

By Representatives K. Pruitt, Thrasher, Starks, Feeney,
Futch, Crist and Ritchie

1 A bill to be entitled
2 An act relating to municipal firefighters'
3 pension trust funds and municipal police
4 officers' retirement trust funds; amending and
5 revising the provisions of chapters 175 and
6 185, F.S.; defining "chapter plans" and "local
7 law plans"; redefining "compensation" or
8 "salary" for retirement purposes under these
9 chapters; clarifying the applicability of
10 minimum benefits for both chapter and local law
11 plans; revising investment provisions to permit
12 cities greater investment latitude to make
13 foreign investments; eliminating discriminatory
14 language in conformance with state and federal
15 discrimination provisions; providing that
16 certain benefits provided are a minimum and may
17 not be diminished by any other state, local, or
18 federal benefits; providing an exception;
19 modifying the formula for calculating volunteer
20 firefighter service retirement benefits;
21 clarifying terminology relating to "sole and
22 exclusive use of" premium tax funds and "extra
23 benefits" by providing that moneys must be
24 placed in a police-only or firefighter-only
25 plan or a combined police and firefighter plan
26 as opposed to placing moneys in any type of
27 plan that includes general employees; providing
28 for establishment of a new board and for
29 transfer of assets in certain cases; creating
30 s. 175.195, F.S.; prohibiting certain
31 fraudulent practices; providing criminal and

1 administrative penalties; repealing s. 175.152,
2 F.S., relating to contributions; repealing s.
3 175.251, F.S., relating to employment records
4 that are required to be kept by the secretary
5 of the board of trustees; repealing s. 175.291,
6 F.S., relating to the requirement that the
7 attorney for the municipality or special fire
8 control district represent the board of
9 trustees upon request and the option to employ
10 independent counsel and other persons;
11 repealing s. 175.321, F.S., relating to the
12 application of certain provisions to
13 municipalities and fire control districts;
14 repealing s. 175.331, F.S., relating to the
15 rights of firefighters under former law;
16 repealing s. 175.391, F.S., relating to payment
17 of attorney's fees and costs; repealing s.
18 185.14, F.S., relating to contributions;
19 repealing s. 185.15, F.S., relating to
20 contributions and new employees; creating s.
21 185.185, F.S.; prohibiting certain fraudulent
22 practices; providing criminal and
23 administrative penalties; repealing s. 185.27,
24 F.S., relating to the roster of retirees;
25 repealing s. 185.29, F.S., relating to the city
26 attorney representing the board of trustees;
27 repealing s. 185.32, F.S., relating to
28 exemptions from the chapter; repealing s.
29 185.36, F.S., relating to the rights of police
30 officers under former laws; repealing s.
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1 185.40, F.S., relating to costs and attorney's
2 fees; providing an effective date.

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

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6 Section 1. Section 175.021, Florida Statutes, is
7 amended to read:

8 175.021 Legislative declaration.--

9 (1) It is hereby declared by the Legislature that
10 firefighters, as hereinafter defined, perform state and
11 municipal functions; that it is their duty to extinguish
12 fires, to protect life, and to protect property at their own
13 risk and peril; that it is their duty to prevent conflagration
14 and to continuously instruct school personnel, public
15 officials, and private citizens in the prevention of fires and
16 firesafety; that they protect both life and property from
17 local emergencies as defined in s. 252.34(3); and that their
18 activities are vital to the public safety. It is further
19 declared that firefighters employed by special fire control
20 districts serve under the same circumstances and perform the
21 same duties as firefighters employed by municipalities and
22 should therefore be entitled to the benefits available under
23 this chapter. Therefore, the Legislature declares that it is
24 a proper and legitimate state purpose to provide a uniform
25 retirement system for the benefit of firefighters as
26 hereinafter defined and intends, in implementing the
27 provisions of s. 14, Art. X of the State Constitution as they
28 relate to municipal and special district firefighters' pension
29 trust fund systems and plans, that such retirement systems or
30 plans be managed, administered, operated, and funded in such
31 manner as to maximize the protection of the firefighters'

1 pension trust funds. Pursuant to s. 18, Art. VII of the State
2 Constitution, the Legislature hereby determines and declares
3 that the provisions of this act fulfill an important state
4 interest.

5 (2) This chapter hereby establishes, for all municipal
6 and special district pension plans existing now or hereafter
7 under this chapter, including chapter plans and local law
8 plans, minimum benefits and standards for the operation and
9 funding of such municipal and special district firefighters'
10 pension trust fund systems and plans, hereinafter referred to
11 as firefighters' pension trust funds. The minimum benefits and
12 standards set forth in this chapter may not be diminished by
13 local charter, ordinance, or resolution or by special act of
14 the Legislature, nor may the benefits or standards be reduced
15 or offset by any other local, state, or federal law that may
16 include firefighters in its operation, except as provided
17 under s. 112.65.

18 Section 2. Section 175.032, Florida Statutes, is
19 amended to read:

20 (Substantial rewording of section. See
21 s. 175.032, F.S., for present text.)

22 175.032 Definitions.--For any municipality, special
23 fire control district, chapter plan, local law municipality,
24 local law special fire control district, or local law plan
25 under this chapter, the following words and phrases have the
26 following meanings:

27 (1)(a) "Average final compensation" for a full-time
28 firefighter means one-twelfth of the average annual
29 compensation of the 5 best years of the last 10 years of
30 creditable service prior to retirement, termination, or death,
31 or the career average as a full-time firefighter since July 1,

1 1953, whichever is greater. A year shall be 12 consecutive
2 months.

