

Representative Mike K. McKell proposes the following substitute bill:

LINE-OF-DUTY DEATH BENEFITS AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike K. McKell

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies the Public Safety Code by amending line-of-duty death benefits provisions.

Highlighted Provisions:

This bill:

- ▶ repeals a provision that discontinues employer paid health coverage for a surviving spouse of a peace officer or firefighter who dies in the line of duty when the surviving spouse remarries;
 - ▶ specifies procedures and requirements for an employer to participate in and be covered from the Local Public Safety and Firefighter Surviving Spouse Trust Fund;
- and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides for retrospective operation.

Utah Code Sections Affected:

AMENDS:



26 [53-17-201](#), as enacted by Laws of Utah 2015, Chapter 166

27 [53-17-301](#), as enacted by Laws of Utah 2015, Chapter 166

28

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

30 Section 1. Section **53-17-201** is amended to read:

31 **53-17-201. Surviving spouse and children health coverage for line-of-duty death.**

32 (1) (a) Subject to Subsection (1)(b), and in accordance with this section, an employer
33 shall allow the surviving spouse and children of a member whose death is classified by the
34 Utah State Retirement Office as a line-of-duty death under the provisions of Title 49, Utah
35 State Retirement and Insurance Benefit Act, to remain eligible for health coverage under the
36 employer's group health plan as if the surviving spouse was an employee of the employer.

37 (b) (i) The employer shall pay 100% of the premium costs and, if the health coverage is
38 a high-deductible plan, the employer share of any contribution into a health savings account for
39 the surviving spouse and dependent children as described under Subsections (1)(a) and (2), and
40 may not require payment from the surviving spouse for premium costs or health savings
41 account contributions as a condition of qualifying to continue to receive the health coverage.

42 (ii) For the first 24 months after the line-of-duty death, the employer shall pay the
43 amount specified under Subsection (1)(b)(i).

44 (iii) Beginning 25 months after the line-of-duty death, an employer may pay the
45 amount specified under Subsection (1)(b)(i) through a cost-sharing agreement under Section
46 [53-17-301](#) associated with the trust fund created under Section [~~53-17-301~~] [53-17-401](#).

47 (2) An employer shall allow a surviving spouse and children to remain eligible to
48 receive health coverage from the employer under this section at the option of the surviving
49 spouse [~~until~~]:

50 (a) for health coverage for the surviving spouse, until the surviving spouse [~~remarries~~
51 ~~or~~] becomes eligible for Medicare [~~whichever come first~~]; and

52 (b) [~~a~~] for health coverage of a child, until the child reaches the age of 26.

53 (3) This section does not apply to a member who:

54 (a) does not qualify for a line-of-duty death benefit under [~~the provisions of~~] Title 49,
55 Utah State Retirement and Insurance Benefit Act;

56 (b) at the time of death, did not receive or qualify to receive employer group health

57 coverage; or

58 (c) is covered under ~~[the provisions of]~~ Section 49-20-406.

59 Section 2. Section 53-17-301 is amended to read:

60 **53-17-301. Cost-sharing agreements -- Deadlines -- Terms -- Reports --**

61 **Rulemaking.**

62 (1) An employer may elect ~~[until June 30, 2017,]~~ to participate in the trust fund by:

63 (a) entering into a cost-sharing agreement with the commissioner under this section;

64 and

65 (b) paying the cost-sharing rate determined by the board.

66 (2) (a) An employer that does not participate in the trust fund by entering into a
67 cost-sharing agreement in accordance with this section, shall pay the full amount required
68 under Subsection 53-17-201(1)(b)(i).

69 (b) Subject to the terms of the cost-sharing agreement, an employer that elects to
70 participate in accordance with this section, and stays current with its payments, shall be
71 considered to have paid the employer's full obligation under Subsection 53-17-201(1)(b)(i).

72 (c) An employer that elects to participate in accordance with this section and that does
73 not stay current with its payments may not be covered from the trust fund ~~[for more than the
74 employer's actual contributions to the trust fund, without interest earnings]~~.

75 (3) An employer that elects to participate in the trust fund before July 1, 2017, shall be
76 covered from the trust fund for a line-of-duty death that occurs on or after July 1, 2015.

77 (4) If an employer does not elect to participate in the trust fund before July 1, 2017:

78 (a) the employer may elect to participate during an annual open enrollment period as
79 established by the board; and

80 (b) the employer may not be covered from the trust fund for a line-of-duty death that
81 occurs during a period of time when the employer is not a participant in the trust fund.

82 ~~[(3)]~~ (5) The commissioner shall:

83 (a) in consultation with the board, establish a form and language for a cost-sharing
84 agreement required to use trust funds in accordance with this section;

85 (b) as directed by the board, assess the annual fee amount established by the board;

86 (c) prepare and submit to the governor and the Legislature, by October 1 of each year,
87 an annual written report of the trust fund, including its balance, expenditures, and revenues,

88 and the operations and activities of the board under this chapter; and

89 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,

90 make rules to implement this chapter.

91 Section 3. **Retrospective operation.**

92 The amendments to Section [53-17-201](#) in this bill have retrospective operation to July

93 1, ~~2015~~ 2005, and create eligibility for benefits beginning on the effective date
93a of this bill.