

**Public Sector Labor Union Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jordan D. Teuscher**

Senate Sponsor: Kirk A. Cullimore

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**LONG TITLE**

**General Description:**

This bill amends provisions governing public employee, public safety, and public fire labor organizations.

**Highlighted Provisions:**

This bill:

- defines terms;
- requires a labor organization for which a public employer collects union dues to provide an annual accounting to the labor organization members and to the Labor Commission;
- prohibits a public employer from recognizing a labor organization as a bargaining agent for public employees;
- prohibits a public employer from entering into collective bargaining contracts;
- prohibits using public money or public property to assist, promote, or deter union organizing or administration;
- excludes new labor organization employees from participating in Utah Retirement Systems;
- authorizes the state risk manager to acquire and administer professional liability insurance for:
  - disputes between a K-12 personnel and a public employer; and
  - other public employees if there is a sufficient demand; and
- makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

28 **Utah Code Sections Affected:**

## 29 AMENDS:

- 30 **10-3-1109**, as enacted by Laws of Utah 2003, Chapter 284  
31 **17-33-11.5**, as enacted by Laws of Utah 2003, Chapter 284  
32 **17B-1-804**, as last amended by Laws of Utah 2023, Chapter 15  
33 **49-11-202**, as last amended by Laws of Utah 2020, Chapter 352  
34 **49-11-205**, as last amended by Laws of Utah 2023, Chapter 16  
35 **49-12-202**, as last amended by Laws of Utah 2023, Chapter 328  
36 **49-13-202**, as last amended by Laws of Utah 2023, Chapter 328  
37 **49-22-202**, as last amended by Laws of Utah 2018, Chapter 415  
38 **63A-4-101.5**, as last amended by Laws of Utah 2022, Chapter 169

## 39 ENACTS:

- 40 **34-32-202**, Utah Code Annotated 1953  
41 **49-11-627**, Utah Code Annotated 1953

## 42 RENUMBERS AND AMENDS:

- 43 **34-32-101**, (Renumbered from 34-32-1, as last amended by Laws of Utah 2011, Chapter  
44 220)  
45 **34-32-102**, (Renumbered from 34-32-1.1, as last amended by Laws of Utah 2023,  
46 Chapter 16)  
47 **34-32-201**, (Renumbered from 34-32-2, as enacted by Laws of Utah 1969, Chapter 85)  
48 **34-32-301**, (Renumbered from 34-32-3, as last amended by Laws of Utah 2018, Chapter  
49 148)  
50 **34-32-401**, (Renumbered from 34-32-4, as last amended by Laws of Utah 2011, Chapter  
51 297)

## 52 REPEALS:

- 53 **34-20a-1**, as last amended by Laws of Utah 1995, Chapter 20  
54 **34-20a-2**, as last amended by Laws of Utah 1995, Chapter 20  
55 **34-20a-3**, as enacted by Laws of Utah 1975, Chapter 102  
56 **34-20a-4**, as enacted by Laws of Utah 1975, Chapter 102  
57 **34-20a-5**, as enacted by Laws of Utah 1975, Chapter 102  
58 **34-20a-6**, as last amended by Laws of Utah 1995, Chapter 20  
59 **34-20a-7**, as enacted by Laws of Utah 1975, Chapter 102  
60 **34-20a-8**, as enacted by Laws of Utah 1975, Chapter 102  
61 **34-20a-9**, as enacted by Laws of Utah 1975, Chapter 102

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

Section 1. Section **10-3-1109** is amended to read:

**10-3-1109 . Compliance with Labor Code requirements.**

Each municipality shall comply with the requirements of Section ~~[34-32-1.1]~~ 34-32-102.

Section 2. Section **17-33-11.5** is amended to read:

**17-33-11.5 . Compliance with Labor Code requirements.**

Each county shall comply with the requirements of Section ~~[34-32-1.1]~~ 34-32-102.

Section 3. Section **17B-1-804** is amended to read:

**17B-1-804 . Compliance with Labor Code requirements.**

Each special district shall comply with the requirements of Section ~~[34-32-1.1]~~ 34-32-102.

Section 4. Section **34-32-101**, which is renumbered from Section 34-32-1 is renumbered and amended to read:

**CHAPTER 32. PUBLIC SECTOR LABOR ORGANIZATIONS**

**Part 1. General Provisions**

**~~[34-32-1]~~ 34-32-101 . Definitions.**

~~[(1)]~~ As used in this ~~[section]~~ chapter:

~~[(a) "Employee" means a person employed by any person, partnership, public, private, or municipal corporation, school district, the state, or any political subdivision of the state.]~~

~~[(b) "Employer" means the person or entity employing an employee.]~~

~~[(c)(i) "Labor organization" means a lawful organization of any kind that is composed, in whole or in part, of employees, and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of employment.]~~

~~[(ii) Except as provided in Subsection (1)(c)(iii), "labor organization" includes each employee association and union for employees of public and private sector employers.]~~

~~[(iii) "Labor organization" does not include organizations governed by the National Labor Relations Act, 29 U.S.C. Sec. 151 et seq. or the Railroad Labor Act, 45 U.S.C. Sec. 151 et seq.]~~

~~[(d) "Union dues" means dues, fees, money, or other assessments required as a condition~~

of membership or participation in a labor organization.]

[(2) An employee may direct an employer, in writing, to deduct from the employee's wages a specified sum for union dues, not to exceed 3% per month, to be paid to a labor organization designated by the employee.]

[(3) An employer shall promptly commence or cease making deductions for union dues from the wages of an employee for the benefit of a labor organization when the employer receives a written communication from the employee directing the employer to commence or cease making deductions.]

[(4) An employee's request that an employer cease making deductions may not be conditioned upon a labor organization's:]

[(a) receipt of advance notice of the request; or]

[(b) prior consent to cessation of the deductions.]

[(5) A labor organization is not liable for any claim, service, or benefit that is:]

[(a) available only to a member of the labor organization; and]

[(b) terminated as a result of an employee's request that the employer cease making deductions for union dues.]

[(6) An employee may join a labor organization or terminate membership at any time. A person may not place a restriction on the time that an employee may join, or terminate membership with, a labor organization.]

[(7) An employee may not waive a provision of this section.]

(1) "Employee" means an individual employed by a person, partnership, public, private, or municipal corporation, school district, the state, or a political subdivision of the state.

(2) "Employer" means the person employing an employee.

(3)(a) "Labor organization" means a lawful organization of any kind that is composed, in whole or in part, of employees, and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of employment.

(b) Except as provided in Subsection (3)(c), "labor organization" includes each employee association and union for employees of public and private sector employers.

(c) "Labor organization" does not include an organization that has entered into a labor agreement or labor protective agreement under the Urban Mass Transportation Act, 49 U.S.C. Sec. 5333(b).

(4) "Political purposes" means an act done with the intent or in a way to influence or tend to

influence, directly or indirectly, an individual to refrain from voting or to vote for or against any candidate for public office at any caucus, political convention, primary, or election.

(5) "Public employee" means an individual employed by a public employer.

(6) "Public employer" means an employer that is:

(a) the state of Utah or any administrative subunit of the state;

(b) a state institution of higher education; or

(c) a municipal corporation, a county, a municipality, a school district, a special district, a special service district, or any other political subdivision of the state.

(7) "Public money" means the same as that term is defined in Section 76-1-101.5.

(8)(a) "Public property" means real property, personal property, or intellectual property that is owned, held, or managed by a public employer.

(b) "Public property" includes a website, computer program, record, or data that is owned, held, or managed by a public employer.

(9) "Representative" means a labor organization representative.

(10)(a) "Union activity" means an activity that a labor organization, a member, or a representative performs that relates to:

(i) advocating the general interests of members in wages, benefits, or terms and conditions of employment;

(ii) enforcing the labor organization's internal policies and procedures;

(iii) fulfilling the labor organization's obligations;

(iv) advancing the labor organization's external relations; or

(v) union organizing.

(b) "Union activity" does not include advocating for a public employee in a specific employment dispute.

(11) "Union dues" means dues, fees, assessments, or other money required as a condition of membership or participation in a labor organization.

(12) "Union organizing" means communicating with a public employee in an effort to persuade the public employee to join or support a labor organization.

Section 5. Section **34-32-102**, which is renumbered from Section 34-32-1.1 is renumbered and amended to read:

**[34-32-1.1] 34-32-102 . Prohibiting public employers from collective bargaining -- Prohibiting the use of public money or public property for union activity.**

**[(1) As used in this section:]**

- 163       ~~[(a)(i) "Labor organization" means a lawful organization of any kind that is~~  
164           ~~composed, in whole or in part, of employees and that exists for the purpose, in~~  
165           ~~whole or in part, of dealing with employers concerning grievances, labor disputes,~~  
166           ~~wages, rates of pay, hours of employment, or other terms and conditions of~~  
167           ~~employment.]~~  
168       ~~[(ii) Except as provided in Subsection (1)(a)(iii), "labor organization" includes each~~  
169           ~~employee association and union for public employees.]~~  
170       ~~[(iii) "Labor organization" does not include organizations governed by the National~~  
171           ~~Labor Relations Act, 29 U.S.C. Sec. 151 et seq. or the Railroad Labor Act, 45~~  
172           ~~U.S.C. Sec. 151 et seq.]~~  
173       ~~[(b) "Political purposes" means an act done with the intent or in a way to influence or~~  
174           ~~tend to influence, directly or indirectly, any person to refrain from voting or to vote~~  
175           ~~for or against any candidate for public office at any caucus, political convention,~~  
176           ~~primary, or election.]~~  
177       ~~[(c) "Public employee" means a person employed by:]~~  
178           ~~[(i) the state of Utah or any administrative subunit of the state;]~~  
179           ~~[(ii) a state institution of higher education; or]~~  
180           ~~[(iii) a municipal corporation, a county, a municipality, a school district, a special~~  
181           ~~district, a special service district, or any other political subdivision of the state.]~~  
182       ~~[(d) "Public employer" means an employer that is:]~~  
183           ~~[(i) the state of Utah or any administrative subunit of the state;]~~  
184           ~~[(ii) a state institution of higher education; or]~~  
185           ~~[(iii) a municipal corporation, a county, a municipality, a school district, a special~~  
186           ~~district, a special service district, or any other political subdivision of the state.]~~  
187       ~~[(e) "Union dues" means dues, fees, assessments, or other money required as a condition~~  
188           ~~of membership or participation in a labor organization.]~~  
189       ~~[(2)] (1) A public employer may not deduct from the wages of [its] the public employer's~~  
190           ~~employees any amounts to be paid to:~~  
191           ~~(a) a candidate as defined in Section 20A-11-101;~~  
192           ~~(b) a personal campaign committee as defined in Section 20A-11-101;~~  
193           ~~(c) a political action committee as defined in Section 20A-11-101;~~  
194           ~~(d) a political issues committee as defined in Section 20A-11-101;~~  
195           ~~(e) a registered political party as defined in Section 20A-11-101;~~  
196           ~~(f) a political fund as defined in Section 20A-11-1402; or~~

