

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1222

By: Hamilton

AS INTRODUCED

An Act relating to school district employee insurance; amending 70 O.S. 2021, Section 26-105, which relates to use of flexible benefit allowance; increasing opt-out amount for certain certified and support personnel; updating statutory references; and providing an effective date.

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

SECTION 1. AMENDATORY 70 O.S. 2021, Section 26-105, is amended to read as follows:

Section 26-105. A. 1. 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.

1 2. Certified personnel who choose not to participate in the
2 school-district-sponsored cafeteria plan prior to the effective date
3 of this act shall receive Sixty-nine Dollars and seventy-one cents
4 (\$69.71) per month as taxable compensation in lieu of the flexible
5 benefit allowance amount provided in subsection B of this section.

6 3. Support personnel who choose not to participate in the
7 school-district-sponsored cafeteria plan prior to the effective date
8 of this act shall receive One Hundred Eighty-nine Dollars and sixty-
9 nine cents (\$189.69) per month as taxable compensation in lieu of
10 the flexible benefit allowance amount provided in subsection B of
11 this section.

12 4. On and after the effective date of this act, certified and
13 support personnel who choose not to participate in the school-
14 district-sponsored cafeteria plan shall receive Five Hundred Dollars
15 (\$500.00) per month as taxable compensation in lieu of the flexible
16 benefit allowance amount provided in subsection B of this section.

17 B. Each eligible school district employee shall be credited
18 annually with a specified amount as a flexible benefit allowance
19 which shall be available for the purchase of benefits. The amount
20 of the flexible benefit allowance credited to each eligible school
21 district employee shall be communicated to the employee prior to the
22 enrollment period for each plan year.

23 1. For the fiscal year ending June 30, 2002, the flexible
24 benefit allowance amount for certified personnel shall be no less

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

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

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

23 C. If a school district employee who is participating in the
24 cafeteria plan elects benefits whose sum total is less than the

1 flexible benefit allowance, the employee shall receive any excess
2 flexible benefit allowance as taxable compensation. Such taxable
3 compensation shall be paid in substantially equal amounts each pay
4 period over the plan year. Except as otherwise provided for in
5 subsection D of this section, on termination during a plan year, a
6 participating school district employee shall have no right to
7 receive any taxable cash compensation allocated to the portion of
8 the plan year after the termination of the employee.

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

16 E. Each school district employee shall make an annual election
17 of benefits under the plan during an enrollment period to be held
18 prior to the beginning of each plan year. The enrollment period
19 dates will be determined annually and will be announced by the
20 school district, ~~providing~~ provided the enrollment period shall end
21 no later than thirty (30) days before the beginning of the plan
22 year. Each school district employee shall make an irrevocable
23 advance election for the plan year or the remainder of the plan year
24 pursuant to procedures the school district shall prescribe.

1 F. The school district shall prescribe the forms that school
2 district employees shall be required to use in making their
3 elections, and may prescribe deadlines and other procedures for
4 filing the elections.

5 G. School district employees hired after the closing of the
6 enrollment period shall be allowed to make an election as provided
7 in ~~this act~~ Section 26-101 et seq. of this title.

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

15 SECTION 2. This act shall become effective November 1, 2024.

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