

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 736

By: Floyd

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6 AS INTRODUCED

7 An Act relating to state employee benefits; amending  
8 74 O.S. 2011, Section 1332, which relates to the  
9 Disability Insurance Program; creating Paid Family  
10 Leave program; specifying compensation provided by  
11 program; providing definition; creating the Paid  
12 Family Leave Revolving Fund; specifying contents;  
13 directing use of funds; providing for codification;  
14 and providing an effective date.

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

16 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1332, is  
17 amended to read as follows:

18 Section 1332. A. The State and Education Employees Group  
19 Insurance Board (OSEEGIB) shall establish a Disability Insurance  
20 Program for state employees. The program shall consist of a long-  
21 term disability plan and a short-term disability plan.

22 Participation in the program shall be limited to state employees who  
23 have been state employees for a period of not less than one (1)  
24 month and who are eligible for enrollment in the Health Insurance  
Plan administered by the Board. No state employee shall be eligible  
to receive any benefits from the long-term disability program unless

1 the state employee has used all of the sick leave of the employee.  
2 The Board shall promulgate such rules as are necessary for adoption  
3 and administration of the Disability Insurance Program, including  
4 but not limited to benefit eligibility requirements, methods for  
5 computing benefit amounts, benefits amounts, and verification of  
6 medical and health status of employees applying for or receiving  
7 benefits.

8 B. Effective November 1, 2017, there shall be created, as a  
9 component of the short-term disability plan, the Paid Family and  
10 Leave program under which an employee on family leave shall be  
11 eligible to receive short-term disability benefits as provided by  
12 this section for a period not to exceed twenty (20) weeks.  
13 Employees shall be compensated by their employers at One Hundred  
14 Percent (100.00%) of base compensation for each hour of family and  
15 personal leave taken.

16 For the purposes of this section, an "employee on family leave"  
17 means an employee on leave and who is eligible for such leave  
18 because of:

19 1. The birth of a son or daughter of the employee and in order  
20 to care for such son or daughter;

21 2. The placement of a son or daughter with the employee for  
22 adoption or foster care by the employee;

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1       3. An illness or other ailment afflicting the employee's child,  
2 spouse, parent, grandparent, grandchild, sibling or domestic  
3 partner.

4       C. The Disability Insurance Program shall be funded from  
5 appropriations made by the Legislature; provided, the program  
6 created pursuant to subsection B shall be funded by payroll  
7 deductions from employees, based on the employee's income at rates  
8 approved by the Board. Employees shall not be required to make  
9 contributions to participate in the ~~program~~ Disability Insurance  
10 Program except as provided in Subsection B and C of this section.

11       ~~C.~~ D. Employee disability insurance coverage shall begin on  
12 March 1, 1986.

13       ~~D.~~ E. The Board shall establish a grievance procedure by which  
14 a three-member grievance panel ~~established in the same manner as~~  
15 ~~specified in paragraph 6 of Section 1306 of this title~~ shall act as  
16 an appeals body for complaints regarding the allowance and payment  
17 of claims, eligibility, and other matters. The grievance procedure  
18 provided by this subsection shall be the exclusive remedy available  
19 to persons having complaints against the insurer. Such grievance  
20 procedure shall be subject to the Oklahoma Administrative Procedures  
21 Act, including provisions for the review of agency decisions by the  
22 district court. The grievance panel shall schedule a hearing  
23 regarding the allowance and payment of claims, eligibility and other  
24 matters within sixty (60) days from the date the grievance panel

1 receives a written request for a hearing. Upon written request to  
2 the grievance panel received not less than ten (10) days before the  
3 hearing date, the grievance panel shall cause a full stenographic  
4 record of the proceedings to be made by a licensed or certified  
5 court reporter at the insured employee's expense.

6 ~~E.~~ F. The Board may establish a claim processing division for  
7 claims administration or may contract for claims administration  
8 services with a private insurance carrier or a company that  
9 specializes in claims administration of any insurance that the Board  
10 may be directed to offer.

11 SECTION 2. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 1336 of Title 74, unless there  
13 is created a duplication in numbering, reads as follows:

14 There is hereby created in the State Treasury a revolving fund  
15 for the State and Education Employees Group Insurance Board  
16 (OSEEGIB) to be designated the "Paid Family Leave Revolving Fund".  
17 The fund shall be a continuing fund, not subject to fiscal year  
18 limitations, and shall consist of all monies received by the Board  
19 from revenues derived from subsections B and C of Section 1 of this  
20 act. All monies accruing to the credit of the fund are hereby  
21 appropriated and may be budgeted and expended by the Board for the  
22 purpose of providing paid leave to employees of this state.  
23 Expenditures from the fund shall be made upon warrants issued by the  
24 State Treasurer against claims filed as prescribed by law with the

1 Director of the Office of Management and Enterprise Services for  
2 approval and payment.

3 SECTION 3. This act shall become effective November 1, 2017.

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