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2 An act relating to the Florida Retirement  
3 System (RAB); clarifying provisions throughout  
4 ch. 121, F.S., relating to vesting and the  
5 normal retirement date for a member; amending  
6 s. 121.021, F.S., relating to definitions;  
7 revising and adding definitions; amending s.  
8 121.051, F.S., relating to participation in the  
9 Florida Retirement System; providing that  
10 consultants and independent contractors are  
11 ineligible to participate; establishing  
12 procedures and requirements for municipalities  
13 or special districts that choose to participate  
14 in the Florida Retirement System; providing  
15 requirements for employers that transfer,  
16 merge, or consolidate governmental services or  
17 functions; limiting a member's rights following  
18 a conviction for causing a shortage in a public  
19 account; providing requirements and limitations  
20 for a member who is dually employed; amending  
21 s. 121.0515, F.S., relating to Special Risk  
22 Class membership; providing for retroactive  
23 membership in certain cases; requiring certain  
24 members who are moved or reassigned to  
25 participate in the Special Risk Administrative  
26 Support Class; amending s. 121.052, F.S.,  
27 relating to the Elected State and County  
28 Officers' Class; providing for calculating  
29 average final compensation; amending s.  
30 121.053, F.S., relating to retired member  
31 participation in the Elected State and County

1 Officers' Class; clarifying requirements for  
2 creditable service; amending s. 121.055, F.S.,  
3 relating to the Senior Management Service  
4 Optional Annuity Program; clarifying  
5 participation requirements; providing for the  
6 Optional Annuity Program Trust Fund; providing  
7 eligibility requirements for receiving  
8 benefits; providing for administering the  
9 program; providing requirements and limitations  
10 for a member who is dually employed; amending  
11 s. 121.071, F.S., relating to system  
12 contributions; providing requirements for  
13 contributions for other creditable service;  
14 amending s. 121.081, F.S., relating to  
15 contributions for past service or prior  
16 service; clarifying provisions with respect to  
17 required contributions; providing requirements  
18 for receiving service credit and prior service  
19 credit; amending s. 121.091, F.S., relating to  
20 benefits payable under the Florida Retirement  
21 System; providing for cancellation of  
22 application for retirement benefits; clarifying  
23 and consolidating benefit provisions; providing  
24 procedures for determining average final  
25 compensation; providing for determining  
26 disability retirement benefits; providing for  
27 optional forms of retirement benefits and  
28 disability retirement benefits; providing  
29 requirements for determining death benefits;  
30 providing for designating beneficiaries;  
31 providing for the payment of benefits;

1 authorizing certain deductions from the monthly  
2 benefit payment; amending s. 121.111, F.S.,  
3 relating to credit for military service;  
4 providing requirements for determining  
5 creditable service; amending s. 121.121, F.S.;  
6 providing requirements for purchasing  
7 creditable service for authorized leaves of  
8 absence; amending s. 121.122, F.S., relating to  
9 renewed membership; clarifying requirements for  
10 a member who does not claim credit for all  
11 postretirement service; creating s. 121.193,  
12 F.S., relating to external compliance audits;  
13 providing responsibilities of the Division of  
14 Retirement of the Department of Management  
15 Services with respect to such audits;  
16 specifying requirements of participating  
17 agencies; amending s. 121.35, F.S., relating to  
18 the Optional Retirement Program for the State  
19 University System; providing for the  
20 application of certain federal requirements;  
21 providing for the administration of the  
22 Optional Retirement Program Trust Fund;  
23 clarifying benefit requirements; providing for  
24 responsibilities of the Board of Regents and  
25 institutions in the State University System;  
26 amending s. 121.40, F.S., relating to the  
27 supplemental retirement benefits provided for  
28 certain personnel at the Institute of Food and  
29 Agricultural Sciences at the University of  
30 Florida; providing for the deduction of certain  
31 payments from the monthly benefit payment;

1 providing legislative intent with respect to  
2 the amendments made by the act; providing an  
3 effective date.

4

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

6

7 Section 1. Subsection (29) of section 121.021, Florida  
8 Statutes, as amended by chapters 97-154 and 97-180, Laws of  
9 Florida, is amended, and subsection (45) is added to that  
10 section, to read:

11 121.021 Definitions.--The following words and phrases  
12 as used in this chapter have the respective meanings set forth  
13 unless a different meaning is plainly required by the context:

14 (29) "Normal retirement date" means the first day of  
15 any month following the date a member attains one of the  
16 following statuses:

17 (a) If a Regular Class member, the member:

18 1. Completes 10 or more years of creditable service  
19 and attains age 62; or

20 2. ~~(b)~~ Completes 30 years of creditable service,  
21 regardless of age, which may include a maximum of 4 years of  
22 military service credit as, so long as such credit is not  
23 claimed under any other system., regardless of age;

24 (b)(c) If a Special Risk Class member, the member:

25 1. Completes 10 or more years of creditable service in  
26 the Special Risk Class and attains age 55;

27 2. Completes 25 years of creditable service in the  
28 Special Risk Class, regardless of age; or

29 3. Completes 25 years of creditable service and  
30 attains age 52, which service may include a maximum of 4 years  
31 of military service credit as long as such credit is not

1 claimed under any other system and the remaining years are in  
2 the Special Risk Class., and attains age 52; or

3 (c)(d) If a Senior Management Service Class member:

4 1. Completes 7 years of creditable service in the  
5 Senior Management Service Class and attains age 62; or

6 2. Completes 30 years of any creditable service,  
7 regardless of age, which may include a maximum of 4 years of  
8 military service credit, regardless of age as long as such  
9 credit is not claimed under any other system.

10 (d) If an Elected State and County Officers' Class  
11 member, the member:

12 1. Completes 8 years of creditable service in the  
13 Elected State and County Officers' Class and attains age 62;  
14 or

15 2. Completes 30 years of any creditable service,  
16 regardless of age, which may include a maximum of 4 years of  
17 military service credit as long as such credit is not claimed  
18 under any other system.

19  
20 "Normal retirement age" is attained on the "normal retirement  
21 date."

22 (45) "Vested" or "vesting" means the guarantee that a  
23 member is eligible to receive a future retirement benefit upon  
24 completion of the required years of creditable service for the  
25 employee's class of membership, even though the member may  
26 have terminated covered employment before reaching normal or  
27 early retirement age. Being vested does not entitle a member  
28 to a disability benefit based on a disability caused by an  
29 injury or disease that occurs after termination of covered  
30 employment.

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1           Section 2. Paragraphs (a) and (d) of subsection (1),  
2 paragraph (b) of subsection (2), and paragraph (b) of  
3 subsection (5) of section 121.051, Florida Statutes, are  
4 amended, paragraph (f) is added to subsection (2) of that  
5 section, and subsection (9) is added to that section, to read:

6           121.051 Participation in the system.--

7           (1) COMPULSORY PARTICIPATION.--

8           (a) The provisions of this law shall be compulsory as  
9 to all officers and employees, except elected officers who  
10 meet the requirements of s. 121.052(3), who are employed on or  
11 after December 1, 1970, of an employer other than those  
12 referred to in paragraph (2)(b), and each officer or employee,  
13 as a condition of employment, shall become a member of the  
14 system as of his or her date of employment, except that a  
15 person who is retired from any state retirement system and is  
16 reemployed on or after December 1, 1970, shall not be  
17 permitted to renew his or her membership in any state  
18 retirement system except as provided in s. 121.091(4)(h)~~s.~~  
19 ~~121.091(4)(e)~~ for a person who recovers from disability, and  
20 as provided in s. 121.091(9)(b)8. for a person who is elected  
21 to public office, and, effective July 1, 1991, as provided in  
22 s. 121.122 for all other retirees. Officers and employees of  
23 the University Athletic Association, Inc., a nonprofit  
24 association connected with the University of Florida, employed  
25 on and after July 1, 1979, shall not participate in any  
26 state-supported retirement system. Any person appointed on or  
27 after July 1, 1989, to a faculty position in a college at the  
28 J. Hillis Miller Health Center at the University of Florida or  
29 the Medical Center at the University of South Florida which  
30 has a faculty practice plan provided by rule adopted by the  
31 Board of Regents shall not participate in the Florida

1 Retirement System. A faculty member so appointed shall  
2 participate in the optional retirement program on the basis of  
3 his or her state-funded compensation, notwithstanding the  
4 provisions of s. 121.35(2)(a).

5 (d) The following persons are not eligible to  
6 participate in the Florida Retirement System:

7 1. Employees of a not-for-profit corporation or  
8 association created by the Board of County Commissioners of  
9 Palm Beach County for the purpose of owning, operating, or  
10 managing a public bus transit system formerly operated or  
11 managed by a private corporation subject to 49 U.S.C. s.  
12 5333(b), shall not be eligible to participate in the Florida  
13 Retirement System.

14 2. Persons who perform services as a consultant or an  
15 independent contractor, as defined by the division.

16 (2) OPTIONAL PARTICIPATION.--

17 (b)1. The governing body of any municipality ~~city~~ or  
18 special district in the state may elect to participate in the  
19 system upon proper application to the administrator and may  
20 cover all or any of its units as approved by the Secretary of  
21 Health and Human Services and the administrator. Prior to  
22 being approved for participation in the Florida Retirement  
23 System, the governing body of any such municipality or special  
24 district that has a local retirement system shall submit to  
25 the administrator a certified financial statement showing the  
26 condition of the local retirement system as of a date within 3  
27 months prior to the proposed effective date of membership in  
28 the Florida Retirement System. The statement must be certified  
29 by a recognized accounting firm that is independent of the  
30 local retirement system. All required documents necessary for  
31 extending Florida Retirement System coverage must be received

1 by the division for consideration at least 15 days prior to  
2 the proposed effective date of coverage. If the municipality  
3 or special district does not comply with this requirement, the  
4 division may require that the effective date of coverage be  
5 changed.

6           2. Any city or special district that has an existing  
7 retirement system covering the employees in the units that are  
8 to be brought under the Florida Retirement System may  
9 participate only after holding a referendum in which all  
10 employees in the affected units have the right to participate.  
11 Only those employees electing coverage under the Florida  
12 Retirement System by affirmative vote in said referendum shall  
13 be eligible for coverage under this chapter, and those not  
14 participating or electing not to be covered by the Florida  
15 Retirement System shall remain in their present systems and  
16 shall not be eligible for coverage under this chapter. After  
17 the referendum is held, all future employees shall be  
18 compulsory members of the Florida Retirement System.

19           3. The governing body of any city or special district  
20 complying with subparagraph 1. may elect to provide, or not  
21 provide, benefits based on past service of officers and  
22 employees as described in s. 121.081(1). However, if such  
23 employer elects to provide past service benefits, such  
24 benefits must be provided for all officers and employees of  
25 its covered group.

26           4. Once this election is made and approved it may not  
27 be revoked, except pursuant to subparagraphs 5. and 6., and  
28 all present officers and employees electing coverage under  
29 this chapter and all future officers and employees shall be  
30 compulsory members of the Florida Retirement System.

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1           5. Subject to the conditions set forth in subparagraph  
2 6., the governing body of any hospital licensed under chapter  
3 395 which is governed by the board of a special district as  
4 defined in s. 189.403(1) or by the board of trustees of a  
5 public health trust created under s. 154.07, hereinafter  
6 referred to as "hospital district," and which participates in  
7 the system, may elect to cease participation in the system  
8 with regard to future employees in accordance with the  
9 following procedure:

10           a. No more than 30 days and at least 7 days before  
11 adopting a resolution to partially withdraw from the Florida  
12 Retirement System and establish an alternative retirement plan  
13 for future employees, a public hearing must be held on the  
14 proposed withdrawal and proposed alternative plan.

15           b. From 7 to 15 days before such hearing, notice of  
16 intent to withdraw, specifying the time and place of the  
17 hearing, must be provided in writing to employees of the  
18 hospital district proposing partial withdrawal and must be  
19 published in a newspaper of general circulation in the area  
20 affected, as provided by ss. 50.011-50.031. Proof of  
21 publication of such notice shall be submitted to the Division  
22 of Retirement.

23           c. The governing body of any hospital district seeking  
24 to partially withdraw from the system must, before such  
25 hearing, have an actuarial report prepared and certified by an  
26 enrolled actuary, as defined in s. 112.625(3), illustrating  
27 the cost to the hospital district of providing, through the  
28 retirement plan that the hospital district is to adopt,  
29 benefits for new employees comparable to those provided under  
30 the Florida Retirement System.

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1           d. Upon meeting all applicable requirements of this  
2 subparagraph, and subject to the conditions set forth in  
3 subparagraph 6., partial withdrawal from the system and  
4 adoption of the alternative retirement plan may be  
5 accomplished by resolution duly adopted by the hospital  
6 district board. The hospital district board must provide  
7 written notice of such withdrawal to the division by mailing a  
8 copy of the resolution to the division, postmarked no later  
9 than December 15, 1995. The withdrawal shall take effect  
10 January 1, 1996.

11           6. Following the adoption of a resolution under  
12 sub-subparagraph 5.d., all employees of the withdrawing  
13 hospital district who were participants in the Florida  
14 Retirement System prior to January 1, 1996, shall remain as  
15 participants in the system for as long as they are employees  
16 of the hospital district, and all rights, duties, and  
17 obligations between the hospital district, the system, and the  
18 employees shall remain in full force and effect. Any employee  
19 who is hired or appointed on or after January 1, 1996, may not  
20 participate in the Florida Retirement System, and the  
21 withdrawing hospital district shall have no obligation to the  
22 system with respect to such employees.

23           (f) Whenever an employer that participates in the  
24 Florida Retirement System undertakes the transfer, merger, or  
25 consolidation of governmental services or functions, the  
26 employer must notify the division at least 60 days prior to  
27 such action and shall provide documentation as required by the  
28 division.

29           (5) RIGHTS LIMITED.--

30           (b) A No member who is convicted by a court of  
31 competent jurisdiction of causing ~~has caused~~ a shortage in a

1 public account, when such shortage is certified by the Auditor  
2 General or a certified public accountant, may not retire or  
3 receive any benefits under this chapter so long as such  
4 shortage exists.

5 (9) DUAL EMPLOYMENT.--A member may not participate in  
6 more than one state-administered retirement system, plan, or  
7 class of membership simultaneously. Pursuant thereto:

8 (a) With respect to any member who is not eligible to  
9 participate in the Elected State and County Officers' Class,  
10 but who is simultaneously employed in two or more positions  
11 covered by different Florida Retirement System classes:

12 1. The member must participate in the membership class  
13 for the position in which he or she is employed the majority  
14 of the time: the Regular Class, Senior Management Service  
15 Class, Special Risk Class, or Special Risk Administrative  
16 Support Class; or

17 2. If the employment is split equally between or among  
18 positions, the member may choose any single class of  
19 membership for which he or she is eligible, whether or not the  
20 positions are full-time positions. The member's choice must be  
21 made in writing and remains in effect as long as the member is  
22 employed equally in two or more positions.

23 (b) Contributions shall be made and creditable service  
24 shall be determined as follows:

25 1. If the member is participating in the Regular  
26 Class, retirement contributions shall be made on the total  
27 salary the member has received for all covered employment, and  
28 at retirement the member's average final compensation shall be  
29 calculated on the total salary received from all covered  
30 employment.

31

1           2. If the member is participating in the Senior  
2 Management Service Class, Special Risk Class, or Special Risk  
3 Administrative Support Class, retirement contributions shall  
4 be made only on the salary received in the designated class of  
5 membership. At retirement, the member's average final  
6 compensation shall be based only on the salary received in the  
7 designated class of membership for any period, including any  
8 period of dual employment.

