

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 1792

By: McDugle

AS INTRODUCED

An Act relating to schools; amending 70 O.S. 2011, Section 26-105, which relates to flexible benefit allowance; providing certain amount of taxable compensation for certified personnel with separate health insurance who choose not to participate in the cafeteria plan; and providing an effective date.

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

SECTION 1. AMENDATORY 70 O.S. 2011, 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~~

1 Except as provided in this subsection, certified personnel who
2 choose not to participate in the school-district-sponsored cafeteria
3 plan shall receive Sixty-nine Dollars and seventy-one cents (\$69.71)
4 per month as taxable compensation in lieu of the flexible benefit
5 allowance amount provided in subsection B of this section. Support
6 personnel who choose not to participate in the school-district-
7 sponsored cafeteria plan shall receive One Hundred Eighty-nine
8 Dollars and sixty-nine cents (\$189.69) per month as taxable
9 compensation in lieu of the flexible benefit allowance amount
10 provided in subsection B of this section. Certified personnel who
11 choose not to participate in the school-district-sponsored cafeteria
12 plan and are currently covered by a separate group health insurance
13 plan or will be covered by a separate group health insurance plan at
14 or before the beginning of the next plan year shall receive taxable
15 compensation in lieu of the flexible benefit allowance amount
16 provided in subsection B of this section in the amount no less than
17 one hundred percent (100%) of the premium amount for the
18 HealthChoice (Hi) option plan for an individual offered by the State
19 and Education Employees Group Insurance Board for the current fiscal
20 year.

21 B. Each eligible school district employee shall be credited
22 annually with a specified amount as a flexible benefit allowance
23 which shall be available for the purchase of benefits. The amount
24 of the flexible benefit allowance credited to each eligible school

1 district employee shall be communicated to the employee prior to the
2 enrollment period for each plan year.

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

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

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

3 C. If a school district employee who is participating in the
4 cafeteria plan elects benefits whose sum total is less than the
5 flexible benefit allowance, the employee shall receive any excess
6 flexible benefit allowance as taxable compensation. Such taxable
7 compensation shall be paid in substantially equal amounts each pay
8 period over the plan year. Except as otherwise provided for in
9 subsection D of this section, on termination during a plan year, a
10 participating school district employee shall have no right to
11 receive any taxable cash compensation allocated to the portion of
12 the plan year after the termination of the employee.

13 D. In cases where the employee of a school district fulfills
14 the terms of their contract and terminates employment for the
15 subsequent year, the employee shall be entitled to the flexible
16 benefit allowance for the remainder of the current benefit term.
17 For purposes of this subsection, "benefit term" shall mean the
18 twelve-month period after the initiation of benefits for the
19 position held by the employee.

20 E. Each school district employee shall make an annual election
21 of benefits under the plan during an enrollment period to be held
22 prior to the beginning of each plan year. The enrollment period
23 dates will be determined annually and will be announced by the
24 school district, providing the enrollment period shall end no later

1 than thirty (30) days before the beginning of the plan year. Each
2 school district employee shall make an irrevocable advance election
3 for the plan year or the remainder of the plan year pursuant to
4 procedures the school district shall prescribe.

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

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

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

19 SECTION 2. This act shall become effective November 1, 2017.
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