

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 POLICY COMMITTEE
4 RECOMMENDATION

5 FOR

6 HOUSE BILL NO. 1769

By: Kerbs

7 POLICY COMMITTEE RECOMMENDATION

8 An Act relating to insurance; amending 70 O.S. 2021,
9 Section 26-105, as amended by Section 3, Chapter 245,
10 O.S.L. 2024 (70 O.S. Supp. 2024, Section 26-105),
11 which relates to purchase of benefits by school
12 district employees; modifying enrollment period for
13 benefits; and providing an effective date.

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

15 SECTION 1. AMENDATORY 70 O.S. 2021, Section 26-105, as
16 amended by Section 3, Chapter 245, O.S.L. 2024 (70 O.S. Supp. 2024,
17 Section 26-105), is amended to read as follows:

18 Section 26-105. A. The flexible benefit allowance shall be
19 used by a school district employee who is participating in the
20 cafeteria plan to purchase major medical health care plan coverage
21 offered by the school district through a cafeteria plan. Any excess
22 flexible benefit allowance over the cost of the major medical
23 coverage purchased by the employee who is participating in the
24 cafeteria plan may be used to purchase any of the additional
benefits offered by the school district or may be taken as taxable

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

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

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

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

11 3. For the fiscal year ending June 30, 2005, and each fiscal
12 year thereafter, the flexible benefit allowance amount for certified
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 Oklahoma Employees Insurance and Benefits
16 Board.

17 C. If a school district employee who is participating in the
18 cafeteria plan elects benefits whose sum total is less than the
19 flexible benefit allowance, the employee shall receive any excess
20 flexible benefit allowance as taxable compensation. Such taxable
21 compensation shall be paid in substantially equal amounts each pay
22 period over the plan year. Except as otherwise provided for in
23 subsection D of this section, on termination during a plan year, a
24 participating school district employee shall have no right to

1 receive any taxable cash compensation allocated to the portion of
2 the plan year after the termination of the employee.

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

10 E. Each school district employee shall make an annual election
11 of benefits under the plan during an enrollment period to be held
12 ~~prior to the beginning of each plan year~~ beginning November 1 and
13 running until December 15. The enrollment period dates will be
14 ~~determined annually and will be~~ announced by the school district,
15 ~~providing the enrollment period shall end no later than thirty (30)~~
16 ~~days before the beginning of the plan year.~~ Each school district
17 employee shall make an irrevocable advance election for the plan
18 year or the remainder of the plan year pursuant to procedures the
19 school district shall prescribe.

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

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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, 2025.

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