3 (b) "Average final compensation" for a volunteer
4 firefighter means the average salary of the 5 best years of
5 the last 10 best contributing years prior to change in status
6 to a permanent full-time firefighter or retirement as a
7 volunteer firefighter or the career average of a volunteer
8 firefighter, since July 1, 1953, whichever is greater.

9 (2) "Chapter plan" means a separate defined benefit
10 pension plan for firefighters which incorporates by reference
11 the provisions of this chapter and has been adopted by the
12 governing body of a municipality or special district. Except
13 as may be specifically authorized in this chapter, provisions
14 of a chapter plan may not differ from the plan provisions set
15 forth in ss. 175.021-175.341 and 175.361-175.401. Actuarial
16 valuations of chapter plans shall be conducted by the division
17 as provided by s. 175.261(1).

18 (3) "Compensation" or "salary" means the fixed monthly
19 remuneration paid a firefighter; when, as in the case of a
20 volunteer firefighter, remuneration is based on actual
21 services rendered, the term means the total cash remuneration
22 received yearly for such services, prorated on a monthly
23 basis.

24 (a) A retirement trust fund or plan may use a
25 definition of salary other than the definition in this
26 subsection but only if the monthly retirement income payable
27 to each firefighter covered by the retirement trust fund or
28 plan, as determined under s. 175.162(2)(a) and using such
29 other definition, equals or exceeds the monthly retirement
30 income that would be payable to each firefighter if his
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1 monthly retirement income were determined under s.
2 175.162(2)(a) and using the definition in this subsection.
3 (b) Any retirement trust fund or plan which now or
4 hereafter meets the requirements of this chapter shall not,
5 solely by virtue of this subsection, reduce or diminish the
6 monthly retirement income otherwise payable to each
7 firefighter covered by the retirement trust fund or plan.
8 (c) The member's compensation or salary contributed as
9 employee-elective salary reductions or deferrals to any salary
10 reduction, deferred compensation, or tax-sheltered annuity
11 program authorized under the Internal Revenue Code shall be
12 deemed to be the compensation or salary the member would
13 receive if he or she were not participating in such program
14 and shall be treated as compensation for retirement purposes
15 under this chapter.
16 (d) For any person who first becomes a member in any
17 plan year beginning on or after January 1, 1996, compensation
18 for any plan year shall not include any amounts in excess of
19 the Internal Revenue Code Section 401(a)(17) limitation [as
20 amended by the Omnibus Budget Reconciliation Act of 1993],
21 which limitation of \$150,000 shall be adjusted as required by
22 federal law for qualified government plans and shall be
23 further adjusted for changes in the cost of living in the
24 manner provided by Internal Revenue Code Section
25 401(a)(17)(B). For any person who first became a member prior
26 to the first plan year beginning on or after January 1, 1996,
27 the limitation on compensation shall be not less than the
28 maximum compensation amount that was allowed to be taken into
29 account under the plan as in effect on July 1, 1993, which
30 limitation shall be adjusted for changes in the cost of living
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1 since 1989 in the manner provided by Internal Revenue Code
2 Section 401(a)(17)(1991).

3 (4) "Creditable service" or "credited service" means
4 the aggregate number of years of service, and fractional parts
5 of years of service, of any firefighter, omitting intervening
6 years and fractional parts of years when such firefighter may
7 not have been employed by the municipality or special fire
8 control district, subject to the following conditions:

9 (a) No firefighter will receive credit for years or
10 fractional parts of years of service if he or she has
11 withdrawn his or her contributions to the fund for those years
12 or fractional parts of years of service, unless the
13 firefighter repays into the fund the contributions he or she
14 has withdrawn, with interest, within 90 days after his or her
15 reemployment.

16 (b) A firefighter may voluntarily leave his or her
17 contributions in the fund for a period of 5 years after
18 leaving the employ of the fire department, pending the
19 possibility of being rehired by the same department, without
20 losing credit for the time he or she has participated actively
21 as a firefighter. If the firefighter is not reemployed as a
22 firefighter, with the same department, within 5 years, his or
23 her contributions shall be returned without interest.

24 (c) Credited service under this chapter shall be
25 provided only for service as a firefighter, as defined in s.
26 175.032(7), or for military service and shall not include
27 credit for any other type of service. A municipality may, by
28 local ordinance, or a special fire control district may, by
29 resolution, provide for the purchase of military service prior
30 to employment as well as prior service as a firefighter for

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1 some other employer as long as a firefighter is not already
2 receiving a benefit for such other service.

3 (d) In determining the creditable service of any
4 firefighter, credit for up to 5 years of the time spent in the
5 military service of the Armed Forces of the United States
6 shall be added to the years of actual service if:

7 1. The firefighter is in the active employ of an
8 employer immediately prior to such service and leaves a
9 position, other than a temporary position, for the purpose of
10 voluntary or involuntary service in the Armed Forces of the
11 United States.

12 2. The firefighter is entitled to reemployment under
13 the provisions of the Uniformed Services Employment and
14 Reemployment Rights Act.

15 3. The firefighter returns to his or her employment as
16 a firefighter of the municipality or special fire control
17 district within 1 year from the date of release from such
18 active service.

19 (5) "Deferred Retirement Option Plan" or "DROP" means
20 a local law plan retirement option under which a firefighter
21 may elect to participate. A firefighter may retire for all
22 purposes of the plan and defer receipt of retirement benefits
23 into a DROP account, while continuing employment with his
24 employer.

25 (6) "Division" means the Division of Retirement of the
26 Department of Management Services.

27 (7) "Enrolled actuary" means an actuary who is
28 enrolled under Subtitle C of Title III of the Employee
29 Retirement Income Security Act of 1974 and who is a member of
30 the Society of Actuaries or the American Academy of Actuaries.

