

**Representative Melvin R. Brown** proposes to substitute the following bill:

**STATE EMPLOYEE SICK LEAVE**

**AMENDMENTS**

2000 GENERAL SESSION

STATE OF UTAH

**Sponsor: Melvin R. Brown**

AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES; MODIFYING PROVISIONS GOVERNING THE USE OF UNUSED SICK LEAVE AT RETIREMENT; AND MAKING TECHNICAL CORRECTIONS.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**67-19-14**, as last amended by Chapter 64, Laws of Utah 1999

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **67-19-14** is amended to read:

**67-19-14. Sick leave -- Unused sick days -- Retirement program.**

(1) The director shall, as an incentive to reduce sick leave abuse, make rules governing procedures whereby, after an employee has accumulated 18 unused sick leave days, any sick days accumulated during any calendar year in excess of eight, at the option of that employee, may be carried as "converted sick leave" which the employee may use at a later date as annual leave, regular sick leave, or as paid-up health and medical insurance at the time of retirement on the basis of the payment by the employing department of one month's premium for each day of accumulated sick leave.

(2) (a) [(i)] The director shall make rules for the governance of a retirement program.

[(ii)] (b) Employing departments may offer [the] retirement [option] options to an employee.

[(iii)] (c) Employee participation in any part of the retirement program shall be entirely

26 voluntary.

27 ~~[(iv)]~~ (d) An employee must be eligible for retirement benefits to qualify for the program.

28 ~~[(b)(i)(A)]~~ (3)(a) When an employee retires, the program shall provide for the employee  
29 to be paid for 25% of the employee's unused accumulated sick leave at the employee's  
30 preretirement rate of pay.

31 ~~[(B)]~~ (b) An employee shall have the option of having all monies from the cashout under  
32 Subsection ~~[(b)(i)(A)]~~ (3)(a) transferred directly to the deferred compensation plan qualified under  
33 Section 401(k) of the Internal Revenue Code which is sponsored by the Utah State Retirement  
34 Board.

35 ~~[(ii)]~~ (4) The employing department shall also provide the same health and life insurance  
36 benefits the employee has at the time of retirement until the earlier of:

37 (a) when the employee becomes eligible for Medicare~~[- but this benefit may not exceed];~~  
38 or

39 (b) five [years' coverage] years from the date of retirement~~[- except as provided under~~  
40 ~~Subsection (2)(c)].~~

41 ~~[(c)(i)]~~ (5)(a) An employee ~~[whose]~~ who has unused sick leave, after the 25% cashout  
42 has been paid, ~~[exceeds the 60 days maximum for five-year coverage under Subsection (2)(b),]~~  
43 may:

44 (i) continue the health and life insurance, which the employee had at the time of  
45 retirement, at the rate of one month's coverage for each day of unused sick leave ~~[above the 60~~  
46 ~~days], but only to the age eligible for Medicare[- If the employee has reached the age eligible for~~  
47 ~~Medicare;];~~

48 (ii) continue coverage for the employee's spouse ~~[may continue under this Subsection~~  
49 ~~(2)(c)(i)]~~ until the employee's spouse reaches the age eligible for Medicare~~[- if the employee has~~  
50 ~~reached the age eligible for Medicare; and~~

51 ~~[(ii) An employee and the employee's spouse who are or who later become eligible for~~  
52 ~~Medicare may]~~

53 (iii) purchase Medicare supplemental insurance at the rate of one month's coverage for  
54 both the employee and the employee's spouse for each day of the employee's unused sick leave if  
55 the employee and the employee's spouse have reached the age eligible for Medicare.

56 (b) The coverages under this Subsection (5) are in addition to the coverage provided under

57 Subsection (4).

58       ~~[(d)]~~ (c) Any costs or savings for this act shall be borne by the agency and shall not be  
59 appropriated by the Legislature.

60       ~~[(3)]~~ (6) (a) The director shall make rules to provide a continuation of health and dental  
61 insurance to the surviving spouse and family of any state employee whose death occurs in the line  
62 of duty. The insurance coverage shall continue for a period of five years or until the surviving  
63 spouse becomes eligible for Medicare, whichever comes first.

64       (b) The rules shall also provide for the use of accumulated sick leave in the same manner  
65 as provided under ~~[Subsection (2)(b)]~~ Subsections (3) and (4).

66       (c) The costs of paying for the benefits under ~~[Subsections (3)(a) and (b)]~~ this Subsection  
67 (6) shall be included in the agency's budget request each year following the date of death of the  
68 employee.