

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 57th Legislature (2019)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2470

By: McCall of the House

and

**Thompson** of the Senate

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10                               COMMITTEE SUBSTITUTE

11           An Act relating to teachers; amending 70 O.S. 2011,  
12           Section 26-105, which relates to the flexible benefit  
13           allowance; increasing amount of compensation for  
14           certified personnel who do not participate in the  
15           health care plan; and providing an effective date.

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

17           SECTION 1.           AMENDATORY           70 O.S. 2011, Section 26-105, is  
18           amended to read as follows:

19           Section 26-105. A. The flexible benefit allowance shall be  
20           used by a school district employee who is participating in the  
21           cafeteria plan to purchase major medical health care plan coverage  
22           offered by the school district through a cafeteria plan. Any excess  
23           flexible benefit allowance over the cost of the major medical  
24           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)~~ Three Hundred Dollars (\$300.00) per month  
7 as taxable compensation in lieu of the flexible benefit allowance  
8 amount provided in subsection B of this section. Support personnel  
9 who choose not to participate in the school-district-sponsored  
10 cafeteria plan shall receive One Hundred Eighty-nine Dollars and  
11 sixty-nine cents (\$189.69) per month as taxable compensation in lieu  
12 of the flexible benefit allowance amount provided in subsection B of  
13 this section.

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

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

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 State  
7 and Education Employees Group Insurance Board. For the fiscal year  
8 ending June 30, 2003, and each fiscal year thereafter, the flexible  
9 benefit allowance amount for support personnel shall be no less than  
10 one hundred percent (100%) of the premium amount for the  
11 HealthChoice (Hi) option plan for an individual offered by the State  
12 and Education Employees Group Insurance 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 State and Education Employees Group  
18 Insurance 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~~ his or her contract and terminates employment for  
7 the 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 benefits under the plan during an enrollment period to be held  
14 prior to the beginning of each plan year. The enrollment period  
15 dates will be determined annually and will be announced by the  
16 school district, providing the enrollment period shall end no later  
17 than thirty (30) days before the beginning of the plan year. Each  
18 school district employee shall make an irrevocable advance election  
19 for the plan year or the remainder of the plan year pursuant to  
20 procedures the school district shall prescribe.

21 F. The school district shall prescribe the forms that school  
22 district employees shall be required to use in making their  
23 elections, and may prescribe deadlines and other procedures for  
24 filing the elections.

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

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

11       SECTION 2. This act shall become effective November 1, 2019.

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13 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
14 02/21/2019 - DO PASS, As Amended and Coauthored.

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