9           Section 3. Paragraph (a) of subsection (3) and  
10 subsection (7) of section 121.0515, Florida Statutes, are  
11 amended to read:

12           121.0515 Special risk membership; criteria;  
13 designation and removal of classification; credits for past  
14 service and prior service; retention of special risk normal  
15 retirement date.--

16           (3) PROCEDURE FOR DESIGNATING.--

17           (a) Any member of the Florida Retirement System  
18 employed by a county, city, or special district who feels that  
19 he or she meets the criteria set forth in this section for  
20 membership in the Special Risk Class may request that his or  
21 her employer submit an application to the division requesting  
22 that the division designate him or her as a special risk  
23 member. If the employer agrees that the member meets the  
24 requirements for special risk membership, the employer shall  
25 submit an application to the division in behalf of the  
26 employee containing a certification that the member meets the  
27 criteria for special risk membership set forth in this section  
28 and such other supporting documentation as may be required by  
29 administrative rule. The division shall, within 90 days,  
30 either designate or refuse to designate the member as a  
31 special risk member. If the employer declines to submit the

1 member's application to the division or if the division does  
2 not designate the member as a special risk member, the member  
3 or the employer may appeal to the State Retirement Commission,  
4 as provided in s. 121.23, for designation as a special risk  
5 member. A member who receives a final affirmative ruling  
6 pursuant to such appeal for special risk membership shall have  
7 special risk membership retroactive to the date such member  
8 would have had special risk membership had such membership  
9 been approved by the employer and the division, as determined  
10 by the division, and the employer contributions shall be paid  
11 in full within 1 year after such final ruling.

12 (7) RETENTION OF SPECIAL RISK NORMAL RETIREMENT  
13 DATE.--

14 (a) A special risk member who is moved or reassigned  
15 to a nonspecial risk law enforcement, firefighting, or  
16 correctional administrative support position with the same  
17 agency, or who is subsequently employed in such a position  
18 with any law enforcement, firefighting, or correctional agency  
19 under the Florida Retirement System, shall participate in the  
20 Special Risk Administrative Support Class and shall earn  
21 credit for such service at the same percentage rate as that  
22 earned by a regular member. Notwithstanding the provisions of  
23 subsection (4), service in such an administrative support  
24 position shall, for purposes of s. 121.091, apply toward  
25 satisfaction of the special risk normal retirement date, as  
26 defined in s. 121.021(29)(b)~~s. 121.021(29)(c)~~, provided that,  
27 while in such position, the member remains certified as a law  
28 enforcement officer, firefighter, or correctional officer;  
29 remains subject to reassignment at any time to a position  
30 qualifying for special risk membership; and completes an  
31

1 aggregate of 10 or more years of service as a designated  
2 special risk member prior to retirement.

3 (b) Upon application by a member, the provisions of  
4 this subsection shall apply, with respect to such member,  
5 retroactively to October 1, 1978.

6 (c) The division shall adopt such rules as are  
7 required to administer this subsection.

8 Section 4. Subsection (9) and paragraph (c) of  
9 subsection (12) of section 121.052, Florida Statutes, are  
10 amended to read:

11 121.052 Membership class of elected state and county  
12 officers.--

13 (9) AVERAGE FINAL COMPENSATION.--The average final  
14 compensation of a member of the Elected State and County  
15 Officers' Class shall be as defined in s. 121.021(24). If a  
16 member has received credit for upgraded previous Elected State  
17 and County Officers' Class service as provided in subsection  
18 (5), and the upgraded service salary is greater than his or  
19 her actual salary, the upgraded service salary shall be used  
20 to calculate the member's average final compensation.

21 (12) BENEFITS.--

22 (c) The benefit provisions of s. 121.091(7), relating  
23 to death benefits, shall apply to members of the Elected State  
24 and County Officers' Class and shall be construed in such  
25 manner as to make them compatible with the provisions of this  
26 section; however, only 8 years of creditable service in this  
27 class are needed to obtain such benefits, except that:

28 1. ~~If in the event~~ any elected official dies in office  
29 who would have been vested under ~~had 8 years of creditable~~  
30 ~~service in the Elected State and County Officers' Class, or 10~~  
31 ~~years of creditable service in any other class of the Florida~~

1 Retirement System, or any other state-administered retirement  
2 system, if the official had lived to complete his or her term  
3 of office, the official's spouse may elect to leave the  
4 official's retirement contributions in the retirement trust  
5 fund and pay into said fund any required contributions which  
6 would have been paid by the officer or the employer had the  
7 officer lived to complete the term of office.

8           2. If a deceased member's surviving spouse as  
9 described in subparagraph 1. previously received a refund of  
10 the member's contributions made to the retirement trust fund,  
11 the surviving spouse may pay into the retirement trust fund an  
12 amount equal to the deceased member's contributions previously  
13 refunded, together with interest at 4 percent compounded  
14 annually on the amount of such refunded contributions from the  
15 date of refund until July 1, 1975, and at 6.5 percent  
16 compounded annually thereafter to the date of payment, plus  
17 such additional contributions as may be required under  
18 subparagraph 1., in order to become vested ~~qualify for 8 or 10~~  
19 ~~years of creditable service~~, as applicable.

20  
21 Upon conclusion of the term of office to which the deceased  
22 officer was elected, a spouse who pays into the retirement  
23 trust fund such additional or refunded contributions, plus  
24 interest, shall be eligible to receive a monthly benefit in  
25 the same manner as the surviving spouse of a member who dies  
26 after accumulating the required number of years of creditable  
27 service as described herein.

28           Section 5. Paragraph (b) of subsection (1) of section  
29 121.053, Florida Statutes, is amended to read:

30           121.053 Participation in the Elected State and County  
31 Officers' Class for retired members.--

1 (1)

2 (b) Any retired member of the Florida Retirement  
3 System, or any existing system as defined in s. 121.021(2),  
4 who, on or after July 1, 1990, is serving in, or is elected or  
5 appointed to, an elective office covered by the Elected State  
6 and County Officers' Class shall be enrolled in the  
7 appropriate subclass of the Elected State and County Officers'  
8 Class of the Florida Retirement System, and applicable  
9 contributions shall be paid into the Florida Retirement System  
10 Trust Fund as provided in s. 121.052(7). Pursuant thereto:

11 1. Any such retired member shall be eligible to  
12 continue to receive retirement benefits as well as  
13 compensation for the elected officer service for as long as he  
14 or she remains in an elective office covered by the Elected  
15 State and County Officers' Class.

16 2. If any such member serves in an elective office  
17 covered by the Elected State and County Officers' Class and  
18 becomes vested under that class ~~for a period of at least 8~~  
19 ~~years~~, he or she shall be entitled to receive an additional  
20 retirement benefit for such elected officer service.

21 3. Such member shall be entitled to purchase  
22 additional retirement credit in the Elected State and County  
23 Officers' Class for any postretirement service performed in an  
24 elected position eligible for the Elected State and County  
25 Officers' Class prior to July 1, 1990, or in the Regular Class  
26 for any postretirement service performed in any other  
27 regularly established position prior to July 1, 1991, by  
28 paying the applicable Elected State and County Officers' Class  
29 or Regular Class employee and employer contributions for the  
30 period being claimed, plus 4 percent interest compounded  
31 annually from the first year of service claimed until July 1,

1 1975, and 6.5 percent interest compounded thereafter, until  
2 full payment is made to the Florida Retirement System Trust  
3 Fund. The contribution for postretirement Regular Class  
4 service between July 1, 1985, and July 1, 1991, for which the  
5 reemployed retiree contribution was paid, shall be the  
6 difference between such contribution and the total applicable  
7 contribution for the period being claimed, plus interest. The  
8 employer of such member may pay the applicable employer  
9 contribution in lieu of the member. If a member does not wish  
10 to claim credit for all of the postretirement service for  
11 which he or she is eligible, the service the member claims  
12 must be the most recent service.

13 4. ~~No~~ Creditable service for which credit was  
14 received, or which remained unclaimed, at retirement may not  
15 be claimed or applied toward service credit earned following  
16 renewed membership. However, service earned in accordance with  
17 the renewed membership provisions in s. 121.122 may be used in  
18 conjunction with creditable service earned under this  
19 paragraph, provided applicable vesting requirements and other  
20 existing statutory conditions required by this chapter are  
21 met.

22 Section 6. Subsection (6) of section 121.055, Florida  
23 Statutes, is amended to read:

24 121.055 Senior Management Service Class.--There is  
25 hereby established a separate class of membership within the  
26 Florida Retirement System to be known as the "Senior  
27 Management Service Class," which shall become effective  
28 February 1, 1987.

29 (6)(a) Senior Management Service Optional Annuity  
30 Program.--The Department of Management Services shall  
31 establish a Senior Management Service Optional Annuity Program

1 under which contracts providing retirement, death, and  
2 disability benefits may be purchased for those employees who  
3 elect to participate in the optional annuity program. The  
4 benefits to be provided for or on behalf of participants in  
5 such optional annuity program shall be provided through  
6 individual contracts or individual certificates issued for  
7 group annuity contracts, which may be fixed, variable, or a  
8 combination thereof, in accordance with s. 401(a) of the  
9 Internal Revenue Code. Any such individual contract or  
10 certificate shall state the annuity plan on its face page, and  
11 shall include, but not be limited to, a statement of  
12 ownership, the contract benefits, annuity income options,  
13 limitations, expense charges, and surrender charges, if any.  
14 The employing agency shall contribute, as provided in this  
15 section, toward the purchase of such optional benefits which  
16 shall be fully and immediately vested in the participants.

17 (b) Retirement service credit.--An eligible employee  
18 who is a member of the Florida Retirement System or an  
19 existing retirement system at the time of his or her election  
20 to participate in the Senior Management Service Optional  
21 Annuity Program shall retain all retirement service credit  
22 earned under the retirement system from which he or she  
23 transferred; however, no additional service credit in the  
24 Florida Retirement System or existing retirement system shall  
25 be earned while the employee participates in the optional  
26 annuity program, nor shall the employee be eligible for  
27 disability retirement under the Florida Retirement System or  
28 existing retirement system.

29 (c) Participation.--

30 1. Any eligible employee who is employed on or before  
31 February 1, 1987, may elect to participate in the optional

1 annuity program in lieu of participation in the Senior  
2 Management Service Class. Such election shall be made in  
3 writing and filed with the department and the personnel  
4 officer of the employer on or before May 1, 1987. Any  
5 eligible employee who is employed on or before February 1,  
6 1987, and who fails to make an election to participate in the  
7 optional annuity program by May 1, 1987, shall be deemed to  
8 have elected membership in the Senior Management Service  
9 Class.

10           2. Any employee who becomes eligible to participate in  
11 the optional annuity program by reason of initial employment  
12 commencing after February 1, 1987, may, within 90 days after  
13 the date of commencement of employment, elect to participate  
14 in the optional annuity program. Such election shall be made  
15 in writing and filed with the personnel officer of the  
16 employer. Any eligible employee who does not within 90 days  
17 after commencement of such employment elect to participate in  
18 the optional annuity program shall be deemed to have elected  
19 membership in the Senior Management Service Class.

20           3. A person who is appointed to a position in the  
21 Senior Management Service Class and who is a member of an  
22 existing retirement system or the Special Risk or Special Risk  
23 Administrative Support Classes of the Florida Retirement  
24 System may elect to remain in such system or class in lieu of  
25 participation in the Senior Management Service Class or  
26 optional annuity program. Such election shall be made in  
27 writing and filed with the department and the personnel  
28 officer of the employer within 90 days of such appointment.  
29 Any eligible employee who fails to make an election to  
30 participate in the existing system, the Special Risk Class of  
31 the Florida Retirement System, the Special Risk Administrative

1 Support Class of the Florida Retirement System, or the  
2 optional annuity program shall be deemed to have elected  
3 membership in the Senior Management Service Class.

4 4. An employee's election to participate in the  
5 Optional Annuity Program is irrevocable as long as such  
6 employee continues to be employed in an eligible position and  
7 continues to meet the eligibility requirements set forth in  
8 this paragraph.

9 (d) Contributions.--

10 1. Each employer shall contribute on behalf of each  
11 participant in the Senior Management Service Optional Annuity  
12 Program an amount equal to the normal cost portion of the  
13 employer retirement contribution which would be required if  
14 the participant were a Senior Management Service Class member  
15 of the Florida Retirement System, plus the portion of the  
16 contribution rate required in s. 112.363(8) that would  
17 otherwise be assigned to the Retiree Health Insurance Subsidy  
18 Trust Fund, less an amount approved by the Legislature which  
19 shall be deducted by the division to provide for the  
20 administration of this program. The payment of the  
21 contributions to the optional program which is required by  
22 this subparagraph for each participant shall be made by the  
23 employer to the division which shall forward the contributions  
24 to the designated company or companies contracting for payment  
25 of benefits for the participant under the program.

26 2. Each employer shall contribute on behalf of each  
27 participant in the Senior Management Service Optional Annuity  
28 Program an amount equal to the unfunded actuarial accrued  
29 liability portion of the employer contribution which would be  
30 required for members of the Senior Management Service Class in  
31 the Florida Retirement System. This contribution shall be

1 paid to the division for transfer to the Florida Retirement  
2 System Trust Fund.

3 3. An Optional Annuity Program Trust Fund shall be  
4 established in the State Treasury and administered by the  
5 division to make payments to provider companies on behalf of  
6 the Optional Annuity Program participants, and to transfer the  
7 unfunded liability portion of the state optional annuity  
8 program contributions to the Florida Retirement System Trust  
9 Fund.

10 ~~4.3.~~ Contributions required for social security by  
11 each employer and each participant, in the amount required for  
12 social security coverage as now or hereafter may be provided  
13 by the federal Social Security Act shall be maintained for  
14 each participant in the Senior Management Service retirement  
15 program and shall be in addition to the retirement  
16 contributions specified in this paragraph.

17 ~~5.4.~~ Each participant in the Senior Management Service  
18 Optional Annuity Program may contribute by way of salary  
19 reduction or deduction a percentage amount of the  
20 participant's gross compensation not to exceed the percentage  
21 amount contributed by the employer to the optional annuity  
22 program. Payment of the participant's contributions shall be  
23 made by the employer to the division which shall forward the  
24 contributions to the designated company or companies  
25 contracting for payment of benefits for the participant under  
26 the program.

27 (e) Benefits.--

28 1. Benefits shall be payable under the Senior  
29 Management Service Optional Annuity Program only to  
30 participants in the program, or their beneficiaries as  
31 designated by the participant in the contract with a provider

1 company, and such benefits shall be paid by the designated  
2 company in accordance with the terms of the annuity contract  
3 or contracts applicable to the participant. A participant must  
4 be terminated from all employment with all Florida Retirement  
5 System employers as provided in s. 121.021(39) to begin  
6 receiving the employer-funded benefit. Benefits funded by  
7 employer contributions shall be payable only as a lifetime  
8 annuity to the participant, his beneficiary, or his estate,  
9 except for:

10       a. A lump-sum payment to the beneficiary upon the  
11 death of the participant; or

12       b. A cash-out of a de minimis account upon the request  
13 of a former participant who has been terminated for a minimum  
14 of 6 months from the employment that entitled him to Optional  
15 Retirement Program participation. A de minimis account is an  
16 account with a provider company containing employer  
17 contributions and accumulated earnings of not more than \$3,500  
18 made under the provisions of this chapter. Such cash-out must  
19 be a complete liquidation of the account balance with that  
20 company and is subject to the provisions of the Internal  
21 Revenue Code.

22       2. The benefits payable to any person under the Senior  
23 Management Service Optional Annuity Program, and any  
24 contribution accumulated under such program, shall not be  
25 subject to assignment, execution, or attachment or to any  
26 legal process whatsoever.

27       3. A participant who receives Optional Annuity Program  
28 benefits funded by employer contributions shall be deemed to  
29 be retired from a state-administered retirement system in the  
30 event of subsequent employment with any employer that  
31 participates in the Florida Retirement System.

- 1           (f) Administration.--
- 2           1. The Senior Management Service Optional Annuity
- 3 Program authorized by this section shall be administered by
- 4 the Division of Retirement. The division shall designate one
- 5 or more provider companies from which annuity contracts may be
- 6 purchased under the program and shall approve the form and
- 7 content of the contracts. The division shall sign a contract
- 8 with each of the provider companies and shall evaluate the
- 9 performance of the provider companies on a continuing basis.
- 10 The division may terminate the services of a provider company
- 11 for reasons stated in the contract. The division shall adopt
- 12 rules establishing its responsibilities and the
- 13 responsibilities of employers in administering the optional
- 14 annuity program.
- 15           2. Effective July 1, 1997, the State Board of
- 16 Administration shall review and make recommendations to the
- 17 division on the acceptability of all investment products
- 18 proposed by provider companies of the optional annuity program
- 19 before such products are offered through annuity contracts to
- 20 the participants and may advise the division of any changes
- 21 deemed necessary to ensure that the optional annuity program
- 22 offers an acceptable mix of investment products. The division
- 23 shall make the final determination as to whether an investment
- 24 product will be approved for the program.
- 25           3. The provisions of each contract applicable to a
- 26 participant in the Senior Management Service Optional Annuity
- 27 Program shall be contained in a written program description
- 28 which shall include a report of pertinent financial and
- 29 actuarial information on the solvency and actuarial soundness
- 30 of the program and the benefits applicable to the participant.
- 31 Such description shall be furnished by the company or

1 companies to each participant in the program and to the  
2 division upon commencement of participation in the program and  
3 annually thereafter.

4 4. The division shall ensure that each participant in  
5 the Senior Management Service Optional Annuity Program is  
6 provided an accounting of the total contribution and the  
7 annual contribution made by and on behalf of such  
8 participants.

9 (g) A participant in the Optional Annuity Program may  
10 not participate in more than one state-administered retirement  
11 system, plan, or class simultaneously. The following shall  
12 apply to a participant who is or becomes dually employed:

13 1. A participant who is or becomes dually employed in  
14 two or more positions covered by the Florida Retirement  
15 System, one of which is eligible for the Optional Annuity  
16 Program and one of which is not, shall make one of the  
17 following choices:

18 a. Remain a member of the Optional Annuity Program, in  
19 which case contributions shall be paid as required only on the  
20 salary earned in the position eligible for the Optional  
21 Annuity Program during the period of dual employment;

22 b. Elect, within 90 days after becoming dually  
23 employed, membership in the Regular Class of the Florida  
24 Retirement System in lieu of the Optional Annuity Program, in  
25 which case contributions shall be paid as required on the  
26 total salary received for all employment, and, at retirement,  
27 the member's average final compensation used to calculate any  
28 benefits for which he or she becomes eligible under the  
29 Florida Retirement System shall be based on all salary  
30 reported for all covered positions during the period of dual  
31 employment; or

1           c. If dually employed in an elected office eligible  
2 for the Elected State and County Officers' Class, select,  
3 within 6 months after assuming office, membership in the  
4 Elected State and County Officers' Class, in which case,  
5 participation in the Optional Annuity Program shall cease for  
6 the period of dual employment, retirement contributions shall  
7 be paid as required only on the salary earned as an elected  
8 officer, and, at retirement, the member's benefit under the  
9 Florida Retirement System shall be based only on the salary  
10 received as an elected officer for the period of dual  
11 employment.

12           2. When such member ceases to be dually employed, he  
13 or she shall make one of the following choices:

14           a. If the position in which he or she remains is a  
15 position that is eligible for the Optional Annuity Program, he  
16 or she may, within 90 days after ceasing dual employment,  
17 elect to remain in the Florida Retirement System class for  
18 which he or she is eligible or to again become a participant  
19 in the Optional Annuity Program. Failure to elect membership  
20 in the Optional Annuity Program within 90 days shall result in  
21 compulsory membership in the Florida Retirement System; or

22           b. If the position in which he or she remains is not a  
23 position that is eligible for the Optional Annuity Program, he  
24 or she shall participate in the Florida Retirement System  
25 class for which he or she is eligible.

26           Section 7. Subsection (6) is added to section 121.071,  
27 Florida Statutes, to read:

28           121.071 Contributions.--Contributions to the system  
29 shall be made as follows:

30           (6)(a) Required employee contributions for all service  
31 other than current service, including, but not limited to,

1 prior service, past service, military service,  
2 leave-of-absence service, out-of-state service, and certain  
3 non-Florida Retirement System in-state service, shall be paid  
4 by cash, personal check, cashier's check, or money order only;  
5 shall be accompanied by a statement identifying the service  
6 for which payment is made; and shall be made in a lump sum for  
7 the total amount due or in annual payments of not less than  
8 \$100, except for the final payment if less than \$100, unless  
9 another method of payment is authorized by law or rule.

10 (b) On and after July 1, 1972, all remittances made by  
11 a member for the purchase of optional creditable service shall  
12 be credited to the member's account. A refund of a member's  
13 retirement contributions at termination, as provided in  
14 paragraph (2)(b), shall include all such remittances made by  
15 the member and credited to his or her account. If requested, a  
16 member may, at the time of retirement, receive a refund of any  
17 contributions he or she made for the purchase of any optional  
18 creditable service. A member is not entitled to a refund of  
19 contributions paid by an employer, except for employee  
20 contributions made by an employer for an employee's past  
21 service earned prior to October 1, 1975.

22 (c) By obtaining a refund of contributions, a member  
23 waives all rights under the Florida Retirement System to the  
24 service credit represented by the refunded contributions,  
25 except the right to purchase his or her prior service credit  
26 in accordance with s. 121.081(2).

27 (d) The contributions required of a member of the  
28 Teachers' Retirement System who transfers to the Florida  
29 Retirement System must be adjusted, based on the rate of 6.25  
30 percent of salary earned while a member of the Teachers'  
31 Retirement System. Any overpayment that results from this

1 adjustment will be refunded to the member, while any amount  
2 due, plus interest compounded annually, must be paid by the  
3 member prior to retirement. Effective upon the date of  
4 transfer to the Florida Retirement System, contributions shall  
5 be paid as required under this chapter.

6 Section 8. Paragraphs (f) and (h) of subsection (1)  
7 and paragraph (a) of subsection (2) of section 121.081,  
8 Florida Statutes, are amended, and paragraphs (e) and (f) are  
9 added to subsection (2) of that section, to read:

10 121.081 Past service; prior service;  
11 contributions.--Conditions under which past service or prior  
12 service may be claimed and credited are:

13 (1)

14 (f) When any person, either prior to this act or  
15 hereafter, becomes entitled to and does participate in one of  
16 the retirement systems consolidated within or created by this  
17 chapter through the consolidation or merger of governments or  
18 the transfer of functions between units of government, either  
19 at the state or local level or between state and local units,  
20 or through the assumption of functions or activities by a  
21 state or local unit from an employing entity which was not an  
22 employer under the system, and such person becomes a member of  
23 the Florida Retirement System, such person shall be entitled  
24 to receive past-service credit as defined in s. 121.021(18)  
25 for the time such person performed services for, and was an  
26 employee of, such state or local unit or other employing  
27 entity prior to the transfer, merger, consolidation, or  
28 assumption of functions and activities. Past-service credit  
29 allowed by this paragraph shall also be available to any  
30 person ~~those persons~~ who becomes a member ~~became members~~ of an  
31 existing system, as defined in s. 121.021(2), prior to

1 December 1, 1970, through the transfer, merger, consolidation,  
2 or assumption of functions and activities set forth in this  
3 paragraph and who subsequently becomes a member ~~become members~~  
4 of the Florida Retirement System. However, ~~in no event will~~  
5 credit for the past service may not be granted until  
6 contributions are made in the manner provided in this  
7 subsection. If a person rejected Florida Retirement System  
8 membership at the time of the transfer, merger, or  
9 consolidation, the required contributions shall be at total  
10 actuarial cost as specified in paragraph (e). Such  
11 contributions or and accrued interest may shall not be paid  
12 from any state funds.

13 (h) The following provisions apply to the purchase of  
14 past service:

15 1. Notwithstanding any of the provisions of this  
16 subsection, no past-service credit may not be purchased under  
17 this chapter for any service that which is used to obtain a  
18 benefit from any local retirement system.

19 2. A member may not receive past service credit under  
20 paragraphs (a), (b), (e), or (f) for any leaves of absence  
21 without pay, except that credit for active military service  
22 leaves of absence may be claimed under paragraphs (a), (b),  
23 and (f), in accordance with s. 121.111(1).

24 3. If a member does not desire to receive credit for  
25 all of his or her past service, the period the member claims  
26 must be the most recent past service prior to his or her  
27 participation in the Florida Retirement System.

28 4. The cost of past service purchased by an employing  
29 agency for its employees may be amortized over such period of  
30 time as is provided in the agreement, but not to exceed 15  
31

1 years, calculated in accordance with rule 60S-1.007(5)(f),  
2 Florida Administrative Code.

3 5. The retirement account of each member for whom past  
4 service is being provided by his or her employer shall be  
5 credited with all past service the employer agrees to purchase  
6 as soon as the agreement between the employer and the division  
7 is executed. Pursuant thereto:

8 a. Each such member's account shall also be posted  
9 with the total contribution his or her employer agrees to make  
10 in the member's behalf for past service earned prior to  
11 October 1, 1975, excluding those contributions representing  
12 the employer's matching share and the compound interest  
13 calculation on the total contribution. However, a portion of  
14 any contributions paid by an employer for past service credit  
15 earned on and after October 1, 1975, may not be posted to a  
16 member's account.

17 b. A refund of contributions payable after an employer  
18 has made a written agreement to purchase past service for  
19 employees of the covered group shall include contributions for  
20 past service which are posted to a member's account. However,  
21 contributions for past service earned on and after October 1,  
22 1975, are not refundable.

23 (2) Prior service, as defined in s. 121.021(19), may  
24 be claimed as creditable service under the Florida Retirement  
25 System after a member has been reemployed for 12 continuous  
26 months, except as provided in paragraph (c). Service performed  
27 as a participant of the optional retirement program for the  
28 State University System under s. 121.35 or the Senior  
29 Management Service Optional Annuity Program under s. 121.055  
30 may be used to satisfy the 12-continuous-month requirement.  
31 The member shall not be permitted to make any contributions

1 for prior service until after the 12-month period. The  
2 required contributions for claiming the various types of prior  
3 service are:

4 (a) For prior service performed prior to the date the  
5 system becomes noncontributory for the member and for which  
6 the member had credit under one of the existing retirement  
7 systems and received a refund of contributions upon  
8 termination of employment, the member shall contribute 4  
9 percent of all salary received during the period being  
10 claimed, plus 4 percent interest compounded annually from date  
11 of refund until July 1, 1975, and 6.5 percent interest  
12 compounded annually thereafter, until full payment is made to  
13 the Retirement Trust Fund. A member who elected to transfer to  
14 the Florida Retirement System from an existing system may  
15 receive credit for prior service under the existing system if  
16 he or she was eligible under the existing system to claim the  
17 prior service at the time of the transfer. Contributions for  
18 such prior service shall be determined by the applicable  
19 provisions of the system under which the prior service is  
20 claimed and shall be paid by the member, with matching  
21 contributions paid by the employer at the time the service was  
22 performed. Effective July 1, 1978, the account of a person who  
23 terminated under s. 238.05(3) may not be charged interest for  
24 contributions that remained on deposit in the Annuity Savings  
25 Trust Fund established under chapter 238, upon retirement  
26 under chapter 121 or chapter 238.

27 (e) For service performed under the Florida Retirement  
28 System after December 1, 1970, that was never reported to the  
29 division due to error, retirement credit may be claimed by a  
30 member of the Florida Retirement System. The division shall  
31 adopt rules establishing criteria for claiming such credit and

1 detailing the documentation required to substantiate the  
2 error.

3 (f) The employer may not be required to make  
4 contributions for prior service credit for any member, except  
5 that the employer shall pay the employer portion of  
6 contributions for any legislator who elects to withdraw from  
7 the Florida Retirement System and later rejoins the system and  
8 pays any employee contributions required in accordance with s.  
9 121.052(3)(d).

10 Section 9. Section 121.091, Florida Statutes, as  
11 amended by chapters 97-154 and 97-180, Laws of Florida, is  
12 amended to read:

13 121.091 Benefits payable under the system.--~~No~~  
14 Benefits may not ~~shall~~ be paid under this section unless the  
15 member has terminated employment as provided in s.  
16 121.021(39)(a) or begun participation in the Deferred  
17 Retirement Option Program as provided in subsection (13), and  
18 a proper application has been filed in the manner prescribed  
19 by the division. The division may cancel an application for  
20 retirement benefits when the member or beneficiary fails to  
21 timely provide the information and documents required by this  
22 chapter and the division's rules. The division shall adopt  
23 rules establishing procedures for application for retirement  
24 benefits and for the cancellation of such application when the  
25 required information or documents are not received.

26 (1) NORMAL RETIREMENT BENEFIT.--Upon attaining his or  
27 her normal retirement date, the member, upon application to  
28 the administrator, shall receive a monthly benefit which shall  
29 begin to accrue on the first day of the month of retirement  
30 and be payable on the last day of that month and each month  
31 thereafter during his or her lifetime. The normal retirement

1 benefit, including any past or additional retirement credit,  
2 may not exceed 100 percent of the average final compensation.  
3 The amount of monthly benefit shall be calculated ~~determined~~  
4 as the product of A and B, subject to the adjustment of C, if  
5 applicable, as set forth below ~~when~~:

6 (a) 1. For creditable years of Regular Class service, A  
7 is 1.60 percent of the member's average final monthly  
8 compensation, up to the member's normal retirement date age.  
9 Upon completion of the first year after the normal retirement  
10 date age, A is 1.63 percent of the member's average final  
11 monthly compensation. Following the second year after the  
12 normal retirement date age, A is 1.65 percent of the member's  
13 average final monthly compensation. Following the third year  
14 after the normal retirement date age, and for subsequent  
15 years, A is 1.68 percent of the member's average final monthly  
16 compensation. ~~A shall not exceed 1.68 percent of the member's~~  
17 ~~average monthly compensation, except that,~~

18 2. For ~~all~~ creditable years of special risk service, A  
19 is:

20 a.1. Two percent of the member's average final monthly  
21 compensation for all creditable years prior to October 1,  
22 1974;

23 b.2. Three percent of the member's average final  
24 monthly compensation for all creditable years after September  
25 30, 1974, and before October 1, 1978;

26 c.3. Two percent of the member's average final monthly  
27 compensation for all creditable years after September 30,  
28 1978, and before January 1, 1989;

29 d.4. Two and two-tenths percent of the member's final  
30 average monthly compensation for all creditable years after  
31 December 31, 1988, and before January 1, 1990;

1           e.5. Two and four-tenths percent of the member's  
2 average final ~~monthly~~ compensation for all creditable years  
3 after December 31, 1989, and before January 1, 1991;

4           f.6. Two and six-tenths percent of the member's  
5 average final ~~monthly~~ compensation for all creditable years  
6 after December 31, 1990, and before January 1, 1992;

7           g.7. Two and eight-tenths percent of the member's  
8 average final ~~monthly~~ compensation for all creditable years  
9 after December 31, 1991, and before January 1, 1993; and

10           h.8. Three percent of the member's average final  
11 ~~monthly~~ compensation for all creditable years after December  
12 31, 1992;

13           3. For creditable years of Senior Management Service  
14 Class service after January 31, 1987, A is 2 percent;

15           4. For creditable years of Elected State and County  
16 Officers' Class service as a Supreme Court Justice, district  
17 court of appeal judge, circuit judge, or county court judge, A  
18 is 3 1/3 percent of the member's average final compensation,  
19 and for all other creditable service in such class, A is 3  
20 percent of average final compensation;

21  
22 ~~however, the normal retirement benefit, including any past or~~  
23 ~~additional retirement credit, may not exceed 100 percent of~~  
24 ~~the average final compensation;~~

25           (b) B is the number of the member's years and any  
26 fractional part of a year of creditable service earned  
27 subsequent to November 30, 1970; and

28           (c) C is the normal retirement benefit credit brought  
29 forward as of November 30, 1970, by a former member of an  
30 existing system. Such normal retirement benefit credit shall  
31 be determined as the product of X ~~A~~ and Y ~~B~~ when X ~~A~~ is the

1 percentage of average final compensation which the member  
2 would have been eligible to receive if the member had attained  
3 his or her normal retirement date as of November 30, 1970, all  
4 in accordance with the existing system under which the member  
5 is covered on November 30, 1970, and Y B is average final  
6 ~~monthly~~ compensation as defined in s. 121.021(25). However,  
7 any member of an existing retirement system who is eligible to  
8 retire and who does retire, become disabled, or die prior to  
9 April 15, 1971, may have his or her retirement benefits  
10 calculated on the basis of the best 5 of the last 10 years of  
11 service.

12 (d) A member's average final compensation shall be  
13 determined by formula to obtain the coverage for the 5 highest  
14 fiscal years' salaries, calculated as provided by rule.

15 (2) BENEFITS PAYABLE FOR DUAL NORMAL RETIREMENT  
16 AGES.--~~If in the event~~ a member accumulates retirement  
17 benefits to commence at different normal retirement ages by  
18 virtue of having performed duties for an employer which would  
19 entitle him or her to benefits as both a ~~regular member and~~  
20 ~~special risk~~ member of the Special Risk Class and a member of  
21 the Regular Class, Senior Management Service Class, or Elected  
22 State and County Officers' Class, the amount of benefits  
23 payable shall be computed separately with respect to each such  
24 age and the sum of such computed amounts shall be paid as  
25 provided in this section.

26 (3) EARLY RETIREMENT BENEFIT.--Upon retirement on his  
27 or her early retirement date, the member shall receive an  
28 immediate monthly benefit that ~~which~~ shall begin to accrue on  
29 the first day of the month of the retirement date and be  
30 payable on the last day of that month and each month

31

1 thereafter during his or her lifetime. Such benefit shall be  
2 calculated as follows:

3       (a) The amount of each monthly payment shall be  
4 computed in the same manner as for a normal retirement  
5 benefit, in accordance with subsection (1), but shall be based  
6 on the member's average monthly compensation and creditable  
7 service as of the member's early retirement date. The benefit  
8 so computed shall be reduced by five-twelfths of 1 percent for  
9 each complete month by which the early retirement date  
10 precedes the normal retirement date of age 62 for a ~~regular~~  
11 member of the Regular Class, Senior Management Service Class,  
12 ~~or a member of the Elected State and County Officers' Class,~~  
13 and age 55 for a member of the Special Risk Class,~~member~~ or  
14 age 52 if a Special Risk member has completed 25 years of  
15 creditable service in accordance with s. 121.021(29)(b)3.~~s.~~  
16 ~~121.021(29)(c)3.~~

17       (b) ~~However,~~ If the employment of a member is  
18 terminated by reason of death subsequent to the completion of  
19 20 years of creditable service, the monthly benefit payable to  
20 the member's beneficiary shall be calculated in accordance  
21 with subsection (1), but shall be based on average monthly  
22 compensation and creditable service as of the date of death.  
23 The benefit so computed shall be reduced by five-twelfths of 1  
24 percent for each complete month by which death precedes the  
25 normal retirement date specified above or the date on which  
26 the member would have attained 30 years of creditable service  
27 had he or she survived and continued his or her employment,  
28 whichever provides a higher benefit.

29       (4) DISABILITY RETIREMENT BENEFIT.--

30       (a) Disability retirement; entitlement and effective  
31 date.--

1           1. A member who becomes totally and permanently  
2 disabled, as defined in paragraph (b), after completing 5  
3 years of creditable service, or a member who becomes totally  
4 and permanently disabled in the line of duty regardless of  
5 service, shall be entitled to a monthly disability benefit;  
6 except that any member with less than 5 years of creditable  
7 service on July 1, 1980, or any person who becomes a member of  
8 the Florida Retirement System on or after such date must have  
9 completed 10 years of creditable service prior to becoming  
10 totally and permanently disabled in order to receive  
11 disability retirement benefits for any disability which occurs  
12 other than in the line of duty. However, if a ~~But in the~~  
13 ~~event that any~~ member employed on July 1, 1980, with less than  
14 5 years of creditable service as of that date, becomes totally  
15 and permanently disabled after completing 5 years of  
16 creditable service and is found not to have attained fully  
17 insured status for benefits under the federal Social Security  
18 Act, such member shall be entitled to a monthly disability  
19 benefit. ~~The disability retirement date shall be the first~~  
20 ~~day of the month which coincides with or next follows the date~~  
21 ~~the administrator approves payment of disability retirement~~  
22 ~~benefits to the member.~~

23           2. If the division has received from the employer the  
24 required documentation of the member's termination of  
25 employment, the effective retirement date for a member who  
26 applies and is approved for disability retirement shall be  
27 established by rule of the division.

28           3. For a member who is receiving Workers' Compensation  
29 payments, the effective disability retirement date may not  
30 precede the date the member reaches Maximum Medical  
31

1 Improvement (MMI), unless the member terminates employment  
2 prior to reaching MMI.

3 (b) Total and permanent disability.--A member shall be  
4 considered totally and permanently disabled if, in the opinion  
5 of the administrator, he or she is prevented, by reason of a  
6 medically determinable physical or mental impairment, from  
7 rendering useful and efficient service as an officer or  
8 employee.

9 (c) Proof of disability.--The administrator, before  
10 approving payment of any disability retirement benefit, shall  
11 require proof that the member is totally and permanently  
12 disabled as provided herein, which proof shall include the  
13 certification of the member's total and permanent disability  
14 by two licensed physicians of the state and such other  
15 evidence of disability as the administrator may require,  
16 including reports from vocational rehabilitation, evaluation,  
17 or testing specialists who have evaluated the applicant for  
18 employment. The unavailability of an employment position that  
19 the member is physically and mentally capable of performing  
20 will not be considered as proof of total and permanent  
21 disability.

22 (d) Election on appeal.--A member whose application  
23 for regular disability retirement has been denied and who has  
24 filed an appeal to the State Retirement Commission may, if  
25 eligible, elect to receive normal or early service retirement  
26 benefits while he or she is awaiting the decision on the  
27 appeal. However:

28 1. If the member elects to receive service retirement  
29 benefits and disability benefits are later approved as a  
30 result of the appeal, the payment option chosen by the member  
31 may not be changed.

1           2. If the member elects to receive early service  
2 retirement and the appeal is later denied, the member may not  
3 change his or her election of early retirement.

4  
5 Before such regular or early retirement benefits may be paid  
6 by the division, the member must provide to the division a  
7 written statement indicating that the member understands that  
8 such changes are not permitted after he or she begins  
9 receiving the benefits.

10           (e)~~(d)~~ Disability retirement benefit.--Upon the  
11 retirement of a member on his or her disability retirement  
12 date, the member shall receive a monthly benefit that ~~which~~  
13 shall begin to accrue on the first day of the month of  
14 disability retirement and shall be payable on the last day of  
15 that month and each month thereafter during his or her  
16 lifetime and continued disability.

17           (f) Computation of disability retirement benefit.--The  
18 amount of each monthly payment shall be computed in the same  
19 manner as for a normal retirement benefit, in accordance with  
20 subsection (1), but shall be based on disability option  
21 actuarial equivalency tables and the average monthly  
22 compensation and creditable service of the member as of the  
23 disability retirement date, subject to the following  
24 conditions:

25           1. If the member's disability occurred in the line of  
26 duty, the monthly Option 1 benefit shall not be less than 42  
27 percent of average monthly compensation as of the disability  
28 retirement date; or

29           2. If the member's disability occurred other than in  
30 the line of duty, the monthly Option 1 benefit shall not be  
31

1 less than 25 percent of average monthly compensation as of the  
2 disability retirement date.

3 (g) Reapplication.--A member, whose initial  
4 application for disability retirement has been denied, may  
5 reapply for disability benefits. However, such member's  
6 reapplication will be considered only if the member presents  
7 new medical evidence of a medical condition that existed prior  
8 to the member's termination of employment. The division may  
9 prescribe by rule procedures for reapplication and for review  
10 and approval or disapproval of reapplication.

11 (h)(e) Recovery from disability.--The administrator  
12 may require periodic reexaminations at the expense of the  
13 retirement fund. The division may adopt rules establishing  
14 procedures for conducting and review of such reexaminations.  
15 ~~and+~~

16 1. If the administrator finds that a member who is  
17 receiving disability benefits is, at any time prior to his or  
18 her normal retirement date, no longer disabled, the  
19 administrator shall direct that the benefits be discontinued.  
20 The decision of the administrator on this question shall be  
21 final and binding. If such member:

22 ~~a.2. If the member, described in subparagraph 1., who~~  
23 ~~recovers from such disability prior to the normal retirement~~  
24 ~~date~~ Does not reenter the employ of an employer and was not  
25 vested had not completed 10 years of creditable service as of  
26 the disability retirement date, he or she shall be entitled to  
27 the excess, if any, of his or her accumulated contributions  
28 over the total disability benefits received up to the date of  
29 recovery.

30 ~~b.3. If the member, described in subparagraph 1., who~~  
31 ~~recovers from such disability prior to the normal retirement~~

1 ~~date~~ Does not reenter the employ of an employer, but was  
2 vested had completed 10 or more years of creditable service as  
3 of the disability retirement date, he or she may elect to  
4 receive:

5 (I)~~a.~~ The excess, if any, of his or her accumulated  
6 contributions over the total disability benefits received up  
7 to the date of recovery; or

8 (II)~~b.~~ A deferred benefit commencing on the last day  
9 of the month of the normal retirement date which shall be  
10 payable on the last day of the month thereafter during his or  
11 her lifetime. The amount of such monthly benefit shall be  
12 computed in the same manner as for a normal retirement  
13 benefit, in accordance with subsection (1), but shall be based  
14 on average monthly compensation and creditable service as of  
15 the member's disability retirement date.

16 c.4. ~~If the member recovers from disability and~~  
17 Reenters employment of an employer within 6 months after  
18 recovery, the member's service will be deemed to have been  
19 continuous, but the period beginning with the first month for  
20 which he or she received a disability benefit payment and  
21 ending with the date he or she reentered employment will not  
22 be considered as creditable service for the purpose of  
23 computing benefits except as provided in sub-subparagraph d.  
24 As used in this section, subparagraph 5. the term "accumulated  
25 contributions" for such member ~~wherever used in this section~~  
26 ~~after such recovery~~ means the excess of the a member's  
27 accumulated contributions as of the disability retirement date  
28 over the total disability benefits received under paragraph  
29 (e)~~(d)~~.

30 d.5. Terminates ~~If the member recovers from~~  
31 ~~disability, has~~ his or her disability benefit ~~terminated,~~

1 reenters covered employment, and is continuously employed for  
2 a minimum of 1 year of creditable service, he or she may claim  
3 as creditable service the months during which he or she was  
4 receiving a disability benefit, upon payment of the required  
5 contributions. Contributions shall equal the total required  
6 employee and employer contribution rate applicable during the  
7 period the retiree received retirement benefits, multiplied  
8 times his or her rate of monthly compensation prior to the  
9 commencement of disability retirement for each month of the  
10 period claimed, plus 4 percent interest until July 1, 1975,  
11 and 6.5 percent interest thereafter ~~on such contributions~~,  
12 compounded annually each June 30 to the date of payment. If  
13 the member does not claim credit for all of the months he or  
14 she received disability benefits, the months claimed must be  
15 the most recent months of retirement. Such credit for periods  
16 of disability, when purchased under the Florida Retirement  
17 System, shall apply toward vesting requirements for  
18 eligibility to purchase additional credit for other service.

19 2. Both the member receiving disability benefits who  
20 reenters employment and the employer employing such disability  
21 retiree shall notify the division immediately upon  
22 reemployment, and the division shall terminate such member's  
23 disability benefits, effective the first day of the month  
24 following the month in which notification of recovery is  
25 received. If the member is reemployed with a Florida  
26 Retirement System employer at the time of benefit termination,  
27 and he or she has received disability retirement benefit and  
28 salary payments concurrently prior to notifying the division,  
29 he or she may elect within 30 days to:

30 a. Retain the retirement benefits received prior to  
31 termination of disability benefits and begin receiving

1 retirement service credit effective upon the date of  
2 termination of benefits; or  
3 b. Repay, within 12 months after his or her decision  
4 to receive service credit, the retirement benefits received  
5 for each month of reemployment prior to termination of  
6 disability benefits and begin receiving retirement service  
7 credit effective upon the date of reemployment. Any such  
8 unpaid benefits shall have compound interest of 6.5 percent  
9 added June 30.

10

11 A member may not receive both retirement service credit for  
12 employment and retirement benefits for the same month.

13 3.6. If, after recovery of disability and reentry into  
14 covered employment, the member again becomes disabled and is  
15 again approved for disability retirement, the Option 1 monthly  
16 retirement benefit shall not be less than the Option 1 monthly  
17 benefit calculated at the time of the previous disability,  
18 plus any cost of living increases up to the time the  
19 disability benefit was terminated upon his or her reentry into  
20 covered employment.

21 (i)(f) Nonadmissible causes of disability.--A member  
22 shall not be entitled to receive any disability retirement  
23 benefit if the disability is a result of any of the following:

24 1. Injury or disease sustained by the member while  
25 willfully participating in a riot, civil insurrection, or  
26 other act of violence or while committing a felony;

27 2. Injury or disease sustained by the member after his  
28 or her employment has terminated; or

29 3. Intentional, self-inflicted injury.

30 (j)(g) Disability retirement of justice or judge by  
31 order of Supreme Court.--

1           1. If a member is a justice of the Supreme Court,  
2 judge of a district court of appeal, circuit judge, or judge  
3 of a county court who has served for 10 years or more as an  
4 elected constitutional judicial officer, including service as  
5 a judicial officer in any court abolished pursuant to Art. V  
6 of the State Constitution, and who is retired for disability  
7 by order of the Supreme Court upon recommendation of the  
8 Judicial Qualifications Commission pursuant to the provisions  
9 of Art. V of the State Constitution, the member's Option 1  
10 monthly benefit as provided in subparagraph (6)(a)1. shall not  
11 be less than two-thirds of his or her monthly compensation as  
12 of the member's disability retirement date. Such a member may  
13 alternatively elect to receive a disability retirement benefit  
14 under any other option as provided in paragraph (6)(a).

15           2. Should any justice or judge who is a member of the  
16 Florida Retirement System be retired for disability by order  
17 of the Supreme Court upon recommendation of the Judicial  
18 Qualifications Commission pursuant to the provisions of Art. V  
19 of the State Constitution, then all contributions to his or  
20 her account and all contributions made on his or her behalf by  
21 the employer shall be transferred to and deposited in the  
22 General Revenue Fund of the state, and there is hereby  
23 appropriated annually out of the General Revenue Fund, to be  
24 paid into the Florida Retirement System Fund, an amount  
25 necessary to pay the benefits of all justices and judges  
26 retired from the Florida Retirement System pursuant to Art. V  
27 of the State Constitution.