(g) any entity established by a labor organization to solicit, collect, or distribute money primarily for political purposes as defined in this chapter.

(2)(a) Notwithstanding Section 34-19-1, a public employer may not recognize a labor organization as a bargaining agent of public employees or collectively bargain or enter into any collective bargaining contract with a labor organization or a representative.

(b)(i) For a public employer with a collective bargaining agreement in effect on May 7, 2025, Subsection (2)(a) applies on the day on which the collective bargaining agreement expires.

(ii) A public employer may not enter into a new collective bargaining agreement or renew, extend, or modify an existing collective bargaining agreement.

(3) A public employer may not use public money or public property to:

(a) assist or support union activity;

(b) compensate a public employee or a third party for union activity; or

(c) provide a public employee paid leave that is in addition to the public employee's regularly accrued leave to allow the public employee to participate in union activity.

(4) A labor organization, member, or representative may not receive public money or use public property in a manner that violates Subsection (3).

(5) Nothing in Subsection (3) or (4) prohibits:

(a) a public employer from:

(i) spending public money or using public property for performing an activity required by federal law or state law; or

(ii) compensating a public employee for annual leave, sick leave, or other leave that the public employee accrues as a benefit of the public employee's employment, provided the public employer gives the compensation on the same terms as any other public employee;

(b) a labor organization or a representative from accessing public property that is real property:

(i) in the same manner and to the same extent as the public employer allows access to any other external individual or entity; or

(ii) on a limited case-by-case basis, at the public employer's invitation, and if the public employer determines that allowing the labor organization or representative access to the public property is in the public employees' best interests; or

(c) a public employee from engaging in discussion with other individuals in the



workplace during the public employee's break or when the public employee may  
discuss non-work related matters.

~~[(3) The attorney general may bring an action to require a public employer to comply with~~  
~~the requirements of this section.]~~

Section 6. Section **34-32-201**, which is renumbered from Section 34-32-2 is renumbered  
and amended to read:

## **Part 2. Assignments**

### **[34-32-2] 34-32-201 . Assignments to farm organizations -- Effect.**

Whenever any producer of farm products within the state executes and delivers to a  
dealer or processor of farm products, either as a clause in a sales agreement or other instrument  
in writing, whereby such processor or dealer is directed to deduct a sum or a rate not exceeding  
3% of the price to be paid for any such produce, such processor or dealer shall deduct from the  
price to be paid for any farm product being sold by any such producer to any such processor or  
dealer, the amount so authorized and the producer or dealer shall pay the same to a farm  
organization as assignee.

Section 7. Section **34-32-202** is enacted to read:

### **34-32-202 . Assignments to labor organizations -- Effect -- Reporting requirement.**

(1)(a) A public employee may direct a public employer, in writing, to deduct from the  
public employee's wages a specified sum for union dues, not to exceed 3% per  
month, to be paid to a labor organization designated by the public employee.

(b) A public employer shall verify the labor organization is accepting union dues from  
the public employee before deducting the specified sum for union dues.

(2) A public employer shall promptly commence or stop making deductions for union dues  
from the wages of a public employee for the benefit of a labor organization when the  
public employer receives a written communication from the public employee directing  
the public employer to commence or stop making deductions.

(3) A public employee's request that a public employer stop making deductions may not be  
conditioned upon a labor organization's:

(a) receipt of advance notice of the request; or

(b) consent to stop the deductions.

(4) A labor organization is not liable for any claim, service, or benefit that is:

(a) available only to a member of the labor organization; and

(b) terminated as a result of a public employee's request that the public employer stop



making deductions for union dues.

(5)(a) A public employee may join a labor organization or terminate membership at any time.

