

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SENATE BILL 786

By: Jolley

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5
6 AS INTRODUCED

7 An Act relating to school funding; providing for
8 calculation of certain State Aid portions; providing
9 for distribution to school districts; directing
10 promulgation of rules; amending 70 O.S. 2011, Section
11 26-104, as amended by Section 1, Chapter 321, O.S.L.
12 2012 (70 O.S. Supp. 2014, Section 26-104), which
13 relates to funding for the flexible benefit
14 allowance; modifying reference to certain
15 appropriation; providing for codification; providing
16 an effective date; and declaring an emergency.

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

18 SECTION 1. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 18-200.1a of Title 70, unless
20 there is created a duplication in numbering, reads as follows:

21 A. Beginning with the 2015-2016 school year, and each school
22 year thereafter, each school district shall receive a portion of
23 State Aid calculated as follows:

24 1. Funding for the purpose of providing a flexible benefit
allowance to school district employees pursuant to Section 26-104 of
Title 70 of the Oklahoma Statutes;

1 2. Funding for the purpose of providing a bonus to teachers who
2 attain National Board certification pursuant to Section 6-204.2 of
3 Title 70 of the Oklahoma Statutes;

4 3. Funding for the purpose of providing a bonus to school
5 psychologists and speech-language pathologists or audiologists
6 pursuant to Section 6-206 of Title 70 of the Oklahoma Statutes;

7 4. Funding for the purpose of providing professional
8 development programs for certified teachers and administrators of
9 the district pursuant to Section 6-194 of Title 70 of the Oklahoma
10 Statutes;

11 5. Funding for the purpose of purchasing textbooks pursuant to
12 Section 16-114a of Title 70 of the Oklahoma Statutes;

13 6. Funding to implement the components of the Oklahoma Teacher
14 and Leader Effectiveness Evaluation System pursuant to Section 6-
15 101.10 of Title 70 of the Oklahoma Statutes;

16 7. Funding for alternative education pursuant to Section
17 1210.568 of Title 70 of the Oklahoma Statutes; and

18 8. Funding for administration of tests pursuant to Section
19 1210.508 of Title 70 of the Oklahoma Statutes.

20 B. The allocations provided for in subsection A of this section
21 shall be distributed by the State Board of Education as provided by
22 law.

23 C. The State Board of Education shall promulgate rules
24 necessary to implement the provisions of this section.

1 SECTION 2. AMENDATORY 70 O.S. 2011, Section 26-104, as
2 amended by Section 1, Chapter 321, O.S.L. 2012 (70 O.S. Supp. 2014,
3 Section 26-104), is amended to read as follows:

4 Section 26-104. A. Each fiscal year, the Legislature shall
5 appropriate adequate funding to the State Board of Education and the
6 State Board of Career and Technology Education for the purpose of
7 providing a flexible benefit allowance to school district employees
8 pursuant to this act. Unless the Legislature appropriates adequate
9 funding specifically for the purpose of providing a flexible benefit
10 allowance to school district employees, the Oklahoma State Board of
11 Education shall allocate from the funds appropriated to the Oklahoma
12 State Board of Education for the ~~support of public school activities~~
13 financial support of public schools an amount to fully fund the
14 flexible benefit allowance, which shall occur first prior to
15 allocating the funds for any other purpose. The amount appropriated
16 for funding and disbursed to school districts shall be calculated by
17 multiplying the number of eligible school district employees
18 employed by school districts which are participating in the health
19 insurance plan offered by the State and Education Employees Group
20 Insurance Board or are self-insured as counted in February of each
21 year by the amount of the flexible benefit allowance credited to the
22 eligible school employees as established in Section 26-105 of this
23 title. Each Board shall disburse the total amount appropriated for
24 funding the flexible benefit allowance to school districts during

1 the fiscal year. From the total amount appropriated, each Board
2 shall disburse the appropriate amounts, based on the number of
3 eligible school district employees employed by that school district,
4 to each school district.

5 B. Every school district shall establish or make available to
6 school district employees a cafeteria plan pursuant to 26 U.S.C.
7 Section 125 of the United States Code. The plan shall offer, as a
8 benefit, major medical health care plan coverage.

9 C. The flexible benefit allowance amount established pursuant
10 to Section 26-105 of this title shall be credited to each eligible
11 school district employee. School district employees shall elect
12 whether to use the flexible benefit allowance to pay for coverage in
13 the health insurance plan offered by the State and Education
14 Employees Group Insurance Board or the self-insured plan offered by
15 the school district and may receive the excess flexible benefit
16 allowance as taxable compensation as provided in Section 26-105 of
17 this title.

18 D. The administrator of the cafeteria plan shall maintain a
19 separate account for each participating school district employee.
20 School districts shall forward the school district employee flexible
21 benefit allowance amounts to the administrator for elected purchases
22 of cafeteria plan benefits.

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1 E. Expenses included in an employee's salary adjustment
2 agreement pursuant to the cafeteria plan shall be limited to
3 expenses for:

4 1. Premiums for any health insurance, health maintenance
5 organization, life insurance, long term disability insurance, dental
6 insurance or high deductible health benefit plan offered to
7 employees and their dependents; and

8 2. All other eligible benefit programs offered under 26 U.S.C.
9 Section 125 of the United States Code.

10 F. The flexible benefit allowance amount established in Section
11 26-105 of this title shall not be included as income in computation
12 of state retirement contributions and benefits or as part of the
13 Minimum Salary Schedule for teachers established in Section 18-
14 114.14 of this title. School districts shall not consider the
15 flexible benefit allowance amount as income for eligible support
16 employees and thereby shall not reduce the salary of an eligible
17 support employee.

18 SECTION 3. This act shall become effective July 1, 2015.

19 SECTION 4. It being immediately necessary for the preservation
20 of the public peace, health and safety, an emergency is hereby
21 declared to exist, by reason whereof this act shall take effect and
22 be in full force from and after its passage and approval.

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