By the Committee on Education and Senator McKay

304-1697-99

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A bill to be entitled An act relating to education; amending s. 231.40, F.S.; providing for payment into pretax annuities for accumulated sick leave to certain employees of district school systems; limiting the amount of pay certain employees of district school systems may receive for unused sick leave upon termination of employment; amending s. 231.481, F.S.; limiting the amount of pay certain employees of district school systems may earn for unused vacation leave upon termination of employment; amending s. 240.343, F.S.; providing for community college district boards of trustees to adopt rules allowing payment for unused sick leave into pretax annuities; limiting the amount of pay certain employees of community college districts may receive for unused sick leave upon termination of employment; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Paragraph (a) of subsection (3) of section 231.40, Florida Statutes, 1998 Supplement, is amended to read: 231.40 Sick leave.--(3) PROVISIONS GOVERNING SICK LEAVE. -- The following provisions shall govern sick leave: (a) Extent of leave.--

1. Each member of the instructional staff employed on a full-time basis shall be entitled to 4 days of sick leave as 31 of the first day of employment of each contract year and shall

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thereafter earn 1 day of sick leave for each month of employment, which shall be credited to the member at the end of that month and which shall not be used prior to the time it is earned and credited to the member. Each other employee shall be credited with 4 days of sick leave at the end of the first month of employment of each contract year and shall thereafter be credited for 1 day of sick leave for each month of employment, which shall be credited to the employee at the end of the month and which shall not be used prior to the time it is earned and credited to the employee. However, each member of the instructional staff and each other employee shall be entitled to earn no more than 1 day of sick leave times the number of months of employment during the year of employment. If the employee terminates his or her employment and has not accrued the 4 sick days available to him or her, the school board may withhold the average daily amount for the sick days used utilized but unearned by the employee. Such leave shall be taken only when necessary because of sickness as herein prescribed. Such sick leave shall be cumulative from year to year. There shall be no limit on the number of days of sick leave which a member of the instructional staff or an educational support employee may accrue, except that at least one-half of this cumulative leave must be established within the district granting such leave.

- 2. A school board may establish policies and prescribe standards to permit an employee to be absent 6 days each school year for personal reasons. However, such absences for personal reasons shall be charged only to accrued sick leave, and leave for personal reasons shall be noncumulative.
- 3. District school boards are authorized to adopt 31 rules permitting the annual payment for accumulated sick leave

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that is earned for that year and that is unused at the end of the school year, based on the daily rate of pay of the employee multiplied by up to 80 percent. Days for which such payment is received shall be deducted from the accumulated leave balance. Such annual payment may apply only to instructional staff and educational support employees, except that, for any district school board employee classified as an administrator, in lieu of such authorized cash payment that same amount may be contributed annually by the employer, upon request by the employee, to an approved pretax annuity in the name of the employee, pursuant to rules of the school board and in compliance with federal tax laws and regulations.

- A school board may establish policies to provide terminal pay for accumulated sick leave to instructional staff and educational support employees of the district school board. If termination of employment is by death of the employee, any terminal pay to which the employee may have been entitled may be made to his or her beneficiary. However, such terminal pay shall not exceed an amount determined as follows:
- During the first 3 years of service, the daily rate of pay multiplied by 35 percent times the number of days of accumulated sick leave.
- During the next 3 years of service, the daily rate of pay multiplied by 40 percent times the number of days of accumulated sick leave.
- During the next 3 years of service, the daily rate of pay multiplied by 45 percent times the number of days of accumulated sick leave.
- During the next 3 years of service, the daily rate of pay multiplied by 50 percent times the number of days of 31 accumulated sick leave.

