

1 **STATE EMPLOYEE SICK LEAVE**

2 **AMENDMENTS**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Melvin R. Brown**

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

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

10 AMENDS:

11 **67-19-14**, as last amended by Chapter 64, Laws of Utah 1999

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

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

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

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

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

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

24 (iii) Employee participation in any part of the retirement program shall be entirely
25 voluntary.

26 (iv) An employee must be eligible for retirement benefits to qualify for the program.

27 (b) (i) [(A)] When an employee retires, the program shall provide for the employee to be

28 paid for 25% of the employee's unused accumulated sick leave at the employee's preretirement rate
29 of pay.

30 ~~[(B)]~~ (ii) An employee shall have the option of having all monies from the cashout under
31 Subsection ~~(2)(b)(i)~~~~[(A)]~~ transferred directly to the deferred compensation plan qualified under
32 Section 401(k) of the Internal Revenue Code which is sponsored by the Utah State Retirement
33 Board.

34 ~~[(ii) The employing department shall also provide the same health and life insurance~~
35 ~~benefits the employee has at the time of retirement until the employee becomes eligible for~~
36 ~~Medicare, but this benefit may not exceed five years' coverage from the date of retirement, except~~
37 ~~as provided under Subsection (2)(c).]~~

38 (c) (i) An employee ~~[whose]~~ who has unused sick leave, after the 25% cashout has been
39 paid, ~~[exceeds the 60 days maximum for five-year coverage under Subsection (2)(b);]~~ may
40 continue the health and life insurance, which the employee had at the time of retirement, at the rate
41 of one month's coverage for each day of unused sick leave ~~[above the 60 days, but only to the age~~
42 ~~eligible for Medicare]~~. If the employee has reached the age eligible for Medicare, coverage for the
43 employee's spouse may continue under this Subsection (2)(c)(i) until the employee's spouse
44 reaches the age eligible for Medicare.

45 (ii) ~~[An] When an~~ employee and the employee's spouse ~~[who are or who later become~~
46 ~~eligible for Medicare may purchase Medicare supplemental insurance at the rate of one month's~~
47 ~~coverage for each day of the employee's unused sick leave]~~ both reach the age to be eligible for
48 Medicare, one day of the employee's sick leave may be used to purchase one month's coverage of
49 Medicare supplemental insurance.

50 ~~(d) (i) If an employee does not have any sick leave at the time of retirement, the employing~~
51 ~~department shall also provide the same health and life insurance benefits the employee has at the~~
52 ~~time of retirement until the employee becomes eligible for Medicare.~~

53 ~~(ii) The benefit under Subsection (2)(d)(i) may not exceed five years coverage from the~~
54 ~~date of retirement.~~

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

57 (3) (a) The director shall make rules to provide a continuation of health and dental
58 insurance to the surviving spouse and family of any state employee whose death occurs in the line

59 of duty. The insurance coverage shall continue for a period of five years or until the surviving
60 spouse becomes eligible for Medicare, whichever comes first.

61 (b) The rules shall also provide for the use of accumulated sick leave in the same manner
62 as provided under Subsection (2)(b).

63 (c) The costs of paying for the benefits under Subsections (3)(a) and (b) shall be included
64 in the agency's budget request each year following the date of death of the employee.

Legislative Review Note
as of 2-10-00 5:12 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel