

By Senator McKay

26-14-00

1 A bill to be entitled
2 An act relating to education; amending s.
3 231.40, F.S.; providing for payment into pretax
4 annuities for accumulated sick leave to certain
5 employees of district school systems; limiting
6 the amount of pay certain employees of district
7 school systems may receive for unused sick
8 leave upon termination of employment; amending
9 s. 231.481, F.S.; limiting the amount of pay
10 certain employees of district school systems
11 may earn for unused vacation leave upon
12 termination of employment; amending s. 240.343,
13 F.S.; providing for community college district
14 boards of trustees to adopt rules allowing
15 payment for unused sick leave into pretax
16 retirement accounts; limiting the amount of pay
17 certain employees of community college
18 districts may receive for unused sick leave
19 upon termination of employment; providing an
20 effective date.
21
22 WHEREAS, the taxpayers of Florida are faced with a \$2
23 billion unfunded liability for the payment of accrued leave in
24 the public education sector, and
25 WHEREAS, this financial burden is shared among all the
26 taxpayers in the state, and
27 WHEREAS, a redirection of our state education focus
28 must include a discussion of the appropriation combination of
29 salary and benefits, and
30 WHEREAS, an investment in the classroom for future
31 generations of citizens must balance the interest and needs of

1 children with the interest and needs of educators and
2 taxpayers, and

3 WHEREAS, the Legislature finds that in 1992-1993, the
4 total amount of terminal pay provided to administrative
5 employees was approximately \$8.4 million (29.3 percent of all
6 terminal pay), and, on average, administrative employees
7 received terminal pay in amounts equal to 67 percent of their
8 annual salary, and

9 WHEREAS, the Legislature finds that in 1992-1993, the
10 total amount of terminal pay provided to support staff was
11 approximately \$13 million (20.7 percent of all terminal pay),
12 and on average, support staff received terminal pay in amounts
13 equal to 24 percent of their annual salary, and

14 WHEREAS, the Legislature finds that the total terminal
15 pay for sick leave for school board employees in 1995-1996 was
16 \$23,979,970.45; in 1996-1997 the cost was \$33,082,494.47; in
17 1997-1998 the cost was \$27,364,388.59, and

18 WHEREAS, the Legislature finds that a 1993 report by
19 three Senate committees noted that the school district and
20 community college terminal sick leave payment schedules were
21 more generous than the terminal leave payment schedule for
22 state employees, and the report recommended that the terminal
23 sick leave payments remain more generous for instructional
24 staff than for administrative and other noninstructional
25 employees, and

26 WHEREAS, the Legislature concludes that in order to
27 better serve the funding needs for educating the children of
28 Florida, terminal pay for sick leave must be addressed in an
29 expeditious manner, NOW, THEREFORE,

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31 Be It Enacted by the Legislature of the State of Florida:

1 Section 1. Paragraph (a) of subsection (3) of section
2 231.40, Florida Statutes, is amended to read:

3 231.40 Sick leave.--

4 (3) PROVISIONS GOVERNING SICK LEAVE.--The following
5 provisions shall govern sick leave:

6 (a) Extent of leave.--

7 1. Each member of the instructional staff employed on
8 a full-time basis shall be entitled to 4 days of sick leave as
9 of the first day of employment of each contract year and shall
10 thereafter earn 1 day of sick leave for each month of
11 employment, which shall be credited to the member at the end
12 of that month and which shall not be used prior to the time it
13 is earned and credited to the member. Each other employee
14 shall be credited with 4 days of sick leave at the end of the
15 first month of employment of each contract year and shall
16 thereafter be credited for 1 day of sick leave for each month
17 of employment, which shall be credited to the employee at the
18 end of the month and which shall not be used prior to the time
19 it is earned and credited to the employee. However, each
20 member of the instructional staff and each other employee
21 shall be entitled to earn no more than 1 day of sick leave
22 times the number of months of employment during the year of
23 employment. If the employee terminates his or her employment
24 and has not accrued the 4 sick days available to him or her,
25 the school board may withhold the average daily amount for the
26 sick days used ~~utilized~~ but unearned by the employee. Such
27 leave shall be taken only when necessary because of sickness
28 as herein prescribed. Such sick leave shall be cumulative
29 from year to year. There shall be no limit on the number of
30 days of sick leave which a member of the instructional staff
31 or an educational support employee may accrue, except that at

1 least one-half of this cumulative leave must be established
2 within the district granting such leave.

3 2. A school board may establish policies and prescribe
4 standards to permit an employee to be absent 6 days each
5 school year for personal reasons. However, such absences for
6 personal reasons shall be charged only to accrued sick leave,
7 and leave for personal reasons shall be noncumulative.

8 3. District school boards are authorized to adopt
9 rules permitting the annual payment for accumulated sick leave
10 that is earned for that year and that is unused at the end of
11 the school year, based on the daily rate of pay of the
12 employee multiplied by up to 80 percent. Days for which such
13 payment is received shall be deducted from the accumulated
14 leave balance. However, for any full-time employee of the
15 district school board other than instructional staff or an
16 educational support employee as defined in this section, in
17 lieu of such authorized cash payment, that same amount may be
18 contributed annually by the employer, upon request by the
19 employee, to an approved pretax retirement account in the name
20 of the employee, pursuant to rules of the school board and in
21 compliance with federal tax laws and regulations.~~Such annual~~
22 ~~payment may apply only to instructional staff and educational~~
23 ~~support employees.~~

24 4. A school board may establish policies to provide
25 terminal pay for accumulated sick leave to instructional staff
26 and educational support employees of the district school
27 board. If termination of employment is by death of the
28 employee, any terminal pay to which the employee may have been
29 entitled may be made to his or her beneficiary. However, such
30 terminal pay shall not exceed an amount determined as follows:

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1 a. During the first 3 years of service, the daily rate
2 of pay multiplied by 35 percent times the number of days of
3 accumulated sick leave.

4 b. During the next 3 years of service, the daily rate
5 of pay multiplied by 40 percent times the number of days of
6 accumulated sick leave.

7 c. During the next 3 years of service, the daily rate
8 of pay multiplied by 45 percent times the number of days of
9 accumulated sick leave.

10 d. During the next 3 years of service, the daily rate
11 of pay multiplied by 50 percent times the number of days of
12 accumulated sick leave.

13 e. During and after the 13th year of service, the
14 daily rate of pay multiplied by 100 percent times the number
15 of days of accumulated sick leave.

16 5. A school board may establish policies to provide
17 terminal pay for accumulated sick leave to any full-time
18 employee of the district school board other than instructional
19 staff or educational support employees as defined in this
20 section. If termination of the employee is by death of the
21 employee, any terminal pay to which the employee may have been
22 entitled may be made to the employee's beneficiary.

23 ~~a. However, for such employees hired on or after July~~
24 ~~1, 1995, Terminal pay shall not exceed an amount determined as~~
25 ~~follows:~~

26 ~~a. one-fourth of all unused sick leave accumulated on~~
27 ~~or after July 1, 2000, and may 1995; however, terminal pay~~
28 ~~allowable for such accumulated sick leave shall not exceed a~~
29 ~~maximum of 60 days of actual payment, in addition to the total~~
30 ~~amount of any disbursements that have been made at the end of~~
31 ~~each year pursuant to subparagraph 3. This limit does not~~

1 impair any contractual agreement established before July 1,
2 2000; however, a previously established contract renewed on or
3 after July 1, 2000, shall be considered a new contract.

4 b. For unused sick leave accumulated before ~~prior to~~
5 July 1, 2000 ~~1995~~, terminal payment shall be made pursuant to
6 a district school board's policies, contracts, or rules that
7 ~~which~~ are in effect on June 30, 2000 ~~July 1, 1995~~.

8 Section 2. Section 231.481, Florida Statutes, is
9 amended to read:

10 231.481 Terminal pay for accrued vacation leave.--A
11 district school board may establish policies to provide for a
12 lump-sum payment for accrued vacation leave to an employee of
13 the school board upon termination of employment or upon
14 retirement, or to the employee's beneficiary if service is
15 terminated by death. Effective July 1, 2000 ~~1995~~, terminal pay
16 for accrued vacation leave may not exceed a maximum of 60 days
17 of actual payment ~~for employees hired on or after that date.~~
18 This limit does not impair any contractual agreement
19 established before July 1, 2000. For unused vacation leave
20 accumulated before July 1, 2000, terminal payment shall be
21 made pursuant to the district school board's policies,
22 contracts, or rules that are in effect on June 30, 2000.

