agencies of the executive branch
22 shall submit to the Director of the Office of Management and
23 Enterprise Services and any state employee association representing
24 state employees at such time, prior to offering voluntary out

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

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

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

20 SECTION 2. This act shall become effective November 1, 2015.
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1 Passed the House of Representatives the 11th day of March, 2015.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2015.

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9 Presiding Officer of the Senate