28           (5) TERMINATION BENEFITS.--

29           (a) A member whose employment is terminated for any  
30 reason other than death or retirement prior to becoming vested  
31 is ~~the completion of 10 years of creditable service shall be~~

1 entitled to the return of his or her accumulated contributions  
2 as of the date of termination.

3 (b) A member whose employment is terminated for any  
4 reason other than death or retirement after becoming vested  
5 ~~the completion of 10 years of creditable service~~ may elect to  
6 receive a deferred monthly benefit which shall begin to accrue  
7 on the first day of the month of normal or early retirement  
8 and shall be payable on the last day of that month and each  
9 month thereafter during his or her lifetime. The amount of  
10 monthly benefit shall be computed in the same manner as for a  
11 normal retirement benefit in accordance with subsection (1) or  
12 early retirement benefit in accordance with s. 121.021(30),  
13 but based on average monthly compensation and creditable  
14 service as of the date of termination.

15 (c) In lieu of the deferred monthly benefit provided  
16 in paragraph (b), the terminated member may elect to receive a  
17 lump-sum amount equal to his or her accumulated contributions  
18 as of the date of termination.

19 (d) If any retired member dies without having received  
20 in benefit payments an amount equal to his or her accumulated  
21 contributions, there shall be payable to his or her designated  
22 beneficiary an amount equal to the excess, if any, of the  
23 member's accumulated contributions over the total monthly  
24 payments made to the member prior to the date of death.

25 (e) A member shall be deemed a terminated member when  
26 termination of employment has occurred as provided in s.  
27 121.021(39).

28 (f) Any member who has been found guilty by a verdict  
29 of a jury, or by the court trying the case without a jury, of  
30 committing, aiding, or abetting any embezzlement or theft from  
31 his or her employer, bribery in connection with the

1 employment, or other felony specified in chapter 838, except  
2 ss. 838.15 and 838.16, committed prior to retirement, or who  
3 has entered a plea of guilty or of nolo contendere to such  
4 crime, or any member whose employment is terminated by reason  
5 of the member's admitted commitment, aiding, or abetting of an  
6 embezzlement or theft from his or her employer, bribery, or  
7 other felony specified in chapter 838, except ss. 838.15 and  
8 838.16, shall forfeit all rights and benefits under this  
9 chapter, except the return of his or her accumulated  
10 contributions as of the date of termination.

11 (g) Any elected official who is convicted by the  
12 Senate of an impeachable offense shall forfeit all rights and  
13 benefits under this chapter, except the return of his or her  
14 accumulated contributions as of the date of the conviction.

15 (h) Any member who, prior to retirement, is adjudged  
16 by a court of competent jurisdiction to have violated any  
17 state law against strikes by public employees, or who has been  
18 found guilty by such court of violating any state law  
19 prohibiting strikes by public employees, shall forfeit all  
20 rights and benefits under this chapter, except the return of  
21 his or her accumulated contributions as of the date of the  
22 conviction.

23 (i) Any beneficiary who by a verdict of a jury or by  
24 the court trying the case without a jury is found guilty, or  
25 who has entered a plea of guilty or nolo contendere, of  
26 unlawfully and intentionally killing or procuring the death of  
27 the member forfeits all rights to the deceased member's  
28 benefits under this chapter, and the benefits will be paid as  
29 if such beneficiary had predeceased the decedent. Benefits may  
30 not be paid by the division pending final resolution of such  
31 charges against the beneficiary.

1           (6) OPTIONAL FORMS OF RETIREMENT BENEFITS AND  
2 DISABILITY RETIREMENT BENEFITS.--

3           (a) Prior to the receipt of the first monthly  
4 retirement payment, a member shall elect to receive the  
5 retirement benefits to which he or she is entitled under  
6 subsection (1), subsection (2), subsection (3), or subsection  
7 (4) in accordance with one of the following options:

8           1. The maximum retirement benefit payable to the  
9 member during his or her lifetime.

10           2. A decreased retirement benefit payable to the  
11 member during his or her lifetime and, in the event of his or  
12 her death within a period of 10 years after retirement, the  
13 same monthly amount payable for the balance of such 10-year  
14 period to his or her beneficiary or, in case the beneficiary  
15 is deceased, in accordance with subsection (8) as though no  
16 beneficiary had been named.

17           3. A decreased retirement benefit payable during the  
18 joint lifetime of both the member and his or her joint  
19 annuitant and which, after the death of either, shall continue  
20 during the lifetime of the survivor in the same amount,  
21 subject to the provisions of subsection (12).

22           4. A decreased retirement benefit payable during the  
23 joint lifetime of the member and his or her joint annuitant  
24 and which, after the death of either, shall continue during  
25 the lifetime of the survivor in an amount equal to 66 2/3  
26 percent of the amount that was payable during the joint  
27 lifetime of the member and his or her joint annuitant, subject  
28 to the provisions of subsection (12).

29  
30 The spouse of any member who elects to receive the benefit  
31 provided under subparagraph 1. or subparagraph 2. shall be

1 notified of and shall acknowledge any such election. The  
2 division shall establish by rule a method for selecting the  
3 appropriate actuarial factor for optional forms of benefits  
4 selected under subparagraphs 3. and 4., based on the age of  
5 the member and the joint annuitant.

6 (b) The benefit payable under any option stated above  
7 shall be the actuarial equivalent, based on tables adopted by  
8 the administrator for this purpose, of the amount to which the  
9 member was otherwise entitled.

10 (c) A member who elects the option in subparagraph  
11 (a)2. shall, in accordance with subsection (8), designate one  
12 or more persons to receive the benefits payable in the event  
13 of his or her death. Such persons shall be the beneficiaries  
14 of the member. The member may also designate one or more  
15 contingent beneficiaries to receive any benefits remaining  
16 upon the death of the primary beneficiary.

17 (d) A member who elects the option in subparagraph  
18 (a)3. or subparagraph (a)4. shall, on a form provided for that  
19 purpose, designate a joint annuitant to receive the benefits  
20 which continue to be payable upon the death of the member.  
21 After benefits have commenced under the option in subparagraph  
22 (a)3. or subparagraph (a)4., a retired member may change his  
23 or her designation of a joint annuitant only twice. If such a  
24 retired member desires to change his or her designation of a  
25 joint annuitant, he or she shall file with the division a  
26 notarized "change of joint annuitant" form and shall notify  
27 the former joint annuitant in writing of such change.  
28 Effective the first day of the next month following receipt by  
29 the division of a completed change of joint annuitant form,  
30 the division shall adjust the member's monthly benefit by the  
31 application of actuarial tables and calculations developed to

1 ensure that the benefit paid is the actuarial equivalent of  
2 the present value of the member's current benefit. The  
3 consent of a retired member's first designated joint annuitant  
4 to any such change shall not be required. However, if either  
5 the member or the joint annuitant dies before the effective  
6 date of the request for change of joint annuitant, the  
7 requested change shall be void, and survivor benefits, if any,  
8 shall be paid as if no request had been made.

9 (e) The election of an option shall be null and void  
10 if the member dies before the effective date of retirement.

11 (f) A member who elects to receive benefits under the  
12 option in subparagraph (a)3. may designate one or more  
13 qualified persons, either a spouse or other dependent, as his  
14 or her joint annuitant to receive the benefits after the  
15 member's death in whatever proportion he or she so assigns to  
16 each person named as joint annuitant. The division shall adopt  
17 appropriate actuarial tables and calculations necessary to  
18 ensure that the benefit paid is the actuarial equivalent of  
19 the benefit to which the member is otherwise entitled under  
20 the option in subparagraph (a)1.

21 (g) Upon the death of a retired member or beneficiary  
22 receiving monthly benefits under this chapter, the monthly  
23 benefits shall be paid through the last day of the month of  
24 death and shall terminate, or be adjusted, if applicable, as  
25 of that date in accordance with the optional form of benefit  
26 selected at the time of retirement.

27 (h) The option selected or determined for payment of  
28 benefits as provided in this section shall be final and  
29 irrevocable at the time a benefit payment is cashed or  
30 deposited or credited to the Deferred Retirement Option  
31 Program as provided in subsection (13).

1 (7) DEATH BENEFITS.--

2 (a) If the employment of a member is terminated by  
3 reason of his or her death prior to being vested ~~the~~  
4 ~~completion of 10 years of creditable service~~, there shall be  
5 payable to his or her designated beneficiary the member's  
6 accumulated contributions.

7 (b) If the employment of an active member who may or  
8 may not have applied for retirement is terminated by reason of  
9 his or her death subsequent to becoming vested ~~the completion~~  
10 ~~of 10 years of creditable service~~ and prior to his or her  
11 effective date of retirement, if established, it shall be  
12 assumed that the member retired as of the date of death in  
13 accordance with subsection (1) if eligible for normal  
14 retirement benefits, subsection (2) if eligible for benefits  
15 payable for dual normal retirement, or subsection (3) if  
16 eligible for early retirement benefits. Benefits payable to  
17 the designated beneficiary shall be as follows:

18 1. For a beneficiary who qualifies as a joint  
19 annuitant, the optional form of payment provided in accordance  
20 with subparagraph (6)(a)3. shall be paid for the joint  
21 annuitant's lifetime.

22 2. For a beneficiary who does not qualify as a joint  
23 annuitant, no continuing monthly benefit shall be paid and the  
24 beneficiary shall be entitled only to the return of the  
25 member's personal contributions. If there is no monetary  
26 interest in the member's retirement account for which such  
27 beneficiary is eligible, the beneficiary shall be the next  
28 named beneficiary or, if no other beneficiary is named, the  
29 beneficiary shall be the next eligible beneficiary according  
30 to subsection (8).

31

1 (c) If a retiring member dies on or after the  
2 effective date of retirement, but prior to a benefit payment  
3 being cashed or deposited, or credited to the Deferred  
4 Retirement Option Program, benefits shall be paid as follows:

5 1. For a designated beneficiary who qualifies as a  
6 joint annuitant, benefits shall be paid in the optional form  
7 of payment provided in subparagraph (6)(a)3. for the joint  
8 annuitant's lifetime or, if the member chose the optional form  
9 of payment provided in subparagraph (6)(a)2., the joint  
10 annuitant may select the form provided in either subparagraph  
11 (6)(a)2. or subparagraph (6)(a)3.

12 2. For a designated beneficiary who does not qualify  
13 as a joint annuitant, any benefits payable shall be paid as  
14 provided in the option selected by the member; or if the  
15 member has not selected an option, benefits shall be paid in  
16 the optional form of payment provided in subparagraph (6)(a)1.

17 (d) Notwithstanding any other provision in this  
18 chapter to the contrary, with the exception of the Deferred  
19 Retirement Option Program, as provided in subsection (13):

20 1. The surviving spouse of any member killed in the  
21 line of duty may receive a monthly pension equal to one-half  
22 of the monthly salary being received by the member at the time  
23 of death for the rest of the surviving spouse's lifetime or,  
24 if the member was vested, such surviving spouse may elect to  
25 receive a benefit as provided in paragraph (b). Benefits  
26 provided by this paragraph shall supersede any other  
27 distribution that may have been provided by the member's  
28 designation of beneficiary.

29 2. If the surviving spouse of a member killed in the  
30 line of duty dies, the monthly payments which would have been  
31 payable to such surviving spouse had such surviving spouse

1 lived shall be paid for the use and benefit of such member's  
2 child or children under 18 years of age and unmarried until  
3 the 18th birthday of the member's youngest child.

4           3. If a member killed in the line of duty leaves no  
5 surviving spouse but is survived by a child or children under  
6 18 years of age, the benefits provided by subparagraph 1.,  
7 normally payable to a surviving spouse, shall be paid for the  
8 use and benefit of such member's child or children under 18  
9 years of age and unmarried until the 18th birthday of the  
10 member's youngest child.

11           4. The surviving spouse of a member whose benefit  
12 terminated because of remarriage shall have the benefit  
13 reinstated beginning July 1, 1993, at an amount that would  
14 have been payable had the benefit not been terminated.

15           (e) The surviving spouse or other dependent of any  
16 member, except a member who participated in the Deferred  
17 Retirement Option Program, whose employment is terminated by  
18 death shall, upon application to the administrator, be  
19 permitted to pay the required contributions for any service  
20 performed by the member which could have been claimed by the  
21 member at the time of his or her death. Such service shall be  
22 added to the creditable service of the member and shall be  
23 used in the calculation of any benefits which may be payable  
24 to the surviving spouse or other surviving dependent.

25           (f) Notwithstanding any other provisions in this  
26 chapter to the contrary, if any member who is vested ~~has~~  
27 ~~accumulated at least 10 years of creditable service~~ dies and  
28 the surviving spouse receives a refund of the accumulated  
29 contributions made to the retirement trust fund, such spouse  
30 may pay to the Division of Retirement an amount equal to the  
31 sum of the amount of the deceased member's accumulated

1 contributions previously refunded plus interest at 4 percent  
2 compounded annually each June 30 from the date of refund until  
3 July 1, 1975, and 6.5 percent interest compounded annually  
4 thereafter, until full payment is made, and receive the  
5 monthly retirement benefit as provided in paragraph (b).

6 (g) The designated beneficiary who is the surviving  
7 spouse or other dependent of a member whose employment is  
8 terminated by death subsequent to becoming vested,~~the~~  
9 ~~completion of 10 years of creditable service~~ but prior to  
10 actual retirement, may elect to receive a deferred monthly  
11 benefit as if the member had lived and had elected a deferred  
12 monthly benefit, as provided in paragraph (5)(b), calculated  
13 on the basis of the average final compensation and creditable  
14 service of the member at his or her death and the age the  
15 member would have attained on the commencement date of the  
16 deferred benefit elected by the beneficiary, paid in  
17 accordance with option 3 of paragraph (6)(a).

18 (8) DESIGNATION OF BENEFICIARIES.--

19 (a) Each member may, on a form provided for that  
20 purpose, signed and filed with the division, designate a  
21 choice of one or more persons, named sequentially or jointly,  
22 as his or her beneficiary who shall receive the benefits, if  
23 any, which may be payable in the event of the member's death  
24 pursuant to the provisions of this chapter. If no beneficiary  
25 is named in the manner provided above, or if no beneficiary  
26 designated by the member survives the member, the beneficiary  
27 shall be the spouse of the deceased, if living. If the  
28 member's spouse is not alive at his or her death, the  
29 beneficiary shall be the living children of the member. If no  
30 children survive, the beneficiary shall be the member's father  
31 or mother, if living; otherwise, the beneficiary shall be the

1 member's estate. The beneficiary most recently designated by  
2 a member on a form or letter filed with the division shall be  
3 the beneficiary entitled to any benefits payable at the time  
4 of the member's death, except that benefits shall be paid as  
5 provided in paragraph (7)(d) when death occurs in the line of  
6 duty.

7 (b) A designated beneficiary of a retirement account  
8 for whom there is a monetary interest may disclaim his or her  
9 monetary interest as provided in s. 689.21, and in accordance  
10 with division rules governing such disclaimers. Such  
11 disclaimer must be filed within 24 months after the event that  
12 created the interest, that is, the death of the member or  
13 annuitant.

14 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.--

15 (a) Any person who is retired under this chapter,  
16 except under the disability retirement provisions of  
17 subsection (4), may be employed by an employer that does not  
18 participate in a state-administered retirement system and may  
19 receive compensation from that employment without limiting or  
20 restricting in any way the retirement benefits payable to that  
21 person.