23 Section 3. Paragraph (e) of subsection (2) of section
24 240.343, Florida Statutes, is amended, and paragraph (f) is
25 added to that subsection, to read:

26 240.343 Sick leave.--Each community college district
27 board of trustees shall adopt rules whereby any full-time
28 employee who is unable to perform his or her duties at the
29 college on account of personal sickness, accident disability,
30 or extended personal illness, or because of illness or death
31 of the employee's father, mother, brother, sister, husband,

1 wife, child, or other close relative or member of the
2 employee's own household, and who consequently has to be
3 absent from work shall be granted leave of absence for
4 sickness by the president or by the president's designated
5 representative. The following provisions shall govern sick
6 leave:

7 (2) EXTENT OF LEAVE WITH COMPENSATION.--

8 (e) For full-time employees other than instructional
9 staff or educational support employees, the board of trustees
10 may, by rule, authorize accumulated sick leave that is earned
11 during the year and is unused at the end of that year to be
12 paid into an approved pretax retirement account. The amount
13 paid annually into a pretax retirement account may not exceed
14 an amount equal to 80 percent of the accumulated sick leave
15 multiplied by the employee's daily rate of pay for the time
16 the sick leave was accumulated. Such payments must be made
17 pursuant to the rules of the board of trustees and must comply
18 with federal tax law. An employee eligible under such rules
19 has the option to participate provided the amount of sick
20 leave for which payment is made into a pretax retirement
21 account shall be deducted from the employee's accumulated
22 unused sick leave balance.~~A board of trustees may establish~~
23 ~~rules or policies to provide terminal pay for accumulated sick~~
24 ~~leave to any full-time employee of a community college other~~
25 ~~than instructional staff or educational support employees as~~
26 ~~defined in this section. If termination of employment is by~~
27 ~~death of the employee, any terminal pay to which the employee~~
28 ~~may have been entitled may be made to the employee's~~
29 ~~beneficiary. However, for such employees hired on or after~~
30 ~~July 1, 1995, terminal pay shall not exceed an amount~~
31 ~~determined as follows:~~

1 1. ~~One-fourth of all unused sick leave accumulated on~~
2 ~~or after July 1, 1995; however, terminal pay allowable for~~
3 ~~such accumulated sick leave shall not exceed a maximum of 60~~
4 ~~days of actual payment.~~

5 2. ~~For unused sick leave accumulated prior to July 1,~~
6 ~~1995, terminal payment shall be made pursuant to a board of~~
7 ~~trustees' policies which are in effect on July 1, 1995.~~

8 (f) The board of trustees may, by rule, provide for
9 terminal pay for accumulated unused sick leave to be paid to
10 any full-time employee of a community college, other than
11 instructional staff or educational support employees. If
12 termination of employment is by death of the employee, any
13 terminal pay to which the employee may have been entitled
14 shall be made to the employee's beneficiary.

15 1. For unused sick leave accumulated before July 1,
16 2000, terminal payment shall be made pursuant to rules or
17 policies of the board of trustees which are in effect on June
18 30, 2000.

19 2. For unused sick leave accumulated on or after July
20 1, 2000, terminal payment may not exceed an amount equal to
21 one-fourth of the employee's unused sick leave or 60 days of
22 the employee's pay, whichever amount is less.

23 Section 4. This act shall take effect July 1, 2000.

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26 SENATE SUMMARY

27 Provides that, for district school board employees other
28 than instructional staff or educational support
29 employees, payment for unused sick leave may be paid into
30 an approved pretax annuity; authorizes community college
31 boards to provide by rule for similar payments for their
employees other than instructional or educational support
employees. Imposes limits on terminal pay for unused
sick or vacation leave for specified employees of school
districts and for unused sick leave for specified
employees of community college districts.