

59 set aside the cost of each hour of annual leave II for each eligible employee in an amount
60 determined in accordance with rules made by the Division of Finance.

61 (b) The rules made under Subsection (4)(a) shall consider:

62 (i) the employee hourly rate of pay;

63 (ii) applicable employer paid taxes that would be required if the employee was paid for
64 the annual leave II instead of using it for time off;

65 (iii) other applicable employer paid benefits; and

66 (iv) adjustments due to employee hourly rate changes, including the effect on accrued
67 annual leave II balances.

67a **§→ (c) The Division of Finance shall provide that the amount of costs set aside under**
67b **Subsection (4)(a) and deposited into the fund increase by at least the projected increase in**
67c **annual leave liability for that year, until the year-end trust fund balances are reached as**
67d **required under Subsection 67-19f-201(3)(b). ←§**

68 (5) The cost set aside under Subsection (4) shall be deposited by the Division of
69 Finance into the State Employees' Annual Leave [~~Program H~~] Trust Fund created in Section
70 67-19f-201.

71 (6) For annual leave hours accrued before the change date, an employing agency shall
72 continue to comply with the Division of Finance requirements for contributions to the
73 termination pool.

74 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:

75 (a) the department shall make rules for the accrual and use of annual leave II provided
76 under this section; and

77 (b) the Division of Finance shall make rules for the set aside provisions under
78 Subsections (4) and (5).

79 Section 2. Section 67-19f-101 is amended to read:

80 **CHAPTER 19f. STATE EMPLOYEES' ANNUAL LEAVE**
81 **TRUST FUND ACT**

82 **67-19f-101. Title.**

83 This chapter is known as the "State Employees' Annual Leave [~~Program H~~] Trust Fund
84 Act."

85 Section 3. Section 67-19f-102 is amended to read:

86 **67-19f-102. Definitions.**

87 As used in this chapter:

88 (1) "Annual leave II" is as defined in Section 67-19-14.6.

89 (2) "Board of trustees" or "board" means the board of trustees created in Section

90 [67-19f-202](#).

91 (3) "Income" means the revenues received by the state treasurer from investments of
92 the trust fund principal.

93 (4) "Trust fund" means the State Employees' Annual Leave [~~Program H~~] Trust Fund
94 created in Section [67-19f-201](#).

95 Section 4. Section **67-19f-201** is amended to read:

96 **67-19f-201. Trust fund -- Creation -- Oversight -- Dissolution.**

97 (1) There is created a trust fund entitled the "State Employees' Annual Leave [~~Program~~
98 H] Trust Fund."

99 (2) The trust fund consists of:

100 (a) ongoing revenue provided from a state agency set aside for accrued annual leave II
101 required under Section [67-19-14.6](#);

102 (b) appropriations made to the trust fund by the Legislature, if any;

103 (c) transfers from the termination pool described in Subsection [67-19-14.6\(6\)](#) made by
104 the Division of Finance to the trust fund for annual leave liabilities accrued before the change
105 date established under Section [67-19-14.6](#);

106 [~~(c)~~] (d) income; and

107 [~~(d)~~] (e) revenue received from other sources.

108 (3) ~~§~~→ (a) ←~~§~~ The Division of Finance shall account for the receipt and expenditures of
108a trust fund
109 money.

109a ~~§~~→ (b) **The Division of Finance shall make the necessary adjustments to the amount of**
109b **set aside costs required under Subsection [67-19-14.6\(4\)\(a\)](#) to provide that upon the trust fund's**
109c **accrual of funding equal to 10% of the annual leave liability, year-end trust fund balances**
109d **remain equal to at least 10% of the total state employee annual leave liability.** ←~~§~~

110 (4) (a) The state treasurer shall invest trust fund money by following the procedures
111 and requirements of Part 3, Investment of Trust Funds.

112 (b) (i) The trust fund shall earn interest.

113 (ii) The state treasurer shall deposit all interest or other income earned from investment
114 of the trust fund back into the trust fund.

115 (5) The board of trustees created in Section [67-19f-202](#) may expend money from the
116 trust fund for:

117 (a) reimbursement to the employer of the costs paid to the trust fund in accordance
118 with Section [67-19-14.6](#) as annual leave II is used by an employee; [~~and~~]

119 (b) payments based on accrued annual leave and on accrued annual leave II that are
120 made upon termination of an employee; and