22 (b)1. Any person who is retired under this chapter,  
23 except under the disability retirement provisions of  
24 subsection (4), may be reemployed by any private or public  
25 employer after retirement and receive retirement benefits and  
26 compensation from his or her employer without any limitations,  
27 except that a person may not receive both a salary from  
28 reemployment with any agency participating in the Florida  
29 Retirement System and retirement benefits under this chapter  
30 for a period of 12 months immediately subsequent to the date  
31 of retirement. However, a DROP participant shall continue

1 employment and receive a salary during the period of  
2 participation in the Deferred Retirement Option Program, as  
3 provided in subsection (13).

4           2. Any person to whom the limitation in subparagraph  
5 1. applies who violates such reemployment limitation and who  
6 is reemployed with any agency participating in the Florida  
7 Retirement System before completion of the 12-month limitation  
8 period shall give timely notice of this fact in writing to the  
9 employer and to the division and shall have his or her  
10 retirement benefits suspended for the balance of the 12-month  
11 limitation period. Any person employed in violation of this  
12 paragraph and any employing agency which knowingly employs or  
13 appoints such person without notifying the Division of  
14 Retirement to suspend retirement benefits shall be jointly and  
15 severally liable for reimbursement to the retirement trust  
16 fund of any benefits paid during the reemployment limitation  
17 period. To avoid liability, such employing agency shall have  
18 a written statement from the retiree that he or she is not  
19 retired from a state-administered retirement system. Any  
20 retirement benefits received while reemployed during this  
21 reemployment limitation period shall be repaid to the  
22 retirement trust fund, and retirement benefits shall remain  
23 suspended until such repayment has been made. Benefits  
24 suspended beyond the reemployment limitation shall apply  
25 toward repayment of benefits received in violation of the  
26 reemployment limitation.

27           3. A district school board may reemploy a retired  
28 member as a substitute or hourly teacher, teacher aide,  
29 transportation assistant, bus driver, or food service worker  
30 on a noncontractual basis after he or she has been retired for  
31 1 calendar month, in accordance with s. 121.021(39). Any

1 retired member who is reemployed within 1 calendar month after  
2 retirement shall void his or her application for retirement  
3 benefits. District school boards reemploying such teachers,  
4 teacher aides, transportation assistants, bus drivers, or food  
5 service workers are subject to the retirement contribution  
6 required by subparagraph 7. Reemployment of a retired member  
7 as a substitute or hourly teacher, teacher aide,  
8 transportation assistant, bus driver, or food service worker  
9 is limited to 780 hours during the first 12 months of his or  
10 her retirement. Any retired member reemployed for more than  
11 780 hours during his or her first 12 months of retirement  
12 shall give timely notice in writing to the employer and to the  
13 division of the date he or she will exceed the limitation.  
14 The division shall suspend his or her retirement benefits for  
15 the remainder of the first 12 months of retirement. Any  
16 person employed in violation of this subparagraph and any  
17 employing agency which knowingly employs or appoints such  
18 person without notifying the Division of Retirement to suspend  
19 retirement benefits shall be jointly and severally liable for  
20 reimbursement to the retirement trust fund of any benefits  
21 paid during the reemployment limitation period. To avoid  
22 liability, such employing agency shall have a written  
23 statement from the retiree that he or she is not retired from  
24 a state-administered retirement system. Any retirement  
25 benefits received by a retired member while reemployed in  
26 excess of 780 hours during the first 12 months of retirement  
27 shall be repaid to the Retirement System Trust Fund, and his  
28 or her retirement benefits shall remain suspended until  
29 repayment is made. Benefits suspended beyond the end of the  
30 retired member's first 12 months of retirement shall apply  
31

1 toward repayment of benefits received in violation of the  
2 780-hour reemployment limitation.

3           4. A community college board of trustees may reemploy  
4 a retired member as an adjunct instructor, that is, an  
5 instructor who is noncontractual and part-time, or as a  
6 participant in a phased retirement program within the State  
7 Community College System, after he or she has been retired for  
8 1 calendar month, in accordance with s. 121.021(39). Any  
9 retired member who is reemployed within 1 calendar month after  
10 retirement shall void his or her application for retirement  
11 benefits. Boards of trustees reemploying such instructors are  
12 subject to the retirement contribution required in  
13 subparagraph 7. A retired member may be reemployed as an  
14 adjunct instructor for no more than 780 hours during the first  
15 12 months of retirement. Any retired member reemployed for  
16 more than 780 hours during the first 12 months of retirement  
17 shall give timely notice in writing to the employer and to the  
18 division of the date he or she will exceed the limitation.  
19 The division shall suspend his or her retirement benefits for  
20 the remainder of the first 12 months of retirement. Any  
21 person employed in violation of this subparagraph and any  
22 employing agency which knowingly employs or appoints such  
23 person without notifying the Division of Retirement to suspend  
24 retirement benefits shall be jointly and severally liable for  
25 reimbursement to the retirement trust fund of any benefits  
26 paid during the reemployment limitation period. To avoid  
27 liability, such employing agency shall have a written  
28 statement from the retiree that he or she is not retired from  
29 a state-administered retirement system. Any retirement  
30 benefits received by a retired member while reemployed in  
31 excess of 780 hours during the first 12 months of retirement

1 shall be repaid to the Retirement System Trust Fund, and  
2 retirement benefits shall remain suspended until repayment is  
3 made. Benefits suspended beyond the end of the retired  
4 member's first 12 months of retirement shall apply toward  
5 repayment of benefits received in violation of the 780-hour  
6 reemployment limitation.

7           5. The State University System may reemploy a retired  
8 member as an adjunct faculty member or as a participant in a  
9 phased retirement program within the State University System  
10 after the retired member has been retired for 1 calendar  
11 month, in accordance with s. 121.021(39). Any retired member  
12 who is reemployed within 1 calendar month after retirement  
13 shall void his or her application for retirement benefits.  
14 The State University System is subject to the retired  
15 contribution required in subparagraph 7., as appropriate. A  
16 retired member may be reemployed as an adjunct faculty member  
17 or a participant in a phased retirement program for no more  
18 than 780 hours during the first 12 months of his or her  
19 retirement. Any retired member reemployed for more than 780  
20 hours during the first 12 months of retirement shall give  
21 timely notice in writing to the employer and to the division  
22 of the date he or she will exceed the limitation. The  
23 division shall suspend his or her retirement benefits for the  
24 remainder of the first 12 months of retirement. Any person  
25 employed in violation of this subparagraph and any employing  
26 agency which knowingly employs or appoints such person without  
27 notifying the Division of Retirement to suspend retirement  
28 benefits shall be jointly and severally liable for  
29 reimbursement to the retirement trust fund of any benefits  
30 paid during the reemployment limitation period. To avoid  
31 liability, such employing agency shall have a written

1 statement from the retiree that he or she is not retired from  
2 a state-administered retirement system. Any retirement  
3 benefits received by a retired member while reemployed in  
4 excess of 780 hours during the first 12 months of retirement  
5 shall be repaid to the Retirement System Trust Fund, and  
6 retirement benefits shall remain suspended until repayment is  
7 made. Benefits suspended beyond the end of the retired  
8 member's first 12 months of retirement shall apply toward  
9 repayment of benefits received in violation of the 780-hour  
10 reemployment limitation.

11           6. The Board of Trustees of the Florida School for the  
12 Deaf and the Blind may reemploy a retired member as a  
13 substitute teacher, substitute residential instructor, or  
14 substitute nurse on a noncontractual basis after he or she has  
15 been retired for 1 calendar month, in accordance with s.  
16 121.021(39). Any retired member who is reemployed within 1  
17 calendar month after retirement shall void his or her  
18 application for retirement benefits. The Board of Trustees of  
19 the Florida School for the Deaf and the Blind reemploying such  
20 teachers, residential instructors, or nurses is subject to the  
21 retirement contribution required by subparagraph 7.  
22 Reemployment of a retired member as a substitute teacher,  
23 substitute residential instructor, or substitute nurse is  
24 limited to 780 hours during the first 12 months of his or her  
25 retirement. Any retired member reemployed for more than 780  
26 hours during the first 12 months of retirement shall give  
27 timely notice in writing to the employer and to the division  
28 of the date he or she will exceed the limitation. The division  
29 shall suspend his or her retirement benefits for the remainder  
30 of the first 12 months of retirement. Any person employed in  
31 violation of this subparagraph and any employing agency which

1 knowingly employs or appoints such person without notifying  
2 the Division of Retirement to suspend retirement benefits  
3 shall be jointly and severally liable for reimbursement to the  
4 retirement trust fund of any benefits paid during the  
5 reemployment limitation period. To avoid liability, such  
6 employing agency shall have a written statement from the  
7 retiree that he or she is not retired from a  
8 state-administered retirement system. Any retirement benefits  
9 received by a retired member while reemployed in excess of 780  
10 hours during the first 12 months of retirement shall be repaid  
11 to the Retirement System Trust Fund, and his or her retirement  
12 benefits shall remain suspended until payment is made.  
13 Benefits suspended beyond the end of the retired member's  
14 first 12 months of retirement shall apply toward repayment of  
15 benefits received in violation of the 780-hour reemployment  
16 limitation.

17           7. The employment by an employer of any retiree or  
18 DROP participant of any state-administered retirement system  
19 shall have no effect on the average final compensation or  
20 years of creditable service of the retiree or DROP  
21 participant. Prior to July 1, 1991, upon employment of any  
22 person, other than an elected officer as provided in s.  
23 121.053, who has been retired under any state-administered  
24 retirement program, the employer shall pay retirement  
25 contributions in an amount equal to the unfunded actuarial  
26 liability portion of the employer contribution which would be  
27 required for regular members of the Florida Retirement System.  
28 Effective July 1, 1991, contributions shall be made as  
29 provided in s. 121.122 for retirees with renewed membership or  
30 subsection (13) with respect to DROP participants.

31

1           8. Any person who has previously retired and who is  
2 holding an elective public office or an appointment to an  
3 elective public office eligible for the Elected State and  
4 County Officers' Class on or after July 1, 1990, shall be  
5 enrolled in the Florida Retirement System as provided in s.  
6 121.053(1)(b) or, if holding an elective public office that  
7 does not qualify for the Elected State and County Officers'  
8 Class on or after July 1, 1991, shall be enrolled in the  
9 Florida Retirement System as provided in s. 121.122, and shall  
10 continue to receive retirement benefits as well as  
11 compensation for the elected officer's service for as long as  
12 he or she remains in elective office. However, any retired  
13 member who served in an elective office prior to July 1, 1990,  
14 suspended his or her retirement benefit, and had his or her  
15 Florida Retirement System membership reinstated shall, upon  
16 retirement from such office, have his or her retirement  
17 benefit recalculated to include the additional service and  
18 compensation earned.

19           9. Any person who is holding an elective public office  
20 which is covered by the Florida Retirement System and who is  
21 concurrently employed in nonelected covered employment may  
22 elect to retire while continuing employment in the elective  
23 public office, provided that he or she shall be required to  
24 terminate his or her nonelected covered employment. Any  
25 person who exercises this election shall receive his or her  
26 retirement benefits in addition to the compensation of the  
27 elective office without regard to the time limitations  
28 otherwise provided in this subsection. No person who seeks to  
29 exercise the provisions of this subparagraph, as the same  
30 existed prior to May 3, 1984, shall be deemed to be retired  
31 under those provisions, unless such person is eligible to

1 retire under the provisions of this subparagraph, as amended  
2 by chapter 84-11, Laws of Florida.

3       10. The limitations of this paragraph apply to  
4 reemployment in any capacity with an "employer" as defined in  
5 s. 121.021(10), irrespective of the category of funds from  
6 which the person is compensated.

7       11. From July 1, 1997, through December 31, 1998,  
8 notwithstanding the limitations of this subsection, except  
9 that any retiree who is reemployed within 1 calendar month  
10 after retirement shall void his or her application for  
11 retirement benefits, any retiree of the Florida Retirement  
12 System may be reemployed by a covered employer during the 2nd  
13 through 12th months of the reemployment limitation period  
14 without suspending his or her retirement benefits, provided  
15 that the reemployment is for the sole purpose of working on  
16 the technical aspects of correcting or replacing the computer  
17 systems and programs necessary to resolve the year 2000 date  
18 problem for computing which confronts all public employers  
19 covered by the Florida Retirement System.

20       (10) FUTURE BENEFITS BASED ON ACTUARIAL DATA.--It is  
21 the intent of the Legislature that future benefit increases  
22 enacted into law in this chapter shall be financed  
23 concurrently by increased contributions or other adequate  
24 funding, and such funding shall be based on sound actuarial  
25 data as developed by the actuary or state retirement actuary,  
26 as provided in ss. 121.021(6) and 121.192.

27       (11) A member who becomes eligible to retire and has  
28 accumulated the maximum benefit of 100 percent of average  
29 final compensation may continue in active service, and, if  
30 upon the member's retirement the member elects to receive a  
31 retirement compensation pursuant to subsection (2), subsection

1 (6), or subsection (7), the actuarial equivalent percentage  
2 factor applicable to the age of such member at the time the  
3 member reached the maximum benefit and to the age, at that  
4 time, of the member's spouse shall determine the amount of  
5 benefits to be paid.

6 (12) SPECIAL PROVISIONS FOR PAYMENT OF CERTAIN  
7 SURVIVOR BENEFITS.--Notwithstanding any provision of this  
8 chapter to the contrary, for members with an effective date of  
9 retirement, or date of death if prior to retirement, on or  
10 after January 1, 1996, the named joint annuitant, as defined  
11 in s. 121.021(28)(b), who is eligible to receive benefits  
12 under subparagraph (6)(a)3. or subparagraph (6)(a)4., shall  
13 receive the maximum monthly retirement benefit that would have  
14 been payable to the member under subparagraph (6)(a)1.;  
15 however, payment of such benefit shall cease the month the  
16 joint annuitant attains age 25 unless such joint annuitant is  
17 disabled and incapable of self-support, in which case,  
18 benefits shall cease when the joint annuitant is no longer  
19 disabled. The administrator may require proof of disability  
20 or continued disability in the same manner as is provided for  
21 a member seeking or receiving a disability retirement benefit  
22 under subsection (4).

23 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general,  
24 and subject to the provisions of this section, the Deferred  
25 Retirement Option Program, hereinafter referred to as the  
26 DROP, is a program under which an eligible member of the  
27 Florida Retirement System may elect to participate, deferring  
28 receipt of retirement benefits while continuing employment  
29 with his or her Florida Retirement System employer. The  
30 deferred monthly benefits shall accrue in the System Trust  
31 Fund on behalf of the participant, plus interest compounded

1 monthly, for the specified period of the DROP participation,  
2 as provided in paragraph (c). Upon termination of employment,  
3 the participant shall receive the total DROP benefits and  
4 begin to receive the previously determined normal retirement  
5 benefits. Employment in the DROP does not guarantee employment  
6 for the specified period of DROP.

7 (a) Eligibility of member to participate in the  
8 DROP.--All Florida Retirement System members are eligible to  
9 elect participation in the DROP provided that:

10 1. Election to participate is made within 12 months  
11 following the date on which the member first reaches normal  
12 retirement date ~~or age~~, or, for a member who first reached  
13 normal retirement date ~~or age~~ prior to the effective date of  
14 this section, election to participate is made within 12 months  
15 after ~~of~~ the effective date of this section. A member who  
16 fails to make an election within such 12-month limitation  
17 period shall forfeit all rights to participate in the DROP.  
18 The member shall advise his or her employer and the division  
19 in writing of the date on which the DROP shall begin. Such  
20 beginning date may be subsequent to the 12-month election  
21 period, but must be within the 60-month limitation period as  
22 provided in subparagraph (b)1.

23 2. The retiring member's employer, or employers if  
24 dually employed, shall acknowledge in writing to the division  
25 the date the member's participation in the DROP begins and the  
26 date the member's employment and DROP participation will  
27 terminate.