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1 (8)(a) "Firefighter" means any person employed solely
2 in a constituted fire department of any municipality or
3 special fire control district who is certified as a
4 firefighter as a condition of employment in accordance with
5 the provisions of s. 633.35 and whose duty it is to extinguish
6 fires, to protect life, or to protect property. However, for
7 purposes of this chapter only, "firefighter" also includes
8 public safety officers who are responsible for performing both
9 police and fire services, who are certified as police officers
10 or firefighters, and who are certified by their employers to
11 the Insurance Commissioner and Treasurer as participating in
12 this chapter prior to October 1, 1979. Effective October 1,
13 1979, public safety officers who have not been certified as
14 participating in this chapter shall be considered police
15 officers for retirement purposes and shall be eligible to
16 participate in chapter 185. Any plan may provide that the fire
17 chief shall have an option to participate, or not, in that
18 plan.

19 (b) "Volunteer firefighter" means any person whose
20 name is carried on the active membership roll of a constituted
21 volunteer fire department or a combination of a paid and
22 volunteer fire department of any municipality or special fire
23 control district and whose duty it is to extinguish fires, to
24 protect life, and to protect property. Compensation for
25 services rendered by a volunteer firefighter shall not
26 disqualify him or her as a volunteer. A person shall not be
27 disqualified as a volunteer firefighter solely because he or
28 she has other gainful employment. Any person who volunteers
29 assistance at a fire but is not an active member of a
30 department described herein is not a volunteer firefighter
31 within the meaning of this paragraph.

1 (9) "Firefighter's Pension Trust Fund" means a trust
2 fund, by whatever name known, as provided under s. 175.041,
3 for the purpose of assisting municipalities and special fire
4 control districts in establishing and maintaining a retirement
5 plan for firefighters.

6 (10) "Local law municipality" is any municipality in
7 which there exists a local law plan.

8 (11) "Local law plan" means a defined benefit pension
9 plan for firefighters, or for firefighters or police officers
10 where included, as described in s. 175.351, established by
11 municipal ordinance, special district resolution, or special
12 act of the Legislature, which enactment sets forth all plan
13 provisions. Local law plan provisions may vary from the
14 provisions of this chapter, provided that required minimum
15 benefits and standards are met. Any such variance shall
16 provide a greater benefit for firefighters. Actuarial
17 valuations of local law plans shall be conducted by an
18 enrolled actuary as provided in s. 175.261(2).

19 (12) "Local law special fire control district" is any
20 special fire control district in which there exists a local
21 law plan.

22 (13) "Property insurance" means property insurance as
23 defined in s. 624.604 and covers real and personal property
24 within the corporate limits of any municipality, or within the
25 boundaries of any special fire control district, within the
26 state. "Multiple peril" means a combination or package policy
27 that includes both property and casualty coverage for a single
28 premium.

29 (14) "Retiree" or "retired firefighter" means a
30 firefighter who has entered retirement status. For the
31 purposes of a plan which includes a Deferred Retirement Option

1 Plan (DROP), a firefighter who enters the DROP shall be
2 considered a retiree for all purposes of the plan.

3 (15) "Retirement" means a firefighter's separation
4 from city or fire district employment as a firefighter with
5 eligibility for immediate receipt of benefits under the plan.
6 For purposes of a plan which includes a Deferred Retirement
7 Option Plan (DROP), "retirement" means the date a firefighter
8 enters the DROP.

9 (16) "Special fire control district" means a special
10 district, as defined in s. 189.403(1), established for the
11 purposes of extinguishing fires, protecting life, and
12 protecting property within the incorporated or unincorporated
13 portions of any county or combination of counties, or within
14 any combination of incorporated and unincorporated portions of
15 any county or combination of counties. The term does not
16 include any dependent or independent special district, as
17 defined in s. 189.403(2) and (3), respectively, the employees
18 of which are members of the Florida Retirement System pursuant
19 to s. 121.051(1) or (2).

20 (17) "Supplemental plan" means a plan to which
21 deposits are made to provide extra benefits to firefighters,
22 or for firefighters and police officers where included under
23 this chapter. Such a plan is an element of a local law plan
24 and exists in conjunction with a defined benefit plan that
25 meets the minimum standards and benefits of this chapter.

26 Section 3. Section 175.041, Florida Statutes, is
27 amended to read:

28 175.041 Firefighters' Pension Trust Fund created;
29 applicability of provisions.--For any municipality, special
30 fire control district, chapter plan, local law municipality,
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1 local law special fire control district, or local law plan
2 under this chapter:

3 (1) There shall be established ~~is hereby created~~ a
4 special fund exclusively for the purpose of this chapter,
5 which in the case of chapter plans shall ~~to~~ be known as the
6 "Firefighters' Pension Trust Fund," ~~exclusively for the~~
7 ~~purpose of this chapter,~~ in each municipality and each special
8 fire control district of this state heretofore or hereafter
9 created which now has or which may hereafter have a
10 constituted fire department or an authorized volunteer fire
11 department, or any combination thereof, ~~and which municipality~~
12 ~~or special fire control district does not presently have~~
13 ~~established by law, special law, or local ordinance a similar~~
14 ~~fund.~~

15 (2) To qualify as a fire department or volunteer fire
16 department or combination thereof under the provisions of this
17 chapter, the department shall own and use apparatus for the
18 fighting of fires that is in compliance with National Fire
19 Protection Association Standards for Automotive Fire
20 Apparatus.

