

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE  
FOR

HOUSE BILL NO. 1769

By: Kerbs

COMMITTEE SUBSTITUTE

An Act relating to insurance; amending 70 O.S. 2021, Section 26-105, as amended by Section 3, Chapter 245, O.S.L. 2024 (70 O.S. Supp. 2024, Section 26-105), which relates to purchase of benefits by school district employees; clarifying type of plan for annual election; modifying enrollment period for benefits; allowing enrollment for additional benefits in certain circumstances; 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, as amended by Section 3, Chapter 245, O.S.L. 2024 (70 O.S. Supp. 2024, 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

1 cafeteria plan may be used to purchase any of the additional  
2 benefits offered by the school district or may be taken as taxable  
3 compensation as provided in subsection C of this section. Certified  
4 personnel who choose not to participate in the school-district-  
5 sponsored cafeteria plan shall receive Sixty-nine Dollars and  
6 seventy-one cents (\$69.71) per month as taxable compensation in lieu  
7 of the flexible benefit allowance amount provided in subsection B of  
8 this section. Support personnel who choose not to participate in  
9 the school-district-sponsored cafeteria plan shall receive One  
10 Hundred Eighty-nine Dollars and sixty-nine cents (\$189.69) per month  
11 as taxable compensation in lieu of the flexible benefit allowance  
12 amount provided in subsection B of this section.

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

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

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

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

19 C. If a school district employee who is participating in the  
20 cafeteria plan elects benefits whose sum total is less than the  
21 flexible benefit allowance, the employee shall receive any excess  
22 flexible benefit allowance as taxable compensation. Such taxable  
23 compensation shall be paid in substantially equal amounts each pay  
24 period over the plan year. Except as otherwise provided for in

1 subsection D of this section, on termination during a plan year, a  
2 participating school district employee shall have no right to  
3 receive any taxable cash compensation allocated to the portion of  
4 the plan year after the termination of the employee.

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

12 E. Each school district employee shall make an annual election  
13 of major medical health care plan benefits under the cafeteria plan  
14 during an enrollment period to be held ~~prior to the beginning of~~  
15 ~~each plan year~~ beginning November 1 and running until December 15.  
16 The enrollment period dates will be ~~determined annually and will be~~  
17 announced by the school district, ~~providing the enrollment period~~  
18 ~~shall end no later than thirty (30) days before the beginning of the~~  
19 ~~plan year.~~ Each school district employee shall make an irrevocable  
20 advance election for the plan year or the remainder of the plan year  
21 pursuant to procedures the school district shall prescribe.  
22 Notwithstanding, the enrollment period as set forth in this section  
23 shall only apply to an employee's enrollment in the school  
24 district's major medical health care plan, and shall not preclude

1 the enrollment of employees in additional benefits offered by the  
2 district on such dates as determined appropriate by the district.

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

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

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

17 SECTION 2. This act shall become effective November 1, 2025.  
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