

**Effective 7/1/2015**

**53A-19-401 Postemployment health insurance benefits restrictions -- Definitions -- Restrictions -- Exceptions.**

- (1) As used in this section:
  - (a) "Budgetary accounts" means the same as that term is defined in Section 51-5-3.
  - (b) "GASB" means the same as that term is defined in Section 51-5-3.
  - (c) "Liabilities" means the same as that term is defined in Section 51-5-3.
  - (d) "Postemployment" means the same as that term is defined in Section 51-5-3.
  - (e) "Postemployment health insurance benefits" means health insurance benefits:
    - (i) offered or promised to an employee for the employee's postemployment; or
    - (ii) continued into postemployment.
- (2) Except as provided under Subsection (3), a school district or charter school may not offer or provide a postemployment health insurance benefit to an employee who begins employment with the school district or charter school on or after July 1, 2015.
- (3) A school district or charter school may offer or provide postemployment health care insurance to employees if the school district or charter school:
  - (a) calculates the liabilities associated with postemployment health insurance benefits by applying GASB standards;
  - (b) recognizes current payments and all liabilities associated with the postemployment health insurance benefits in budgetary accounts;
  - (c) fully funds the annual required contributions associated with the postemployment health insurance benefits liabilities;
  - (d) establishes and implements a plan approved by the school district's local school board or charter school's governing board to catch up on any unfunded liabilities within no more than 20 years; and
  - (e) provides for ongoing payments against the postemployment health insurance liabilities as employees qualify for receiving the postemployment health insurance benefits.
- (4)
  - (a) Except as provided in Subsection (4)(b), if in a fiscal year, a school district or charter school fails to fully fund the annual required contributions described in Subsection (3)(c), the school district or charter school may not offer or provide a postemployment health insurance benefit for new employees beginning on the first day of that fiscal year.
  - (b) The provisions of Subsection (4)(a) do not apply if:
    - (i) for a school district only, the school district is imposing the maximum allowed local school board levy under Section 53A-17a-164;
    - (ii) the school district or charter school fully funds the annual required contributions, including any missed contributions, by the end of the fiscal year following the fiscal year of inadequate funding; or
    - (iii) no increase was approved by the Legislature in the weighted pupil unit as defined in Section 53A-17a-103 for the fiscal year the annual required contributions were not fully funded.

Enacted by Chapter 399, 2015 General Session