

**ANNUAL LEAVE ACCRUAL FOR STATE EMPLOYEES**

2000 GENERAL SESSION

STATE OF UTAH

**Sponsor: James R. Gowans**

AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES; MODIFYING CERTAIN PROVISIONS REGULATING CONVERSION OF ANNUAL LEAVE TO A DEFERRED COMPENSATION PLAN; AND MAKING TECHNICAL CORRECTIONS.

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

AMENDS:

**67-19-12.7**, as enacted by Chapter 125, Laws of Utah 1999

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

Section 1. Section **67-19-12.7** is amended to read:

**67-19-12.7. Accumulated annual leave -- Conversion to deferred compensation plan.**

(1) The department shall implement a program ~~[whereby]~~ that allows an employee ~~[may]~~, ~~[upon termination of employment or retirement,]~~ in each calendar year, to elect to convert [any unused] up to 20 hours or \$250 value of annual leave, whichever is less, into any of the employee's designated deferred compensation accounts that:

- (a) are sponsored by the Utah State Retirement Board; and
- (b) are qualified under Section 401(k) or Section 457 of the Internal Revenue Code.

(2) Any annual leave converted under Subsection (1) shall be converted into the employee's deferred compensation account at the employee's pay rate at the time of ~~[termination or retirement]~~ conversion.

(3) ~~[No]~~ An employee may not convert hours of accrued annual leave to the extent that any hours ~~[so]~~ converted would:

(a) exceed the maximum amount authorized by the Internal Revenue Code for each calendar year[-]; or

(b) cause the employee's balance of accumulated annual leave to drop below 320 hours.

(4) The employee's employing agency shall pay for the costs of any annual leave converted under Subsection (1).