21 (3) The provisions of this chapter shall apply only to
22 municipalities organized and established pursuant to the laws
23 of the state and to special fire control districts, and said
24 provisions shall not apply to the unincorporated areas of any
25 county or counties except with respect to special fire control
26 districts that include unincorporated areas, nor shall the
27 provisions hereof apply to any governmental entity whose
28 employees are eligible to participate in the Florida
29 Retirement System. Special fire control districts that
30 include, or consist exclusively of, unincorporated areas of
31 one or more counties may levy and impose the tax and

1 participate in the retirement programs enabled by this
2 chapter.

3 (4) No municipality shall establish more than one
4 retirement plan for public safety officers which is supported
5 in whole or in part by the distribution of premium tax funds
6 as provided by this chapter or chapter 185, nor shall any
7 municipality establish a retirement plan for public safety
8 officers which receives premium tax funds from both this
9 chapter and chapter 185.

10 (5) The plan provisions, participation, and benefits
11 as set forth in this chapter must be provided on a
12 nondiscriminatory basis.

13 Section 4. Section 175.051, Florida Statutes, is
14 amended to read:

15 175.051 Actuarial deficits not state obligation.--For
16 any municipality, special fire control district, chapter plan,
17 local law municipality, local law special fire control
18 district, or local law plan under this chapter, actuarial
19 deficits, if any, arising under this chapter act, shall not be
20 the obligation of the state.

21 Section 5. Section 175.061, Florida Statutes, is
22 amended to read:

23 175.061 Board of trustees; members, terms of office;
24 meetings; legal entity; costs; attorney's fees.--For any
25 municipality, special fire control district, chapter plan,
26 local law municipality, local law special fire control
27 district, or local law plan under this chapter:

28 (1) In each municipality and in each special fire
29 control district there is hereby created a board of trustees
30 of the firefighters' pension trust fund, which shall be solely
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1 responsible for administering the trust fund. Effective
2 October 1, 1986, and thereafter:
3 (a) The membership of the board of trustees for a
4 chapter plan shall consist of five members, two of whom,
5 unless otherwise prohibited by law, shall be legal residents
6 of the municipality or special fire control district, who
7 shall be appointed by the governing body of the municipality
8 or special fire control district, and two of whom shall be
9 full-time firefighters as defined in s. 175.032 who shall be
10 elected by a majority of the active firefighters who are
11 members of such plan. With respect to any chapter plan or
12 local law plan that, on January 1, 1997, allowed retired
13 firefighters to vote in such elections, retirees may continue
14 to vote in such elections.The fifth member shall be chosen by
15 a majority of the previous four members as provided for
16 herein, and such person's name shall be submitted to the
17 governing body of the municipality or special fire control
18 district. Upon receipt of the fifth person's name, the
19 governing body of the municipality or special fire control
20 district shall, as a ministerial duty, appoint such person to
21 the board of trustees as its fifth member. The fifth member
22 shall have the same rights as each of the other four members
23 appointed or elected as herein provided, shall serve as
24 trustee for a period of 2 years,and may succeed himself or
25 herself in office. Each resident member shall serve as
26 trustee for a period of 2 years, unless sooner replaced by the
27 governing body at whose pleasure he or she shall serve, and
28 may succeed himself or herself as a trustee. Each firefighter
29 member shall serve as trustee for a period of 2 years, unless
30 he or she sooner leaves the employment of the municipality or
31 special fire control district as a firefighter, whereupon a

1 successor shall be chosen in the same manner as an original
2 appointment. Each firefighter may succeed himself or herself
3 in office.

4 (b) The membership of boards of trustees for local law
5 plans shall be as follows:

6 1. If a municipality or special fire control district
7 has a pension plan for firefighters only, the provisions of
8 paragraph (a) shall apply.

9 2. If a municipality has a pension plan for
10 firefighters and police officers, the provisions of paragraph
11 (a) shall apply, except that one member of the board shall be
12 a firefighter as defined in s. 175.032 and one member of the
13 board shall be a police officer as defined in s. 185.02,
14 respectively elected by a majority of the active firefighters
15 or police officers who are members of the plan.

16 3. Any board of trustees operating a local law plan on
17 July 1, 1998, which is combined with a plan for general
18 employees shall hold an election of the firefighters, or
19 firefighters and police officers, if included, to determine
20 whether a plan is to be established for firefighters only, or
21 for firefighters and police officers, where included. Based
22 on the election results, a new board shall be established as
23 provided in subparagraph 1. or 2., as appropriate. The newly
24 established board shall take whatever action is necessary to
25 determine the amount of assets which is attributable to
26 firefighters, or firefighters and police officers, where
27 included. Such assets shall include all employer, employee,
28 and state contributions made by or on behalf of firefighters,
29 or firefighters and police officers, where included, and any
30 investment income derived from such contributions. All such

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1 moneys shall be transferred into the newly established
2 retirement plan, as directed by the board.

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4 With respect to any board of trustees operating a local law
5 plan on June 30, 1986, nothing in this paragraph shall permit
6 the reduction of the membership percentage of firefighters, or
7 firefighters and police officers, where a joint or mixed fund
8 exists.~~The board of trustees shall meet at least quarterly~~
9 ~~each year. Each board of trustees shall be a legal entity~~
10 ~~with, in addition to other powers and responsibilities~~
11 ~~contained herein, the power to bring and defend lawsuits of~~
12 ~~every kind, nature, and description.~~

13 (2) The trustees shall by a majority vote elect from
14 their number a chair and a secretary. The secretary of the
15 board shall keep a complete minute book of the actions,
16 proceedings, or hearings of the board. The trustees shall not
17 receive any compensation as such, but may receive expenses and
18 per diem as provided by Florida law.

