

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 1641

By: Inman

AS INTRODUCED

An Act relating to state government; amending 74 O.S. 2011, Section 1332, which relates to the State Employees Disability Program; providing for certain eligibility for short-term disability plan; requiring certain assistance in rulemaking; providing exemption; providing for noncodification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

A. This act shall be known and may be cited as the "Paid Family Leave Act of 2017".

B. The Legislature finds and declares the following:

1. It is in the public benefit to provide family temporary disability insurance benefits to workers to care for their family members. The need for family temporary disability insurance benefits has intensified as the participation of both parents in the workforce has increased and the number of single parents in the workforce has grown. The need for partial wage replacement for

1 workers taking family care leave will be exacerbated as the  
2 population of those needing care, both children and parents of  
3 workers, increases in relation to the number of working-age adults;  
4 and

5 2. Developing systems that help families adapt to the competing  
6 interests of work and home not only benefits workers, but also  
7 benefits employers by increasing worker productivity and reducing  
8 employee turnover.

9 SECTION 2. AMENDATORY 74 O.S. 2011, Section 1332, is  
10 amended to read as follows:

11 Section 1332. A. The State and Education Employees Group  
12 Insurance Board shall establish a Disability Insurance Program for  
13 state employees. The program shall consist of a long-term  
14 disability plan and a short-term disability plan. Participation in  
15 the program shall be limited to state employees who have been state  
16 employees for a period of not less than one (1) month and who are  
17 eligible for enrollment in the Health Insurance Plan administered by  
18 the Board. No state employee shall be eligible to receive any  
19 benefits from the long-term disability program unless the state  
20 employee has used all of the sick leave of the employee.

21 B. Effective November 1, 2017, there shall be created as a  
22 component of the short-term disability plan, a parental short-term  
23 disability program, under which an employee on parental leave shall  
24 be eligible to receive short-term disability benefits, in addition

1 and prior to using any accrued leave. For the purposes of this  
2 section, an "employee on parental leave" means an employee on leave  
3 and who is eligible for such leave under the federal Family and  
4 Medical Leave Act because of:

- 5 1. The birth or adoption of a child;
- 6 2. The care for a seriously ill child, parent or spouse; or
- 7 3. The employee's own serious health condition.

8 Disability benefits under this subsection shall be subject to  
9 applicable limitations, offsets and reductions as promulgated by the  
10 Office of Management and Enterprise Services for the Disability  
11 Insurance Program.

12 C. The Board shall promulgate such rules as are necessary for  
13 adoption and administration of the Disability Insurance Program,  
14 including but not limited to benefit eligibility requirements,  
15 methods for computing benefit amounts, benefits amounts, and  
16 verification of medical and health status of employees applying for  
17 or receiving benefits. The Director of the Office of Management and  
18 Enterprise Services shall provide technical assistance as necessary  
19 for the Board's promulgation of rules incorporating benefits for  
20 parental leave into the rules for the Disability Insurance Program  
21 for state employees.

22 ~~B.~~ D. The Disability Insurance Program shall be funded from  
23 appropriations made by the Legislature. Employees shall not be  
24 required to make contributions to participate in the program.

1       ~~C.~~ E. Employee disability insurance coverage shall begin on  
2 March 1, 1986.

3       ~~D.~~ F. The Board shall establish a grievance procedure by which  
4 a three-member grievance panel ~~established in the same manner as~~  
5 ~~specified in paragraph 6 of Section 1306 of this title~~ shall act as  
6 an appeals body for complaints regarding the allowance and payment  
7 of claims, eligibility, and other matters. The grievance procedure  
8 provided by this subsection shall be the exclusive remedy available  
9 to persons having complaints against the insurer. Such grievance  
10 procedure shall be subject to the Oklahoma Administrative Procedures  
11 Act, including provisions for the review of agency decisions by the  
12 district court. The grievance panel shall schedule a hearing  
13 regarding the allowance and payment of claims, eligibility and other  
14 matters within sixty (60) days from the date the grievance panel  
15 receives a written request for a hearing. Upon written request to  
16 the grievance panel received not less than ten (10) days before the  
17 hearing date, the grievance panel shall cause a full stenographic  
18 record of the proceedings to be made by a licensed or certified  
19 court reporter at the insured employee's expense.

20       ~~E.~~ G. The Board may establish a claim processing division for  
21 claims administration or may contract for claims administration  
22 services with a private insurance carrier or a company that  
23 specializes in claims administration of any insurance that the Board  
24 may be directed to offer.

1       H. Disabled persons employed through a supported employment  
2 program as described in the federal Rehabilitation Act amendments of  
3 1992, and who are ineligible to receive temporary disability  
4 benefits because their pay is too low may elect to be exempt from  
5 the provisions of this section.

6       SECTION 3. This act shall become effective November 1, 2017.

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