28 3. Employment of a participant by additional Florida  
29 Retirement System employers subsequent to the commencement of  
30 participation in the DROP shall be permissible provided such  
31 employers acknowledge in writing a DROP termination date no

1 later than the participant's existing termination date or the  
2 60-month limitation period as provided in subparagraph (b)1.

3 (b) Participation in the DROP.--

4 1. An eligible member may elect to participate in the  
5 DROP for a period not to exceed a maximum of 60 months  
6 following the date on which the member first reaches his or  
7 her normal retirement ~~age or~~ date, including a member who  
8 first reaches his or her normal retirement ~~age or~~ date prior  
9 to the effective date of this section. Any member who has  
10 exceeded the 60-month limitation is ~~shall~~ not ~~be~~ eligible to  
11 participate in the DROP.

12 2. Upon deciding to participate in the DROP, the  
13 member shall submit, on forms required by the division:

14 a. A written election to participate in the DROP;

15 b. Selection of the DROP participation and termination  
16 dates, which satisfy the limitations stated in paragraph (a)  
17 and subparagraph 1. Such termination date shall be in a  
18 binding letter of resignation with the employer, establishing  
19 a deferred termination date. The member may change the  
20 termination date within the limitations of subparagraph 1.,  
21 but only with the written approval of his employer;

22 c. A properly completed DROP application for service  
23 retirement as provided in this section; and

24 d. Any other information required by the division.

25 3. The DROP participant shall be a retiree under the  
26 Florida Retirement System for all purposes, except for  
27 paragraph (5)(f) and subsection (9) and ss. 112.3173, 112.363,  
28 121.053, and 121.122.

29 4. A reemployed retiree with renewed membership is not  
30 eligible for DROP participation.

31

1           5. Elected officers shall be eligible to participate  
2 in the DROP subject to the following:

3           a. An elected or a nonelected participant may run for  
4 a term of office while participating in DROP and, if elected,  
5 extend the DROP termination date accordingly, except, however,  
6 if such additional term of office exceeds the 60-month  
7 limitation established in subparagraph 1., and the officer  
8 does not resign from office within such 60-month limitation,  
9 the retirement and the participant's DROP shall be null and  
10 void as provided in sub-subparagraph (c)4.d.

11           b. An elected officer who is dually employed and  
12 elects to participate in DROP shall be required to satisfy the  
13 definition of termination within the 60-month limitation  
14 period as provided in subparagraph 1. for the nonelected  
15 position and may continue employment as an elected officer as  
16 provided in s. 121.053. The elected officer will be enrolled  
17 as a renewed member in the Elected State and County Officers'  
18 Class or the Regular Class, as provided in ss. 121.053 and  
19 121.22, on the first day of the month after termination of  
20 employment in the nonelected position and termination of DROP.  
21 Distribution of the DROP benefits shall be made as provided in  
22 paragraph (c).

23           (c) Benefits payable under the DROP.--

24           1. Effective with the date of DROP participation, the  
25 member's initial normal monthly benefit, including creditable  
26 service and average final compensation, and the effective date  
27 of retirement shall be fixed. Such retirement benefit, the  
28 annual cost of living adjustments provided in s. 121.101, and  
29 interest shall accrue monthly in the System Trust Fund. Such  
30 interest shall accrue at an effective annual rate of 6.5

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1 percent compounded monthly, on the prior month's accumulated  
2 ending balance, up to the month of termination or death.

3         2. The effective date of retirement of a DROP  
4 participant shall be the first day of the month selected by  
5 the member to begin participation in the DROP.

6         3. Normal retirement benefits and interest thereon  
7 shall continue to accrue in the DROP until the established  
8 termination date of the DROP, or until the participant  
9 terminates employment or dies prior to such date. Although  
10 individual DROP accounts shall not be established, a separate  
11 accounting of each participant's accrued benefits under the  
12 DROP shall be calculated and provided to participants  
13 annually.

14         4. At the conclusion of the participant's DROP, the  
15 division shall distribute the participant's total accumulated  
16 DROP benefits, subject to the following provisions:

17             a. The division shall receive verification by the  
18 participant's employer or employers that such participant has  
19 terminated employment as provided in s. 121.021(39)(b).

20             b. The terminated DROP participant or, if deceased,  
21 such participant's named beneficiary, shall elect on forms  
22 provided by the division to receive payment of the DROP  
23 benefits in accordance with one of the options listed below.  
24 For a participant or beneficiary who fails to elect a method  
25 of payment within 60 days of termination of the DROP, the  
26 division will pay a lump sum as provided in  
27 sub-sub-subparagraph(I).

28             (I) Lump sum.--All accrued DROP benefits, plus  
29 interest, less withholding taxes remitted to the Internal  
30 Revenue Service, shall be paid to the DROP participant or  
31 surviving beneficiary.

1           (II) Direct rollover.--All accrued DROP benefits, plus  
2 interest, shall be paid from the DROP directly to the  
3 custodian of an eligible retirement plan as defined in s.  
4 402(c)(8)(B) of the Internal Revenue Code. However, in the  
5 case of an eligible rollover distribution to the surviving  
6 spouse of a deceased participant, an eligible retirement plan  
7 is an individual retirement account or an individual  
8 retirement annuity as described in s. 402(c)(9) of the  
9 Internal Revenue Code.

10           (III) Partial lump sum.--A portion of the accrued DROP  
11 benefits shall be paid to the DROP participant or surviving  
12 spouse, less withholding taxes remitted to the Internal  
13 Revenue Service, and the remaining DROP benefits shall be  
14 transferred directly to the custodian of an eligible  
15 retirement plan as defined in s. 402(c)(8)(B) of the Internal  
16 Revenue Code. However, in the case of an eligible rollover  
17 distribution to the surviving spouse of a deceased  
18 participant, an eligible retirement plan is an individual  
19 retirement account or an individual retirement annuity as  
20 described in s. 402(c)(9) of the Internal Revenue Code. The  
21 proportions shall be specified by the DROP participant or  
22 surviving beneficiary.

23           c. The form of payment selected by the DROP  
24 participant or surviving beneficiary complies with the minimum  
25 distribution requirements of the Internal Revenue Code and  
26 payments begin no later than the date on which the participant  
27 reaches age 70 years and 6 months.

28           d. For a DROP participant who fails to terminate  
29 employment as defined in s. 121.021(39)(b), the member shall  
30 be deemed not to be retired and the DROP election shall be  
31 null and void. Florida Retirement System membership shall be

1 reestablished retroactively to the date of the commencement of  
2 the DROP, and the employer shall be required to pay to the  
3 System Trust Fund the difference between the DROP  
4 contributions paid in paragraph (i) and the contributions  
5 required for the applicable Florida Retirement System class of  
6 membership during the period the member participated in the  
7 DROP, plus 6.5 percent interest compounded annually.

8           5. The accrued benefits of any DROP participant, and  
9 any contributions accumulated under such program, shall not be  
10 subject to assignment, execution, attachment, or to any legal  
11 process whatsoever, except for qualified domestic relations  
12 orders by a court of competent jurisdiction, income deduction  
13 orders as provided in s. 61.1301, and federal income tax  
14 levies.

15           6. DROP participants shall not be eligible for  
16 disability retirement benefits as provided in subsection (4).

17           (d) Death benefits under the DROP.--

18           1. Upon the death of a DROP participant, the named  
19 beneficiary shall be entitled to apply for and receive the  
20 accrued benefits in the DROP as provided in sub-subparagraph  
21 (c)4.b.

22           2. The normal retirement benefit accrued to the DROP  
23 during the month of a participant's death shall be the final  
24 monthly benefit credited for such DROP participant.

25           3. Eligibility to participate in the DROP terminates  
26 upon death of the participant. If the participant dies on or  
27 after the effective date of enrollment in the DROP, but prior  
28 to the first monthly benefit being credited to the DROP,  
29 Florida Retirement System benefits shall be paid in accordance  
30 with subparagraph (7)(c)1. or subparagraph 2.

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1           4. A DROP participants' survivors shall not be  
2 eligible to receive Florida Retirement System death benefits  
3 as provided in paragraph (7)(d).

4           (e) Cost-of-living adjustment.--On each July 1, the  
5 participants' normal retirement benefit shall be increased as  
6 provided in s. 121.101.

7           (f) Retiree health insurance subsidy.--DROP  
8 participants are not eligible to apply for the retiree health  
9 insurance subsidy payments as provided in s. 112.363 until  
10 such participants have terminated employment and participation  
11 in the DROP.

12           (g) Renewed membership.--DROP participants shall not  
13 be eligible for renewed membership in the Florida Retirement  
14 System under ss. 121.053 and 121.122 until termination of  
15 employment is effectuated as provided in s. 121.021(39)(b).

16           (h) Employment limitation after DROP  
17 participation.--Upon satisfying the definition of termination  
18 of employment as provided in s. 121.021(39)(b), DROP  
19 participants shall be subject to such reemployment limitations  
20 as other retirees. Reemployment restrictions applicable to  
21 retirees as provided in subsection (9) shall not apply to DROP  
22 participants until their employment and participation in the  
23 DROP are terminated.

24           (i) Contributions.--

25           1. All employers paying the salary of a DROP  
26 participant filling a regularly established position shall  
27 contribute 11.56 percent of such participant's gross  
28 compensation, which shall constitute the entire employer DROP  
29 contribution with respect to such participant. Such  
30 contributions, payable to the System Trust Fund in the same  
31 manner as required in s. 121.071, shall be made as appropriate

1 for each pay period and are in addition to contributions  
2 required for social security and the Retiree Health Insurance  
3 Subsidy Trust Fund. Such employer, social security, and  
4 health insurance subsidy contributions are not included in the  
5 DROP.

6           2. The employer shall, in addition to subparagraph 1.,  
7 also withhold one-half of the entire social security  
8 contribution required for the participant. Contributions for  
9 social security by each participant and each employer, in the  
10 amount required for social security coverage as now or  
11 hereafter provided by the federal Social Security Act, shall  
12 be in addition to contributions specified in subparagraph 1.

13           3. All employers paying the salary of a DROP  
14 participant filling a regularly established position shall  
15 contribute 0.66 percent of such participant's gross  
16 compensation, which shall constitute the employer's health  
17 insurance subsidy contribution with respect to such  
18 participant. Such contributions shall be deposited by the  
19 administrator in the Retiree Health Insurance Subsidy Trust  
20 Fund.

21           (j) Forfeiture of retirement benefits.--Nothing in  
22 this section shall be construed to remove DROP participants  
23 from the scope of s. 8(d), Art. II of the State Constitution,  
24 s. 112.3173, and paragraph (5)(f). DROP participants who  
25 commit a specified felony offense while employed will be  
26 subject to forfeiture of all retirement benefits, including  
27 DROP benefits, pursuant to those provisions of law.

28           (k) Administration of program.--The division shall  
29 make such rules as are necessary for the effective and  
30 efficient administration of this subsection. The division  
31 shall not be required to advise members of the federal tax

1 consequences of an election related to the DROP but may advise  
2 members to seek independent advice.

3 (14) PAYMENT OF BENEFITS.--This subsection applies to  
4 the payment of benefits to a payee (retiree or beneficiary)  
5 under the Florida Retirement System:

6 (a) Federal income tax shall be withheld in accordance  
7 with federal law, unless the payee elects otherwise on Form  
8 W-4P. The division shall prepare and distribute to each  
9 recipient of monthly retirement benefits an appropriate income  
10 tax form that reflects the recipient's income and federal  
11 income tax withheld for the calendar year just ended.

12 (b) Subject to approval by the division in accordance  
13 with rule 60S-4.015, Florida Administrative Code, a payee  
14 receiving retirement benefits under the Florida Retirement  
15 System may also have the following payments deducted from his  
16 or her monthly benefit:

17 1. Premiums for life and health-related insurance  
18 policies from approved companies.

19 2. Life insurance premiums for the State Group Life  
20 Insurance Plan, if authorized in writing by the payee and by  
21 the Division of State Group Insurance.

22 3. Repayment of overpayments from the Florida  
23 Retirement System Trust Fund, the State Employees' Health  
24 Insurance Trust Fund, or the State Employees' Life Insurance  
25 Trust Fund, upon notification of the payee.

26 4. Payments to an alternate payee for alimony, child  
27 support, or division of marital assets pursuant to a qualified  
28 domestic relations order under s. 222.21 or an income  
29 deduction order under s. 61.1301.

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1           5. Payments to the Internal Revenue Service for  
2 federal income tax levies, upon notification of the division  
3 by the Internal Revenue Service.

4           (c) A payee shall notify the division of any change in  
5 his or her address. The division may suspend benefit payments  
6 to a payee if correspondence sent to the payee's mailing  
7 address is returned due to an incorrect address. Benefit  
8 payments shall be resumed upon notification to the division of  
9 the payee's new address.

10           Section 10. Section 121.111, Florida Statutes, is  
11 amended to read:

12           121.111 Credit for military service.--

13           (1) Creditable service of any member shall also  
14 include military service as defined in s. 121.021(20)(a) if:

15           (a) The member is in the active employ of an employer  
16 immediately prior to such service and leaves a position, other  
17 than a temporary position, for the purpose of induction into  
18 the Armed Forces of the United States or entry upon duty in  
19 the Armed Forces of the United States. When applied to the  
20 Florida Retirement System:

21           1. The term "position other than a temporary position"  
22 means a regularly established position with a Florida  
23 Retirement System employer; and

24           2. A member shall be construed to have left his or her  
25 employment for military purposes if he or she reported for  
26 active duty within 60 days after leaving such employment;

27           (b) The member is entitled to reemployment under the  
28 provisions of the Veterans' Reemployment Rights Act (38 U.S.C.  
29 ss. 2021 et seq.);

30           (c) The member applies for reemployment with the same  
31 employer within the time set forth in s. 2021 or s. 2024 of

1 the Veterans' Reemployment Rights Act, whichever is  
2 applicable, and is reemployed by such employer;

3 (d) The member makes the required employee  
4 contributions, if any, and the employer makes the required  
5 employer contributions for the employee's membership class for  
6 each month of service credit during such period of military  
7 service, based upon the employee's rate of monthly  
8 compensation as of the date that the employee left his or her  
9 position, plus 4 percent interest on such contributions  
10 compounded annually from the due date of the contribution  
11 until July 1, 1975, and 6.5 percent interest compounded  
12 annually thereafter, until the payment is made to the proper  
13 retirement trust fund; and

14 (e) The period of service claimed pursuant to this  
15 subsection does not exceed the periods specified by the  
16 provisions of ss. 2021 and 2024 of the Veterans' Reemployment  
17 Rights Act which are applicable in the member's case.

18 (2) Any member whose initial date of employment is  
19 before January 1, 1987, who has military service as defined in  
20 s. 121.021(20)(b), and who does not claim such service under  
21 subsection (1) may receive creditable service for such  
22 military service if:

23 (a) The member is vested ~~has completed a minimum of 10~~  
24 ~~years of creditable service;~~

25 (b) Creditable service, not to exceed a total of 4  
26 years, is claimed only as service earned in the Regular Class  
27 of membership; and

28 (c) The member pays into the proper retirement trust  
29 fund 4 percent of gross salary, based upon his or her first  
30 year of salary subsequent to July 1, 1945, that he or she has  
31 credit for under this system, plus 4 percent interest thereon

1 compounded annually from the date of first creditable service  
2 under this chapter until July 1, 1975, and 6.5 percent  
3 interest compounded annually thereafter, until payment is made  
4 to the proper retirement trust fund.