19 (3) The board of trustees shall meet at least
20 quarterly each year.

21 (4) Each board of trustees shall be a legal entity
22 with, in addition to other powers and responsibilities
23 contained herein, the power to bring and defend lawsuits of
24 every kind, nature, and description.

25 (5) In any judicial proceeding or administrative
26 proceeding under chapter 120 brought under or pursuant to the
27 provisions of this chapter, the prevailing party shall be
28 entitled to recover the costs thereof, together with
29 reasonable attorney's fees.

30 (6) The provisions of this section may not be altered
31 by a participating municipality or special fire control

1 district operating a chapter plan or local law plan under this
2 chapter.

3 Section 6. Section 175.071, Florida Statutes, is
4 amended to read:

5 175.071 General powers and duties of board of
6 trustees.--For any municipality, special fire control
7 district, chapter plan, local law municipality, local law
8 special fire control district, or local law plan under this
9 chapter:

10 (1) The board of trustees may:

11 (a) Invest and reinvest the assets of the
12 firefighters' pension trust fund in annuity and life insurance
13 contracts of life insurance companies in amounts sufficient to
14 provide, in whole or in part, the benefits to which all of the
15 participants in the firefighters' pension trust fund shall be
16 entitled under the provisions of this chapter and pay the
17 initial and subsequent premiums thereon.

18 (b) Invest and reinvest the assets of the
19 firefighters' pension trust fund in:

20 1. Time or savings accounts of a national bank, a
21 state bank insured by the Bank Insurance Fund ~~Federal Deposit~~
22 ~~Insurance Corporation~~, or a savings, building, and loan
23 association insured by the Savings Association Insurance Fund
24 which are administered by the Federal Deposit Insurance
25 Corporation ~~Federal Savings and Loan Insurance Corporation.~~

26 2. Obligations of the United States or obligations
27 guaranteed as to principal and interest by the Government of
28 the United States.

29 3. Bonds issued by the State of Israel.

30 4. Bonds, stocks, or other evidences of indebtedness
31 issued or guaranteed by a corporation organized under the laws

1 of the United States, any state or organized territory of the
2 United States, or the District of Columbia, provided:

3 a. The corporation is listed on any one or more of the
4 recognized national stock exchanges and holds a rating in one
5 of the three highest classifications by a major rating
6 service; and

7 b. The board of trustees shall not invest more than 5
8 percent of its assets in the common stock or capital stock of
9 any one issuing company, nor shall the aggregate investment in
10 any one issuing company exceed 5 percent of the outstanding
11 capital stock of that company or the aggregate of its
12 investments under this subparagraph at market cost exceed 50
13 ~~30~~ percent of the assets of the fund. Investment experience
14 producing a market value percent exceeding the stated limit
15 does not arbitrarily mean assets are to be liquidated to
16 satisfy the limit.

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18 This paragraph shall apply to all boards of trustees and
19 participants. However, in the event that a municipality or
20 special fire control district has a duly enacted pension plan
21 pursuant to, and in compliance with, s. 175.351, and the
22 trustees thereof desire to vary the investment procedures
23 herein, the trustees of such plan shall request a variance of
24 the investment procedures as outlined herein only through a
25 municipal ordinance, special act of the Legislature, or
26 resolution by the governing body of the special fire control
27 district; where a special act, or a municipality by ordinance
28 adopted prior to the effective date of this act ~~October 1,~~
29 ~~1986~~, permits a greater than 50-percent ~~30-percent~~ equity
30 investment, such municipality shall not be required to comply
31 with the aggregate equity investment provisions of this

1 paragraph. The board of trustees may invest up to 10 percent
2 of plan assets in foreign securities, subject to the following
3 limitations: the board of trustees must adhere to the
4 investment limitations for the funds enumerated in s.
5 215.47(1)-(9), except that the authority of the State Board of
6 Administration shall not apply; and any investment will be
7 permitted only after the development of a new or amended total
8 investment plan that establishes the time horizon for the
9 investment and its relationship to the fiduciary
10 responsibility the board has to the plan members.~~Investments~~
11 ~~shall not be made in any stocks, bonds, or other securities~~
12 ~~owned or controlled by a government other than that of the~~
13 ~~United States or the several states.~~

14 (c) Issue drafts upon the firefighters' pension trust
15 fund pursuant to this act and rules and regulations prescribed
16 by the board of trustees. All such drafts shall be
17 consecutively numbered, be signed by the chair and secretary,
18 and state upon their faces the purpose for which the drafts
19 are drawn. The treasurer or depository of each municipality
20 or special fire control district shall retain such drafts when
21 paid, as permanent vouchers for disbursements made, and no
22 money shall be otherwise drawn from the fund.

23 (d) Convert into cash any securities of the fund.

24 (e) Keep a complete record of all receipts and
25 disbursements and of the board's acts and proceedings.

26 (2) Any and all acts and decisions shall be
27 effectuated by vote of a majority of the ~~at least three~~
28 members of the board; however, no trustee shall take part in
29 any action in connection with the trustee's own participation
30 in the fund, and no unfair discrimination shall be shown to
31 any individual firefighter participating in the fund.

1 (3) The board's action on all claims for retirement
2 under this act shall be final, provided, however, that the
3 rules and regulations of the board have been complied with.

4 (4) The secretary of the board of trustees shall keep
5 a record of all persons receiving retirement payments under
6 the provisions of this chapter, in which shall be noted the
7 time when the pension is allowed and when the pension shall
8 cease to be paid. In this record, the secretary shall keep a
9 list of all firefighters employed by the municipality or
10 special fire control district. The record shall show the
11 name, address, and time of employment of such firefighters and
12 when they cease to be employed by the municipality or special
13 fire control district.