(b) A person may not place a restriction on the time that a public employee may join or terminate participation with a labor organization.

(6) A public employee may not waive a provision of this section.

(7) On April 1 of each year, a labor organization that receives union dues using payroll deduction shall report to the labor organization's members and to the Labor Commission for the preceding calendar year:

(a) the amount the labor organization spent on:

(i) representing union members in disputes;

(ii) lobbying;

(iii) giving to political donations and other political activities; and

(iv) giving to affiliate or umbrella organizations; and

(b) the number of members in the labor organization.

(8) Nothing in this section provides public employees a right to collective bargaining.

Section 8. Section **34-32-301**, which is renumbered from Section 34-32-3 is renumbered and amended to read:

### **Part 3. Enforcement**

**[34-32-3] 34-32-301 . Failure to comply -- Penalty -- Attorney general to enforce.**

(1) Any employer, dealer, or processor who willfully fails to comply with the duties imposed by ~~[this chapter]~~ Section 34-32-102 is guilty of a class B misdemeanor.

(2) The attorney general may bring a civil action to require compliance with a provision of this chapter.

Section 9. Section **34-32-401**, which is renumbered from Section 34-32-4 is renumbered and amended to read:

### **Part 4. Exceptions**

**[34-32-4] 34-32-401 . Exceptions from chapter.**

(1) The provisions of this chapter do not apply to carriers as that term is defined in the Railway Labor Act passed by the Congress of the United States, June 21, 1934[-] , 48 Stat. 1189, U.S. Code, Title 45, Section 151.

(2) Nothing in this chapter is intended to, or may be construed to, preempt any requirement of federal law.

Section 10. Section **49-11-202** is amended to read:

**49-11-202 . Establishment of Utah State Retirement Board -- Quorum -- Terms --  
Officers -- Expenses and per diem.**

(1) There is established the Utah State Retirement Board composed of seven board members determined as follows:

(a) ~~[Four]~~ four board members, with experience in investments or banking, shall be appointed by the governor from the general public[:];

(b) ~~[One]~~ one board member shall be a school employee appointed by the governor~~[ from at least three nominations submitted by the governing board of the school employees' association that is representative of a majority of the school employees who are members of a system administered by the board.]~~ ;

(c) ~~[One]~~ one board member shall be a public employee appointed by the governor~~[ from at least three nominations submitted by the governing board of the public employee association that is representative of a majority of the public employees who are members of a system administered by the board.]~~ ; and

(d) ~~[One]~~ one board member shall be the state treasurer.

(2) Four board members constitute a quorum for the transaction of business.

(3)(a) All appointments to the board shall be made on a nonpartisan basis, with the advice and consent of the Senate.

(b) Board members shall serve until their successors are appointed and take the constitutional oath of office.

(c) When a vacancy occurs on the board for any reason, the replacement shall be appointed for the unexpired term.

(4)(a) Except as required by Subsection (4)(b), all appointed board members shall serve for four-year terms.

(b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of board members are staggered so that:

(i) approximately half of the board is appointed every two years; and

(ii) no more than two of the board members appointed under Subsection (1)(a) are appointed every two years.

(c) A board member who is appointed as a school employee or as a public employee who retires or who is no longer employed with a participating employer shall immediately resign from the board.

(5)(a) Each year the board shall elect a president and vice president from its membership.

(b) A board member may not receive compensation or benefits for the board member's service, but may receive per diem and travel expenses in accordance with:

(i) Section 63A-3-106;

(ii) Section 63A-3-107; and

(iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

Section 11. Section **49-11-205** is amended to read:

**49-11-205 . Membership Council established -- Members -- Chair -- Duties -- Expenses and per diem.**

(1) There is established a Membership Council to perform the duties under Subsection (5).

(2)(a) The Membership Council shall be composed of 15 council members~~[selected as follows:]~~ .

(b) The office shall select 11 council members for the Membership Council as follows:

~~[(a)]~~ (i) three council members shall be school employees [selected by the governing board of an association] representative of a majority of school employees who are members of a system administered by the board;

~~[(b)]~~ (ii) one council member shall be a classified school employee [selected by the governing board of the association] representative of a majority of classified school employees who are members of a system administered by the board;

~~[(c)]~~ (iii) two council members shall be public employees [selected by the governing board of the association] representative of a majority of the public employees who are members of a system administered by the board;

(iv) one council member shall be a representative of members of the Public Safety Retirement System;

(v) one council member shall be a representative of paid professional firefighters who are members of the Firefighters' Retirement System;

(vi) one council member shall be a retiree representing retirees, who are not public education retirees, from the Public Employees' Contributory Retirement System, Public Employees' Noncontributory Retirement System, and New Public Employees' Tier II Contributory Retirement System;

(vii) one council member shall be a retiree representing the largest number of public education retirees; and

(viii) one council member shall be a school business official representative of a

majority of the school business officials from public education employers who participate in a system administered by the board.

