1   # ANNUAL LEAVE CONVERSION FOR STATE

2   # EMPLOYEES

3   2001 GENERAL SESSION

4   STATE OF UTAH

5   **Sponsor: James R. Gowans**

6   **This act modifies code provisions relating to state officer and employee benefits. This act**

7   **modifies certain provisions regulating conversion of annual leave to a deferred compensation**

8   **plan and makes technical corrections.**

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

10   AMENDS:

11   **67-19-12.7**, as enacted by Chapter 125, Laws of Utah 1999

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

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

14   **67-19-12.7. Accumulated annual leave -- Conversion to deferred compensation plan.**

15   (1) The department shall implement a program [whereby] that allows an employee [may],

16   [upon termination of employment or retirement,] in each calendar year, to elect to convert [any

17   unused] up to 20 hours or $250 value of annual leave, whichever is less, into any of the employee's

18   designated deferred compensation accounts that:

19   (a) are sponsored by the Utah State Retirement Board; and

20   (b) are qualified under Section 401(k) or Section 457 of the Internal Revenue Code.

21   (2) Any annual leave converted under Subsection (1) shall be converted into the

22   employee's deferred compensation account at the employee's pay rate at the time of [termination

23   or retirement] conversion.

24   (3) [No] An employee may not convert hours of accrued annual leave to the extent that any

25   hours [so] converted would:

26   (a) exceed the maximum amount authorized by the Internal Revenue Code for each

27   calendar year[.]; or

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

29   ĥ [(4) The employee's employing agency shall pay for the costs of any annual leave converted

30   under Subsection (1).] ĥ

Legislative Review Note
as of 12-7-00 10:03 AM

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

<div align="right">

Office of Legislative Research and General Counsel

</div>