14 ~~(5)(4)~~ The sole and exclusive administration of, and
15 the responsibilities for, the proper operation of the
16 firefighters' pension trust fund and for making effective the
17 provisions of this chapter are vested in the board of
18 trustees; however, nothing herein shall empower a board of
19 trustees to amend the provisions of a retirement plan without
20 the approval of the municipality or special fire control
21 district. The board of trustees shall keep in convenient form
22 such data as shall be necessary for an actuarial valuation of
23 the firefighters' pension trust fund and for checking the
24 actual experience of the fund.

25 ~~(6)(a)(5)~~ At least once every 3 years, the board of
26 trustees shall retain a professionally qualified an
27 independent consultant who shall ~~professionally qualified to~~
28 evaluate the performance of any existing professional money
29 manager and managers. ~~The independent consultant shall make~~
30 recommendations to the board of trustees regarding the
31 selection of money managers for the next investment term.

1 These recommendations shall be considered by the board of
2 trustees at its next regularly scheduled meeting. The date,
3 time, place, and subject of this meeting shall be advertised
4 in the same manner as for any meeting of the board ~~a newspaper~~
5 ~~of general circulation in the municipality or special fire~~
6 ~~control district, as appropriate, at least 10 days prior to~~
7 ~~the date of the hearing.~~

8 (b) For purposes of this subsection, a "professionally
9 qualified independent consultant" means a consultant who,
10 based on education and experience, is professionally qualified
11 to evaluate the performance of professional money managers,
12 and who, at a minimum:

13 1. Provides his or her services on a flat-fee basis.

14 2. Is not associated in any manner with the money
15 manager for the pension fund.

16 3. Makes calculations according to the American
17 Banking Institute method of calculating time-weighted rates of
18 return. All calculations must be made net of fees.

19 4. Has 3 or more years of experience working in the
20 public sector.

21 (7) To assist the board in meeting its
22 responsibilities under this chapter, the board, if it so
23 elects, may:

24 (a) Employ independent legal counsel at the pension
25 fund's expense.

26 (b) Employ an independent actuary, as defined in s.
27 175.032(6), at the pension fund's expense.

28 (c) Employ such independent professional, technical,
29 or other advisers as it deems necessary at the pension fund's
30 expense.

31

1 If the board chooses to use the city's or special district's
2 legal counsel or actuary, or chooses to use any of the city's
3 or special district's other professional, technical, or other
4 advisers, it shall do so only under terms and conditions
5 acceptable to the board.

6 Section 7. Section 175.081, Florida Statutes, is
7 amended to read:

8 175.081 Use of annuity or insurance policies.--When
9 the board of trustees of any municipality, special fire
10 control district, chapter plan, local law municipality, local
11 law special fire control district, or local law plan purchases
12 annuity or life insurance contracts to provide all or any part
13 of the benefits as provided for by this chapter act, the
14 following principles shall be observed:

15 (1) Only those firefighters who have been members of
16 the firefighters' pension trust fund for 1 year or more may
17 participate in the insured plan.

18 (2) Individual policies shall be purchased only when a
19 group insurance plan is not feasible.

20 (3) Each application and policy shall designate the
21 firefighters' pension trust fund as owner of the policy.

22 (4) Policies shall be written on an annual premium
23 basis.

24 (5) The type of policy shall be one which for the
25 premium paid provides each individual with the maximum
26 retirement benefit at his or her earliest statutory normal
27 retirement age.

28 (6) Death benefit, if any, should not exceed:

29 (a) One hundred times the estimated normal retirement
30 income, based on the assumption that the present rate of
31

1 compensation continues without change to normal retirement
2 date, or

3 (b) Twice the annual rate of compensation as of the
4 date of termination of service, or

5 (c) The single-sum value of the accrued deferred
6 retirement income (beginning at normal retirement date) at
7 date of termination of service, whichever is greatest.

8 (7) An insurance plan may provide that the assignment
9 of insurance contract to separating firefighters shall be at
10 least equivalent to the return of the firefighters'
11 contributions used to purchase the contract. An assignment of
12 contract discharges the municipality or special fire control
13 district, as appropriate, from all further obligation to the
14 participant under the plan even though the cash value of such
15 contract may be less than the firefighters' contributions.

16 (8) Provisions shall be made, either by issuance of
17 separate policies or otherwise, that the separating
18 firefighter does not receive cash value and other benefits
19 under the policies assigned to him or her which exceed the
20 present value of his or her vested interest under the
21 firefighters' pension trust fund, inclusive of his or her
22 contribution to the plan; the contributions by the state shall
23 not be exhausted faster merely because the method of funding
24 adopted was through insurance companies.

25 (9) The firefighter shall have the right at any time
26 to give the board of trustees written instructions designating
27 the primary and contingent beneficiaries to receive death
28 benefits or proceeds and the method of settlement of the death
29 benefit or proceeds, or requesting a change in the beneficiary
30 designation or method of settlement previously made, subject
31 to the terms of the policy or policies on his or her life.

1 Upon receipt of such written instructions, the board of
2 trustees shall take necessary steps to effectuate the
3 designation or change of beneficiary or settlement option.