~~[(g) one council member shall be a representative of members of the Public Safety Retirement Systems selected by the governing board of the association representative of the majority of peace officers who are members of the Public Safety Retirement Systems;]~~

~~[(h) one council member shall be a representative of members of the Firefighters' Retirement System selected by the governing board of the association representative of the majority of paid professional firefighters who are members of the Firefighters' Retirement System;]~~

~~[(i) one council member shall be a retiree selected by the governing board of the association representing the largest number of retirees, who are not public education retirees, from the Public Employees' Contributory, Public Employees' Noncontributory, and New Public Employees' Tier II Contributory Retirement Systems;]~~

~~[(j) one council member shall be a retiree selected by the governing board of the association representing the largest number of public education retirees;]~~

~~[(k) one council member shall be a school business official selected by the governing board of the association representative of a majority of the school business officials from public education employers who participate in a system administered by the board; and]~~

(c) Four members for the Membership Council are as follows:

~~[(d)]~~ (i) one council member shall be a municipal officer or employee selected by the governing board of the association representative of a majority of the municipalities who participate in a system administered by the board;

~~[(e)]~~ (ii) one council member shall be a county officer or employee selected by the governing board of the association representative of a majority of counties who participate in a system administered by the board;

~~[(f)]~~ (iii) one council member shall be a representative of members of the Judges' Noncontributory Retirement System selected by the Judicial Council; and

~~[(g)]~~ (iv) one council member shall be a special district officer or employee selected by the governing board of the association representing the largest number of special service districts and special districts who participate in a system administered by the board.

- 400 (3)(a) Each entity granted authority to select council members under Subsection (2) may  
401 also revoke the selection at any time.
- 402 (b) Each term on the council shall be for a period of four years, subject to Subsection  
403 (3)(a).
- 404 (c) Each term begins on July 1 and expires on June 30.
- 405 (d) When a vacancy occurs on the council for any reason, the replacement shall be  
406 selected for the remainder of the unexpired term.
- 407 (4) The council shall annually designate one council member as chair.
- 408 (5) The council shall:
- 409 (a) recommend to the board and to the Legislature benefits and policies for members of  
410 any system or plan administered by the board;
- 411 (b) recommend procedures and practices to improve the administration of the systems  
412 and plans and the public employee relations responsibilities of the board and office;
- 413 (c) examine the record of all decisions affecting retirement benefits made by a hearing  
414 officer under Section 49-11-613;
- 415 (d) submit nominations to the board for the position of executive director if that position  
416 is vacant;
- 417 (e) advise and counsel with the board and the director on policies affecting members of  
418 the various systems administered by the office; and
- 419 (f) perform other duties assigned to it by the board.
- 420 (6) A member of the council may not receive compensation or benefits for the member's  
421 service, but may receive per diem and travel expenses in accordance with:
- 422 (a) Section 63A-3-106;
- 423 (b) Section 63A-3-107; and
- 424 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
425 63A-3-107.
- 426 Section 12. Section **49-11-627** is enacted to read:
- 427 **49-11-627 . Withdrawing public employees' association -- Participation election**  
428 **date -- Withdrawal costs -- Rulemaking.**
- 429 (1) As used in this section, "withdrawing entity" means a public employees' association that  
430 participates in a system or plan under this title on January 1, 2025.
- 431 (2) Notwithstanding any other provision of this title, a withdrawing entity shall provide for  
432 the participation of the withdrawing entity's employees with that system or plan as  
433 follows:

- 434 (a) the withdrawing entity shall determine a date that is before July 1, 2027, on which  
435 the withdrawing entity shall complete withdrawal under Subsection (3);  
436 (b) the withdrawing entity shall provide to the office notice of the withdrawing entity's  
437 intent to enter into an agreement described in Subsection (2)(c);  
438 (c) the withdrawing entity and the office shall enter into an intent to withdraw agreement  
439 to document a good faith arrangement to complete a withdrawal under this section;  
440 and  
441 (d) subject to Subsection (3), the withdrawing entity shall pay to the office any  
442 reasonable actuarial and administrative costs determined by the office, including an  
443 actuarially determined short-fall liability contribution and a contingency payment to  
444 provide financial protection to the remaining participating employers.

445 (3) The withdrawing entity shall:

- 446 (a) continue the withdrawing entity's participation for all of the withdrawing entity's  
447 current employees who are covered by a system or plan on the date set under  
448 Subsection (2)(a); and  
449 (b) withdraw from participation in all systems and plans for employees initially entering  
450 employment with the withdrawing entity, beginning on the date set under Subsection  
451 (2)(a).

452 (4) Before a withdrawing entity may withdraw under this section, the withdrawing entity  
453 and the office shall enter into an agreement on:

- 454 (a) the costs described under Subsection (2)(d); and  
455 (b) arrangements for the payment of the costs described under Subsection (2)(d).