5 (d) The member may not receive credit for any wartime  
6 military service if the member also receives credit for such  
7 service under any federal, state, or local retirement or  
8 pension system where "length of service" is a factor in  
9 determining the amount of compensation received. However,  
10 credit for wartime military service may be received where the  
11 member also receives credit under a pension system providing  
12 retired pay for nonregular service in the Armed Forces of the  
13 United States in accordance with 10 U.S.C. ss. 1331 et seq.,  
14 as follows:

15 1. Any person whose retirement date under the Florida  
16 Retirement System is prior to July 1, 1985, may claim such  
17 service at any time, as provided in this subsection, upon  
18 payment of contributions and interest as provided in paragraph  
19 (c), with interest computed to the retired member's retirement  
20 date. The benefit shall be recalculated and increased to  
21 include the additional service credit granted for such wartime  
22 military service, and a lump-sum payment shall be made to the  
23 retiree for the amount owed due to the additional service  
24 credit, retroactive to the date of retirement.

25 2. Any person whose retirement date is on or after  
26 July 1, 1985, must claim such service and pay the required  
27 contributions, as provided in paragraph (c), prior to the  
28 commencement of his or her retirement benefits, as provided in  
29 this subsection.

30 (e) Any member claiming credit under this subsection  
31 must certify on the form prescribed by the division that

1 credit for such service has not and will not be claimed for  
2 retirement purposes under any other federal, state, or local  
3 retirement or pension system where "length of service" is a  
4 factor in determining the amount of compensation received,  
5 except where credit for such service has been granted in a  
6 pension system providing retired pay for nonregular service as  
7 provided in paragraph (d). If the member dies prior to  
8 retirement, the member's beneficiary must make the required  
9 certification before credit may be claimed. If such  
10 certification is not made by the member or the member's  
11 beneficiary, credit for wartime military service shall not be  
12 allowed.

13 (f) Service credit awarded for wartime military  
14 service shall be the total number of years, months, and days  
15 from and including the date of entry into active duty through  
16 the date of discharge from active duty, up to a maximum of 4  
17 years. If the military service includes a partial year, it  
18 shall be stated as a fraction of a year. Creditable military  
19 service shall be calculated in accordance with rule  
20 60S-2.005(2)(j), Florida Administrative Code.

21 (3) Except as provided by law or rule, the employer is  
22 not required to make contributions for military service credit  
23 for any member.

24 Section 11. Section 121.121, Florida Statutes, is  
25 amended to read:

26 121.121 ~~Future service to include~~ Authorized leaves of  
27 absence.--A member may purchase creditable service for Future  
28 ~~service of any member as defined in s. 121.021(21) shall also~~  
29 ~~include~~ up to 2 work years of ~~creditable service for~~  
30 authorized leaves of absence if:  
31

1           (1) The member has completed a minimum of 10 years of  
2 creditable service, excluding periods for which a ~~of~~ leave of  
3 absence was authorized;

4           (2) The leave of absence is authorized in writing by  
5 the employer of the member and approved by the administrator;

6           (3) The member returns to active employment performing  
7 service with a Florida Retirement System employer in a  
8 regularly established position immediately upon termination of  
9 the leave of absence and remains on the employer's payroll for  
10 1 calendar month, except that a member who retires on  
11 disability while on a medical leave of absence shall not be  
12 required to return to employment. A member whose work year is  
13 less than 12 months and whose leave of absence terminates  
14 between school years is eligible to receive credit for the  
15 leave of absence as long as he or she returns to the  
16 employment of his or her employer at the beginning of the next  
17 school year and remains on the employer's payroll for 1  
18 calendar month; and

19           (4) The member makes the required contributions for  
20 service credit during the leave of absence, which shall be 8  
21 percent until January 1, 1975, and 9 percent thereafter of his  
22 or her rate of monthly compensation in effect immediately  
23 prior to the commencement of such leave for each month of such  
24 period, plus 4 percent interest until July 1, 1975, and 6.5  
25 percent interest thereafter on such contributions, compounded  
26 annually each June 30 from the due date of the contribution to  
27 date of payment. Effective July 1, 1980, any leave of absence  
28 purchased pursuant to this section shall be at the  
29 contribution rates specified in s. 121.071 in effect at the  
30 time the leave is granted for the class of membership from  
31 which the leave of absence was granted; however, any member

1 who purchased leave-of-absence credit prior to July 1, 1980,  
2 for a leave of absence from a position in a class other than  
3 the regular membership class, may pay the appropriate  
4 additional contributions plus compound interest thereon and  
5 receive creditable service for such leave of absence in the  
6 membership class from which the member was granted the leave  
7 of absence.

8 Section 12. Subsection (3) of section 121.122, Florida  
9 Statutes, is amended to read:

10 121.122 Renewed membership in system.--Except as  
11 provided in s. 121.053, effective July 1, 1991, any retiree of  
12 a state-administered retirement system who is employed in a  
13 regularly established position with a covered employer shall  
14 be enrolled as a compulsory member of the Regular Class of the  
15 Florida Retirement System or, effective July 1, 1997, any  
16 retiree of a state-administered retirement system who is  
17 employed in a position included in the Senior Management  
18 Service Class shall be enrolled as a compulsory member of the  
19 Senior Management Service Class of the Florida Retirement  
20 System as provided in s. 121.055, and shall be entitled to  
21 receive an additional retirement benefit, subject to the  
22 following conditions:

23 (3) Such member shall be entitled to purchase  
24 additional retirement credit in the Regular Class for any  
25 postretirement service performed in a regularly established  
26 position prior to July 1, 1991, by paying the Regular Class  
27 applicable employee and employer contributions for the period  
28 being claimed, plus 4 percent interest compounded annually  
29 from first year of service claimed until July 1, 1975, and 6.5  
30 percent interest compounded thereafter, until full payment is  
31 made to the Florida Retirement System Trust Fund. The

1 contribution for postretirement service between July 1, 1985,  
2 and July 1, 1991, for which the reemployed retiree  
3 contribution was paid, shall be the difference between such  
4 contribution and the total applicable contribution for the  
5 period being claimed, plus interest. The employer of such  
6 member may pay the applicable employer contribution in lieu of  
7 the member. If a member does not wish to claim credit for all  
8 of the postretirement service for which he or she is eligible,  
9 the service the member claims must be the most recent service.

10 Section 13. Section 121.193, Florida Statutes, is  
11 created to read:

12 121.193 External compliance audits.--

13 (1) The division shall conduct audits of the payroll  
14 and personnel records of participating agencies. These audits  
15 shall be made to determine the accuracy of reports submitted  
16 to the division and to assess the degree of compliance with  
17 applicable statutes, rules, and coverage agreements. Audits  
18 shall be scheduled on a regular basis, as the result of  
19 concerns known to exist at an agency, or as a follow-up to  
20 ensure agency action was taken to correct deficiencies found  
21 in an earlier audit.

22 (2) Upon request, participating agencies shall furnish  
23 the division with information and documents that the division  
24 requires to conduct the audit. The division may prescribe by  
25 rule the documents that may be requested.

26 (3) The division shall review the agency's operations  
27 concerning retirement and social security coverage.  
28 Preliminary findings shall be discussed with agency personnel  
29 at the close of the audit. An audit report of findings and  
30 recommendations shall be submitted to division management and

31

1 an audit summary letter shall be submitted to the agency  
2 noting any concerns and necessary corrective action.

3 Section 14. Subsections (1), (4), and (5), and  
4 paragraph (a) of subsection (6) of section 121.35, Florida  
5 Statutes, are amended to read:

6 121.35 Optional retirement program for the State  
7 University System.--

8 (1) OPTIONAL RETIREMENT PROGRAM ESTABLISHED.--The  
9 Division of Retirement shall establish an optional retirement  
10 program under which contracts providing retirement and death  
11 benefits may be purchased for eligible members of the State  
12 University System who elect to participate in the program. The  
13 benefits to be provided for or on behalf of participants in  
14 such optional retirement program shall be provided through  
15 individual contracts or individual certificates issued for  
16 group annuity contracts, which may be fixed, variable, or a  
17 combination thereof, in accordance with s. 403(b) of the  
18 Internal Revenue Code. Any individual contract or certificate  
19 shall state the annuity plan on its face page, and shall  
20 include, but not be limited to, a statement of ownership, the  
21 contract benefits, annuity income options, limitations,  
22 expense charges, and surrender charges, if any. The state  
23 shall contribute, as provided in this section, toward the  
24 purchase of such optional benefits.

25 (4) CONTRIBUTIONS.--

26 (a) Each employer shall contribute on behalf of each  
27 participant in the optional retirement program an amount equal  
28 to the normal cost portion of the employer retirement  
29 contribution which would be required if the participant were a  
30 regular member of the Florida Retirement System, plus the  
31 portion of the contribution rate required in s. 112.363(8)

1 that would otherwise be assigned to the Retiree Health  
2 Insurance Subsidy Trust Fund, less an amount approved by the  
3 Legislature which shall be deducted by the division to provide  
4 for the administration of this program. The payment of the  
5 contributions to the optional program which is required by  
6 this paragraph for each participant shall be made by the  
7 employer to the division, which shall forward the  
8 contributions to the designated company or companies  
9 contracting for payment of benefits for the participant under  
10 the program. However, such contributions paid on behalf of an  
11 employee described in paragraph (3)(c) shall not be forwarded  
12 to a company and shall not begin to accrue interest until the  
13 employee has executed an annuity contract and notified the  
14 division.

15 (b) Each employer shall contribute on behalf of each  
16 participant in the optional retirement program an amount equal  
17 to the unfunded actuarial accrued liability portion of the  
18 employer contribution which would be required for members of  
19 the Florida Retirement System. This contribution shall be  
20 paid to the division for transfer to the Florida Retirement  
21 System Trust Fund.

22 (c) An Optional Retirement Program Trust Fund shall be  
23 established in the State Treasury and administered by the  
24 Division of Retirement to make payments to the provider  
25 companies on behalf of the Optional Retirement Program  
26 participants, and to transfer the unfunded liability portion  
27 of the state Optional Retirement Program contributions to the  
28 Florida Retirement System Trust Fund.

29 (d)(c) Contributions required for social security by  
30 each employer and each participant, in the amount required for  
31 social security coverage as now or hereafter may be provided

1 by the federal Social Security Act, shall be maintained for  
2 each participant in the optional retirement program and shall  
3 be in addition to the retirement contributions specified in  
4 this subsection.

5 ~~(e)(d)~~ Each participant in the optional retirement  
6 program who has executed an annuity contract may contribute by  
7 way of salary reduction or deduction a percentage amount of  
8 the participant's gross compensation not to exceed the  
9 percentage amount contributed by the employer to the optional  
10 program, but in no case may such contribution exceed federal  
11 limitations. Payment of the participant's contributions shall  
12 be made by the financial officer of the employer to the  
13 division which shall forward the contributions to the  
14 designated company or companies contracting for payment of  
15 benefits for the participant under the program. A participant  
16 may not make, through salary reduction, any voluntary employee  
17 contributions to any other plan under s. 403(b) of the  
18 Internal Revenue Code, with the exception of a custodial  
19 account under s. 403(b)(7) of the Internal Revenue Code, until  
20 he or she has made an employee contribution to his or her  
21 optional program equal to the employer contribution. A  
22 participant is responsible for monitoring his or her  
23 individual tax-deferred income to insure he or she does not  
24 exceed the maximum deferral amounts permitted under the  
25 Internal Revenue Code.

26 (5) BENEFITS.--

27 (a) Benefits shall be payable under the optional  
28 retirement program only to vested participants in the program,  
29 or their beneficiaries as designated by the participant in the  
30 contract with a provider company, and such benefits shall be  
31 paid only by the designated company in accordance with the

1 terms of the annuity contract or contracts applicable to the  
2 participant. The participant must be terminated from all  
3 employment with all Florida Retirement System employers, as  
4 provided in s. 121.021(39), to begin receiving the  
5 employer-funded benefit. Benefits funded by employer  
6 contributions shall be payable only as a lifetime annuity to  
7 the participant, his beneficiary, or his estate, except for:  
8       1. A lump-sum payment to the beneficiary upon the  
9 death of the participant; or  
10       2. A cash-out of a de minimis account upon the request  
11 of a former participant who has been terminated for a minimum  
12 of 6 months from the employment that entitled him to Optional  
13 Retirement Program participation. A de minimis account is an  
14 account with a provider company containing employer  
15 contributions and accumulated earnings of not more than \$3,500  
16 made under the provisions of this chapter. Such cash-out must  
17 be a complete liquidation of the account balance with that  
18 company and is subject to the provisions of the Internal  
19 Revenue Code.

20       (b) The benefits payable to any person under the  
21 optional retirement program, and any contribution accumulated  
22 under such program, shall not be subject to assignment,  
23 execution, or attachment or to any legal process whatsoever.

24       (c) A participant who chooses to receive his or her  
25 benefits upon termination of employment shall have  
26 responsibility to notify the provider company of the date on  
27 which he or she wishes the annuity funded by employer  
28 contributions to begin. Benefits may be deferred until such  
29 time as the participant chooses to make such application.

30       (d) Benefits funded by the participant's personal  
31 contributions may be paid out at any time and in any form

1 within the limits provided in the contract between the  
2 participant and his or her provider company. The participant  
3 shall notify the provider company regarding the date and  
4 provisions under which he or she wants to receive the  
5 employee-funded portion of the plan.

6 (6) ADMINISTRATION OF PROGRAM.--

7 (a) The optional retirement program authorized by this  
8 section shall be administered by the division. The division  
9 shall adopt rules establishing the responsibilities of the  
10 Board of Regents and institutions in the State University  
11 System in administering the optional retirement program.The  
12 Board of Regents shall, no more than 90 days after July 1,  
13 1983, submit to the division its recommendations for the  
14 annuity contracts to be offered by the companies chosen by the  
15 division. The recommendations of the board shall include the  
16 following:

17 1. The nature and extent of the rights and benefits in  
18 relation to the required contributions; and

19 2. The suitability of the rights and benefits to the  
20 needs of the participants and the interests of the  
21 institutions in the recruitment and retention of eligible  
22 employees.

23 Section 15. Subsection (6) of section 121.40, Florida  
24 Statutes, is amended to read:

25 121.40 Cooperative extension personnel at the  
26 Institute of Food and Agricultural Sciences; supplemental  
27 retirement benefits.--

28 (6) PAYMENT OF SUPPLEMENT.--Any participant who  
29 retires on or after January 1, 1985, from the federal Civil  
30 Service Retirement System as a cooperative extension employee  
31 of the institute at the University of Florida and who

1 satisfies all of the eligibility criteria specified in  
2 subsection (4) shall be entitled to receive a supplemental  
3 benefit computed in accordance with subsection (5), to begin  
4 July 1, 1985, or the month of retirement, or the month in  
5 which the participant becomes age 62, whichever is later.  
6 Upon application to the administrator, the participant shall  
7 receive a monthly supplemental benefit which shall commence on  
8 the last day of the month of retirement and shall be payable  
9 on the last day of the month thereafter during his or her  
10 lifetime. A participant may have federal income tax and health  
11 insurance premiums deducted from his or her monthly  
12 supplemental benefit in the same manner as provided in s.  
13 121.091(14)(a) and (b) for monthly retirement benefits under  
14 the Florida Retirement System.

15       Section 16. It is the intent of the Legislature that  
16 the amendments to sections 121.021, 121.051, 121.0515,  
17 121.052, 121.053, 121.055, 121.071, 121.081, 121.091, 121.111,  
18 121.121, 121.122, 121.35, and 121.40, Florida Statutes, made  
19 by this act are intended to be supplemental to other  
20 amendments to those sections which are enacted at the 1998  
21 regular session of the Legislature, unless a contrary intent  
22 is specifically indicated in this act or in such other  
23 amendments.

24       Section 17. This act shall take effect July 1, 1998.  
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