4 Section 8. Section 175.091, Florida Statutes, is
5 amended to read:

6 175.091 Creation and maintenance of fund.--For any
7 municipality, special fire control district, chapter plan,
8 local law municipality, local law special fire control
9 district, or local law plan under this chapter:

10 (1) The firefighters' pension trust fund in each
11 municipality and in each special fire control district shall
12 be created and maintained in the following manner:

13 (a) By payment to the fund of the net proceeds of the
14 1.85-percent excise or other similar tax which may be imposed
15 by the municipality or special fire control district upon fire
16 insurance companies, fire insurance associations, or other
17 property insurers on their gross receipts on premiums from
18 holders of policies, which policies cover real or personal
19 property within the corporate limits of such municipality, in
20 the case of a municipal government, and within the legally
21 defined jurisdiction of the district, in the case of a special
22 fire control district. Whenever a municipality maintains a
23 firefighters' pension trust fund under the provisions of this
24 chapter but is partially contained within the boundaries of a
25 special fire control district, that portion of the
26 1.85-percent excise, license, or other similar tax which is
27 collected for insurance policies covering property within the
28 jurisdiction of both the municipality and the special fire
29 control district shall be given to the firefighters' pension
30 trust fund of the fire service provider. Remaining revenues
31 collected pursuant to this chapter shall be distributed to the

1 municipality or special fire control district according to the
2 location of the insured property.

3 (b) Except as reduced or increased contributions are
4 authorized by subsection (2), by the payment to the fund of 5
5 percent of the salary of each uniformed firefighter who is a
6 member or duly enrolled in the fire department of any
7 municipality or special fire control district, which 5 percent
8 shall be deducted by the municipality or special fire control
9 district from the compensation due to the firefighter and paid
10 over to the board of trustees of the firefighters' pension
11 trust fund wherein such firefighter is employed. ~~A~~
12 ~~firefighter participating in the old age survivors insurance~~
13 ~~of the federal Social Security Law may limit his or her~~
14 ~~contribution to the firefighters' pension trust fund to 3~~
15 ~~percent of his or her annual compensation and receive reduced~~
16 ~~benefits as set forth in ss. 175.191(5) and 175.211. No~~
17 ~~firefighter shall have any right to the money so paid into the~~
18 ~~fund except as provided in this chapter.~~

19 (c) By all fines and forfeitures imposed and collected
20 from any firefighter because of the violation of any rule and
21 regulation promulgated by the board of trustees.

22 (d) By mandatory payment by the municipality or
23 special fire control district of a sum equal to the normal
24 cost of and the amount required to fund ~~over a period of 40~~
25 ~~years or on a 40-year basis,~~ any actuarial deficiency shown by
26 a triennial quinquennial actuarial valuation as provided in
27 part VII of chapter 112. ~~The first such actuarial valuation~~
28 ~~shall be conducted for the calendar year ending December 31,~~
29 ~~1967.~~

30 (e) By all gifts, bequests, and devises when donated
31 to the fund.

1 (f) By all accretions to the fund by way of interest
2 or dividends on bank deposits, or otherwise.

3 (g) By all other sources or income now or hereafter
4 authorized by law for the augmentation of such firefighters'
5 pension trust fund.

6 (2) Member contribution rates may be adjusted as
7 follows:

8 (a) The employing municipality or special fire control
9 district, by local ordinance or resolution, may elect to make
10 an employee's contributions. However, under no circumstances
11 may a municipality or special fire control district reduce the
12 member contribution to less than one-half of 1 percent of
13 salary.

14 (b) Member contributions may be increased by majority
15 consent of the members of the fund to provide greater
16 benefits.

17
18 Nothing in this section shall be construed to require
19 adjustment of member contribution rates in effect on the date
20 this act becomes a law, including rates that exceed 5 percent
21 of salary, provided that such rates are at least one-half of 1
22 percent of salary.

23 Section 9. Section 175.101, Florida Statutes, is
24 amended to read:

25 175.101 State excise tax on property insurance
26 premiums authorized; procedure.--For any municipality, special
27 fire control district, chapter plan, local law municipality,
28 local law special fire control district, or local law plan
29 under this chapter:

30 (1) Each municipality or special fire control district
31 in this state described and classified in s. 175.041, having a

1 lawfully established firefighters' pension trust fund or
2 municipal fund or special fire control district fund, by
3 whatever name known, providing pension benefits to
4 firefighters as provided under this chapter ~~by whatever name~~
5 ~~known~~, may assess and impose on every insurance company,
6 corporation, or other insurer now engaged in or carrying on,
7 or who shall hereinafter engage in or carry on, the business
8 of property insurance as shown by the records of the
9 Department of Insurance an excise tax in addition to any
10 lawful license or excise tax now levied by each of the
11 municipalities or special fire control districts,
12 respectively, amounting to 1.85 percent of the gross amount of
13 receipts of premiums from policyholders on all premiums
14 collected on property insurance policies covering property
15 within the corporate limits of such municipalities or within
16 the legally defined boundaries of special fire control
17 districts, respectively. This tax shall apply to all insurers,
18 whether authorized or not, transacting business in this state.
19 Whenever the boundaries of a special fire control district
20 that has lawfully established a firefighters' pension trust
21 fund encompass a portion of the corporate territory of a
22 municipality that has also lawfully established a
23 firefighters' pension trust fund, that portion of the tax
24 receipts attributable to insurance policies covering property
25 situated both within the municipality and the special fire
26 control district shall be given to the fire service provider.
27 The agent shall identify the fire service provider on the
28 property owner's application for insurance. Remaining
29 revenues collected pursuant to this chapter shall be
30 distributed to the municipality or special fire control
31 district according to the location of the insured property.

1 (2) In the case of multiple peril policies with a
2 single premium for both the property and casualty coverages in
3 such policies, 70 percent of such premium shall be used as the
4 basis for the 1.85-percent tax.