456 Section 13. Section **49-12-202** is amended to read:

457 **49-12-202 . Participation of employers -- Limitations -- Exclusions -- Admission**  
458 **requirements -- Exceptions -- Nondiscrimination requirements.**

- 459 (1)(a) Unless excluded under Subsection (2), an employer is a participating employer  
460 and may not withdraw from participation in this system.  
461 (b) In addition to participation in this system, a participating employer may provide or  
462 participate in public or private retirement, supplemental or defined contribution plan,  
463 either directly or indirectly, for the participating employer's employees.  
464 (2) The following employers may be excluded from participation in this system:  
465 (a) an employer not initially admitted or included as a participating employer in this  
466 system prior to January 1, 1982, if:  
467 (i) the employer elects not to provide or participate in any type of private or public

- 468 retirement, supplemental or defined contribution plan, either directly or indirectly,  
469 for the employer's employees, except for Social Security; or  
470 (ii) the employer offers another collectively bargained retirement benefit and has  
471 continued to do so on an uninterrupted basis since that date;
- 472 (b) an employer that is a charter school authorized under Title 53G, Chapter 5, Part 3,  
473 Charter School Authorization, and does not elect to participate in accordance with  
474 Section 53G-5-407;
- 475 (c) an employer that is a hospital created as a special service district under Title 17D,  
476 Chapter 1, Special Service District Act, that makes an election of nonparticipation in  
477 accordance with Subsection (4); or
- 478 (d) an employer that is licensed as a nursing care facility under Title 26B, Chapter 2,  
479 Part 2, Health Care Facility Licensing and Inspection, and created as a special service  
480 district under Title 17D, Chapter 1, Special Service District Act, in a rural area of the  
481 state that makes an election of nonparticipation in accordance with Subsection (4).
- 482 (3)(a) An employer who did not become a participating employer in this system prior to  
483 July 1, 1986, may not participate in this system.
- 484 (b) A public employees' association may not become a participating employer after  
485 January 1, 2025.
- 486 (4)(a)(i) Until June 30, 2009, a employer that is a hospital created as a special service  
487 district under Title 17D, Chapter 1, Special Service District Act, may make an  
488 election of nonparticipation as an employer for retirement programs under this  
489 chapter.
- 490 (ii) Until June 30, 2014, an employer that is licensed as a nursing care facility under  
491 Title 26B, Chapter 2, Part 2, Health Care Facility Licensing and Inspection, and  
492 created as a special service district under Title 17D, Chapter 1, Special Service  
493 District Act, in a rural area of the state may make an election of nonparticipation  
494 as an employer for retirement programs under this chapter.
- 495 (b) An election provided under Subsection (4)(a):
- 496 (i) is a one-time election made no later than the time specified under Subsection (4)(a);  
497 (ii) shall be documented by a resolution adopted by the governing body of the special  
498 service district;  
499 (iii) is irrevocable; and  
500 (iv) applies to the special service district as the employer and to all employees of the  
501 special service district.



- (c) The governing body of the special service district may offer employee benefit plans for special service district's employees:
- (i) under Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act; or
  - (ii) under any other program.

(5)(a) If a participating employer purchases service credit on behalf of a regular full-time employee for service rendered prior to the participating employer's admission to this system, the participating employer shall:

- (i) purchase service credit in a nondiscriminatory manner on behalf of all current and former regular full-time employees who were eligible for service credit at the time service was rendered; and
- (ii) comply with the provisions of Section 49-11-403, except for the requirement described in Subsection 49-11-403(2)(a).

(b) For a purchase made under this Subsection (5), an employee is not required to:

- (i) have at least four years of service credit before the purchase can be made; or
- (ii) forfeit service credit or any defined contribution balance based on the employer contributions under any other retirement system or plan based on the period of employment for which service credit is being purchased.

Section 14. Section **49-13-202** is amended to read:

**49-13-202 . Participation of employers -- Limitations -- Exclusions -- Admission requirements -- Nondiscrimination requirements -- Service credit purchases.**

(1)(a) Unless excluded under Subsection (2), an employer is a participating employer and may not withdraw from participation in this system.

(b) In addition to participation in this system, a participating employer may provide or participate in any additional public or private retirement, supplemental or defined contribution plan, either directly or indirectly, for the participating employer's employees.

(2) The following employers may be excluded from participation in this system:

- (a) an employer not initially admitted or included as a participating employer in this system before January 1, 1982, if:
  - (i) the employer elects not to provide or participate in any type of private or public retirement, supplemental or defined contribution plan, either directly or indirectly, for the employer's employees, except for Social Security; or
  - (ii) the employer offers another collectively bargained retirement benefit and has

