

1 ENGROSSED HOUSE  
2 BILL NO. 1769

By: Kerbs of the House

3 and

4 Pederson of the Senate

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6  
7 An Act relating to insurance; amending 70 O.S. 2021,  
8 Section 26-105, as amended by Section 3, Chapter 245,  
9 O.S.L. 2024 (70 O.S. Supp. 2024, Section 26-105),  
10 which relates to purchase of benefits by school  
11 district employees; clarifying type of plan for  
12 annual election; modifying enrollment period for  
13 benefits; allowing enrollment for additional benefits  
14 in certain circumstances; and providing an effective  
15 date.

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

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

20 Section 26-105. A. The flexible benefit allowance shall be  
21 used by a school district employee who is participating in the  
22 cafeteria plan to purchase major medical health care plan coverage  
23 offered by the school district through a cafeteria plan. Any excess  
24 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

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

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

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

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

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.

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, 2025.

16 Passed the House of Representatives the 12th day of March, 2025.

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Presiding Officer of the House  
of Representatives

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21 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2025.

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Presiding Officer of the Senate

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