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- During and after the 13th year of service, the daily rate of pay multiplied by 100 percent times the number of days of accumulated sick leave.
- 5. A school board may establish policies to provide terminal pay for accumulated sick leave to any full-time employee of the district school board other than instructional staff or educational support employees as defined in this section. If termination of the employee is by death of the employee, any terminal pay to which the employee may have been entitled may be made to the employee's beneficiary.
- a. However, for such employees hired on or after July 1, 1995, Terminal pay shall not exceed an amount determined as follows:
- a. one-fourth of all unused sick leave accumulated on or after July 1, 1999, and may 1995; however, terminal pay allowable for such accumulated sick leave shall not exceed a maximum of 60 days of actual payment, in addition to the total amount of any disbursements that have been made at the end of each year pursuant to subparagraph 3. This limit does not impair any contractual agreement established before July 1, 1999; however, a previously established contract renewed on or after July 1, 1999, shall be considered a new contract.
- For unused sick leave accumulated before prior to July 1, 1999 1995, terminal payment shall be made pursuant to a district school board's policies, contracts, or rules that which are in effect on June 30, 1999 July 1, 1995.
- Section 2. Section 231.481, Florida Statutes, is amended to read:
- 231.481 Terminal pay for accrued vacation leave. -- A district school board may establish policies to provide for a 31 | lump-sum payment for accrued vacation leave to an employee of

 the school board upon termination of employment or upon retirement, or to the employee's beneficiary if service is terminated by death. Effective July 1, 1999 1995, terminal pay for accrued vacation leave may not exceed a maximum of 60 days of actual payment for employees hired on or after that date. This limit does not impair any contractual agreement established before July 1, 1999. For unused vacation leave accumulated before July 1, 1999, terminal payment shall be made pursuant to the district school board's policies, contracts, or rules that are in effect on June 30, 1999.

Section 3. Paragraph (e) of subsection (2) of section 240.343, Florida Statutes, is amended, and paragraph (f) is added to that subsection, to read:

240.343 Sick leave.—Each community college district board of trustees shall adopt rules whereby any full—time employee who is unable to perform his or her duties at the college on account of personal sickness, accident disability, or extended personal illness, or because of illness or death of the employee's father, mother, brother, sister, husband, wife, child, or other close relative or member of the employee's own household, and who consequently has to be absent from work shall be granted leave of absence for sickness by the president or by the president's designated representative. The following provisions shall govern sick leave:

- (2) EXTENT OF LEAVE WITH COMPENSATION. --
- (e) For full-time employees other than instructional staff or educational support employees, the board of trustees may, by rule, authorize accumulated sick leave that is earned during the year and is unused at the end of that year to be paid into an approved pretax annuity. The amount paid annually

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into a pretax annuity may not exceed an amount equal to 80 percent of the accumulated sick leave multiplied by the employee's daily rate of pay for the time the sick leave was accumulated. Such payments must be made pursuant to the rules of the board of trustees and must comply with federal tax law. An employee eligible under such rules has the option to participate provided the amount of sick leave for which payment is made into a pretax annuity shall be deducted from the employee's accumulated unused sick leave balance. A board of trustees may establish rules or policies to provide terminal pay for accumulated sick leave to any full-time employee of a community college other than instructional staff or educational support employees as defined in this section. If termination of employment is by death of the employee, any terminal pay to which the employee may have been entitled may be made to the employee's beneficiary. However, for such employees hired on or after July 1, 1995, terminal pay shall not exceed an amount determined as follows:

- 1. One-fourth of all unused sick leave accumulated on or after July 1, 1995; however, terminal pay allowable for such accumulated sick leave shall not exceed a maximum of 60 days of actual payment.
- 2. For unused sick leave accumulated prior to July 1, 1995, terminal payment shall be made pursuant to a board of trustees' policies which are in effect on July 1, 1995.
- (f) The board of trustees may, by rule, provide for terminal pay for accumulated unused sick leave to be paid to any full-time employee of a community college, other than instructional staff or educational support employees. If termination of employment is by death of the employee, any

terminal pay to which the employee may have been entitled shall be made to the employee's beneficiary. 1. For unused sick leave accumulated before July 1, 1999, terminal payment shall be made pursuant to rules or policies of the board of trustees which are in effect on June 30, 1999. 2. For unused sick leave accumulated on or after July 1, 1999, terminal payment may not exceed an amount equal to one-fourth of the employee's unused sick leave or 60 days of the employee's pay, whichever amount is less. Section 4. This act shall take effect July 1, 1999. STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR SB 802 Terminal pay for unused vacation leave accumulated before July 1, 1999, to district school board employees would be made according to policies, contracts, or rules in effect on June 30, 1999. Terminal pay for unused sick leave accumulated before July 1, 1999, to school board employees other than instructional staff or educational support staff would be made according to policies, contracts, or rules in effect on June 30, 1999 30, 1999.