- 536 continued to do so on an uninterrupted basis since that date;
- 537 (b) an employer that is a charter school authorized under Title 53G, Chapter 5, Part 3,
- 538 Charter School Authorization, and does not elect to participate in accordance with
- 539 Section 53G-5-407;
- 540 (c) an employer that is a hospital created as a special service district under Title 17D,
- 541 Chapter 1, Special Service District Act, that makes an election of nonparticipation in
- 542 accordance with Subsection (5);
- 543 (d) an employer that is licensed as a nursing care facility under Title 26B, Chapter 2,
- 544 Part 2, Health Care Facility Licensing and Inspection, and created as a special service
- 545 district under Title 17D, Chapter 1, Special Service District Act, in a rural area of the
- 546 state that makes an election of nonparticipation in accordance with Subsection (5); or
- 547 (e) an employer that is a risk management association initially created by interlocal
- 548 agreement before 1986 for the purpose of implementing a self-insurance joint
- 549 protection program for the benefit of member municipalities of the association.
- 550 (3) If an employer that may be excluded under Subsection (2)(a)(i) elects at any time to
- 551 provide or participate in any type of public or private retirement, supplemental or
- 552 defined contribution plan, either directly or indirectly, except for Social Security, the
- 553 employer shall be a participating employer in this system regardless of whether the
- 554 employer has applied for admission under Subsection (4).
- 555 (4)(a) An employer may, by resolution of the employer's governing body, apply for
- 556 admission to this system.
- 557 (b) Upon approval of the resolution by the board, the employer is a participating
- 558 employer in this system and is subject to this title.
- 559 (5)(a)(i) Until June 30, 2009, a employer that is a hospital created as a special service
- 560 district under Title 17D, Chapter 1, Special Service District Act, may make an
- 561 election of nonparticipation as an employer for retirement programs under this
- 562 chapter.
- 563 (ii) Until June 30, 2014, an employer that is licensed as a nursing care facility under
- 564 Title 26B, Chapter 2, Part 2, Health Care Facility Licensing and Inspection, and
- 565 created as a special service district under Title 17D, Chapter 1, Special Service
- 566 District Act, in a rural area of the state may make an election of nonparticipation
- 567 as an employer for retirement programs under this chapter.
- 568 (iii) On or before July 1, 2010, an employer described in Subsection (2)(e) may make
- 569 an election of nonparticipation as an employer for retirement programs under this

- 570 chapter.
- 571 (b) An election provided under Subsection (5)(a):
- 572 (i) is a one-time election made no later than the time specified under Subsection (5)(a);
- 573 (ii) shall be documented by a resolution adopted by the governing body of the
- 574 employer;
- 575 (iii) is irrevocable; and
- 576 (iv) applies to the employer as described in Subsection (5)(a)(i), (ii), or (iii) and to all
- 577 employees of that employer.
- 578 (c) The employer making an election under Subsection (5)(a) may offer employee
- 579 benefit plans for the employer's employees:
- 580 (i) under Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act;
- 581 or
- 582 (ii) under any other program.
- 583 (6)(a) If a participating employer purchases service credit on behalf of a regular full-time
- 584 employee for service rendered prior to the participating employer's admission to this
- 585 system, the participating employer shall:
- 586 (i) purchase service credit in a nondiscriminatory manner on behalf of all current and
- 587 former regular full-time employees who were eligible for service credit at the time
- 588 service was rendered; and
- 589 (ii) comply with the provisions of Section 49-11-403, except for the requirement
- 590 described in Subsection 49-11-403(2)(a).
- 591 (b) For a purchase made under this Subsection (6), an employee is not required to:
- 592 (i) have at least four years of service credit before the purchase can be made; or
- 593 (ii) forfeit service credit or any defined contribution balance based on the employer
- 594 contributions under any other retirement system or plan based on the period of
- 595 employment for which service credit is being purchased.
- 596 (7) A public employees' association may not become a participating employer after January
- 597 1, 2025.
- 598 Section 15. Section **49-22-202** is amended to read:
- 599 **49-22-202 . Participation of employers -- Limitations -- Exclusions -- Admission**
- 600 **requirements.**
- 601 (1) Unless excluded under Subsection (2), an employer is a participating employer and may
- 602 not withdraw from participation in this system.
- 603 (2) The following employers may be excluded from participation in this system:

- 604 (a) an employer not initially admitted or included as a participating employer in this  
605 system before January 1, 1982, if:
- 606 (i) the employer elects not to provide or participate in any type of private or public  
607 retirement, supplemental or defined contribution plan, either directly or indirectly,  
608 for its employees, except for Social Security; or
- 609 (ii) the employer offers another collectively bargained retirement benefit and has  
610 continued to do so on an uninterrupted basis since that date;
- 611 (b) an employer that is a charter school authorized under Title 53G, Chapter 5, Part 3,  
612 Charter School Authorization, and does not elect to participate in accordance with  
613 Section 53G-5-407; or
- 614 (c) an employer that is a risk management association initially created by interlocal  
615 agreement before 1986 for the purpose of implementing a self-insurance joint  
616 protection program for the benefit of member municipalities of the association.
- 617 (3) If an employer that may be excluded under Subsection (2)(a)(i) elects at any time to  
618 provide or participate in any type of public or private retirement, supplemental or  
619 defined contribution plan, either directly or indirectly, except for Social Security, the  
620 employer shall be a participating employer in this system regardless of whether the  
621 employer has applied for admission under Subsection (4).
- 622 (4)(a) An employer may, by resolution of its governing body, apply for admission to this  
623 system.
- 624 (b) Upon approval of the resolution by the board, the employer is a participating  
625 employer in this system and is subject to this title.
- 626 (5) If a participating employer purchases service credit on behalf of a regular full-time  
627 employee for service rendered prior to the participating employer's admission to this  
628 system, the participating employer:
- 629 (a) shall purchase credit in a nondiscriminatory manner on behalf of all current and  
630 former regular full-time employees who were eligible for service credit at the time  
631 service was rendered; and
- 632 (b) shall comply with the provisions of Section 49-11-403.
- 633 (6) A public employees' association may not become a participating employer after January  
634 1, 2025.
- 635 Section 16. Section **63A-4-101.5** is amended to read:
- 636 **63A-4-101.5 . Risk manager -- Appointment -- Duties.**
- 637 (1)[(a)] As used in this section:

