

SICK LEAVE AMENDMENTS

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: Gene Davis

This act modifies the State Officers and Employees Code by modifying provisions governing the use of unused sick leave at retirement. This act also makes technical corrections to the code.

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 voluntary.

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

~~(b)(i)(A)~~ (3) (a) When an employee retires, the program shall provide for the employee



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

30 ~~[(B)]~~ (b) An employee shall have the option of having all monies from the cashout under
31 Subsection ~~[(b)(i)(A)]~~ (3)(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)]~~ (4) The employing department shall also provide the same health and life insurance
35 benefits the employee has at the time of retirement until the earlier of:

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

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

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

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

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

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

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

55 (b) The coverages under this Subsection (5) are in addition to the coverage provided under
56 Subsection (4).

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

59 [~~(3)~~] (6) (a) The director shall make rules to provide a continuation of health and dental
60 insurance to the surviving spouse and family of any state employee whose death occurs in the line
61 of duty. The insurance coverage shall continue for a period of five years or until the surviving
62 spouse becomes eligible for Medicare, whichever comes first.

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

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

Legislative Review Note
as of 1-29-01 11:35 AM

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

Office of Legislative Research and General Counsel