- 638 (a) "K-12 personnel" means a public employee of a local education agency.  
639 (b) "Local education agency" means the same as that term is defined in Section  
640 53E-1-102.
- 641 ~~(2)(a)~~ There is created within the department the Division of Risk Management.  
642 (b) The executive director shall, with the approval of the governor, appoint a risk  
643 manager as the division director, who shall be qualified by education and experience  
644 in the management of general property and casualty insurance.
- 645 ~~[(2)] (3)~~ The risk manager shall:  
646 (a) except as provided in Subsection ~~[(4)] (5)~~, acquire and administer the following  
647 purchased by the state or any captive insurance company created by the risk manager:  
648 (i) all property and casualty insurance;  
649 ~~(ii)(A)~~ professional liability insurance for K-12 personnel; and  
650 (B) other professional liability insurance for public employees not covered under  
651 Subsection (3)(a)(ii)(A) if the risk manager determines there is sufficient  
652 demand;  
653 ~~[(ii)] (iii)~~ reinsurance of property[-and] , casualty insurance, and professional liability  
654 insurance; and  
655 ~~[(iii)] (iv)~~ subject to Section 34A-2-203, workers' compensation insurance;  
656 ~~[(b)]~~  
657 (b) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative  
658 Rulemaking Act:  
659 (i) prescribing reasonable and objective underwriting and risk control standards for:  
660 (A) all covered entities of the Risk Management Fund; ~~[and]~~  
661 (B) management of the professional liability insurance described in Subsection  
662 (3)(a)(ii); and  
663 ~~[(B)] (C)~~ any captive insurance company created by the risk manager;  
664 (ii) prescribing the risks to be covered by the Risk Management Fund and the extent  
665 to which these risks will be covered;  
666 (iii) prescribing the properties, risks, deductibles, and amount limits eligible for  
667 payment out of the Risk Management Fund;  
668 (iv) prescribing procedures for making claims and proof of loss; and  
669 (v) establishing procedures for the resolution of disputes relating to coverage or  
670 claims, which may include binding arbitration;  
671 (c) implement a risk management and loss prevention program for covered entities for

the purpose of reducing risks, accidents, and losses to assist covered entities in fulfilling their responsibilities for risk control and safety;

(d) coordinate and cooperate with any covered entity having responsibility to manage and protect state properties, including:

(i) the state fire marshal;

(ii) the director of the Division of Facilities Construction and Management;

(iii) the Department of Public Safety;

(iv) institutions of higher education;

(v) school districts; and

(vi) charter schools;

(e) maintain records necessary to fulfill the requirements of this section;

(f) manage the Risk Management Fund and any captive insurance company created by the risk manager in accordance with economically and actuarially sound principles to produce adequate reserves for the payment of contingencies, including unpaid and unreported claims, and may purchase any insurance or reinsurance considered necessary to accomplish this objective; and

(g) inform the covered entity's governing body and the governor when any covered entity fails or refuses to comply with reasonable risk control recommendations made by the risk manager.

~~[(3)]~~ (4) Before the effective date of any rule, the risk manager shall provide a copy of the rule to each covered entity affected by it.

~~[(4)]~~ (5) The risk manager may not use a captive insurance company created by the risk manager to purchase:

(a) workers' compensation insurance;

(b) health insurance; or

(c) life insurance.

#### Section 17. **Repealer.**

This bill repeals:

Section **34-20a-1, Title.**

Section **34-20a-2, Definitions.**

Section **34-20a-3, Fire fighters' right to bargain collectively.**

Section **34-20a-4, Exclusive bargaining representative -- Selection -- Exclusions from negotiating team.**

Section **34-20a-5, Corporate authority duty -- Collective bargaining agreement --**

706    **No-strike clause.**

707            Section 34-20a-6, Notice of request for collective bargaining -- Time.

708            Section 34-20a-7, Arbitration.

709            Section 34-20a-8, Procedure for arbitration.

710            Section 34-20a-9, Board of arbitration -- Determination -- Final and binding -- Exception

711    **-- Expense.**

712            Section 18. **Effective Date.**

713    This bill takes effect on July 1, 2025.