5 (3) This excise tax shall be payable annually on March
6 1 of each year after the passage of an ordinance, in the case
7 of a municipality, or resolution, in the case of a special
8 fire control district, assessing and imposing the tax
9 authorized by this section. Installments of taxes shall be
10 paid according to the provision of s. 624.5092(2)(a), (b), and
11 (c).

12 Section 10. Section 175.111, Florida Statutes, is
13 amended to read:

14 175.111 Certified copy of ordinance or resolution
15 filed; insurance companies' annual report of premiums;
16 duplicate files; book of accounts.--For any municipality,
17 special fire control district, chapter plan, local law
18 municipality, local law special fire control district, or
19 local law plan under this chapter, whenever any municipality
20 passes an ordinance, or whenever any special fire control
21 district passes a resolution establishing a chapter plan or
22 local law plan, assessing and imposing the taxes authorized in
23 s. 175.101, a certified copy of such ordinance or resolution
24 shall be deposited with the division. Thereafter every
25 insurance company, association, corporation, or other insurer
26 carrying on the business of property insurance on real or
27 personal property, on or before the succeeding March 1 after
28 date of the passage of the ordinance or resolution, shall
29 report fully in writing and under oath to the division and the
30 Department of Revenue a just and true account of all premiums
31 by such insurer received for property insurance policies

1 covering or insuring any real or personal property located
2 within the corporate limits of each such municipality or
3 special fire control district during the period of time
4 elapsing between the date of the passage of the ordinance or
5 resolution and the end of the calendar year ~~succeeding March~~
6 ~~±~~. The report shall include the code designation as
7 prescribed by the division for each piece of insured property,
8 real or personal, located within the corporate limits of each
9 municipality and within the legally defined boundaries of each
10 special fire control district. The aforesaid insurer shall
11 annually thereafter, on March 1, file with the division and
12 the Department of Revenue a similar report covering the
13 preceding year's premium receipts, and every such insurer at
14 the same time of making such reports shall pay to the
15 Department of Revenue the amount of the tax hereinbefore
16 mentioned. Every insurer engaged in carrying on such
17 insurance business in the state shall keep accurate books of
18 accounts of all such business done by it within the corporate
19 limits of each such municipality and within the legally
20 defined boundaries of each such special fire control district,
21 and in such manner as to be able to comply with the provisions
22 of this chapter. Based on the insurers' reports of premium
23 receipts, the division shall prepare a consolidated premium
24 report and shall furnish to any municipality or special fire
25 control district requesting the same a copy of the relevant
26 section of that report.

27 Section 11. Section 175.121, Florida Statutes, is
28 amended to read:

29 175.121 Department of Revenue and Division of
30 Retirement to keep accounts of deposits; disbursements.--For
31 any municipality or special fire control district having a

1 chapter or local law plan established pursuant to this
2 chapter:

3 (1) The Department of Revenue shall keep a separate
4 account of all moneys collected for each municipality and each
5 special fire control district under the provisions of this
6 chapter. All moneys so collected must be transferred to the
7 Police and Firefighters' Premium Tax Trust Fund and shall be
8 separately accounted for by the division. The moneys budgeted
9 as necessary to pay the expenses of the division for the daily
10 oversight and monitoring of the firefighters' pension plans
11 under this chapter and for the oversight and actuarial reviews
12 conducted under part VII of chapter 112 are annually
13 appropriated from the interest and investment income earned on
14 the moneys collected for each municipality or special fire
15 control district and deposited in the Police and Firefighters'
16 Premium Tax Trust Fund. Interest and investment income
17 remaining thereafter in the trust fund which is unexpended and
18 otherwise unallocated by law shall revert to the General
19 Revenue Fund on June 30 of each year.

20 (2) The Comptroller shall, on or before July 1 ~~June 1~~
21 of each year, and at such other times as authorized by the
22 division, draw his or her warrants on the full net amount of
23 money then on deposit in the Police and Firefighters' Premium
24 Tax Trust Fund pursuant to this chapter, specifying the
25 municipalities and special fire control districts to which the
26 moneys must be paid and the net amount collected for and to be
27 paid to each municipality or special fire control district,
28 respectively, subject to the limitation on disbursement under
29 s. 175.122. The sum payable to each municipality or special
30 fire control district is appropriated annually out of the
31 Police and Firefighters' Premium Tax Trust Fund. The warrants

1 of the Comptroller shall be payable to the respective
2 municipalities and special fire control districts entitled to
3 receive them and shall be remitted annually by the division to
4 the respective municipalities and special fire control
5 districts. In order for a municipality or special fire control
6 district and its pension fund to participate in the
7 distribution of premium tax moneys under this chapter, all the
8 provisions shall be complied with annually, including state
9 acceptance pursuant to part VII of chapter 112.

10 (3)(a) All moneys not distributed to municipalities
11 and special fire control districts under this section as a
12 result of the limitation on disbursement contained in s.
13 175.122, or as a result of any municipality or special fire
14 control district not having qualified in any given year, or
15 portion thereof, shall be transferred to the Firefighters'
16 Supplemental Compensation Trust Fund administered by the
17 Department of Revenue, as provided in s. 633.382.

18 (b)1. Moneys transferred under paragraph (a) but not
19 needed to support the supplemental compensation program in a
20 given year shall be redistributed pro rata to those
21 participating municipalities and special fire control
22 districts that transfer any portion of their funds to support
23 the supplemental compensation program in that year. Such
24 additional moneys shall be used to cover or offset costs of
25 the retirement plan.

26 2. To assist the Department of Revenue, the division
27 shall identify those municipalities and special fire control
28 districts that are eligible for redistribution as provided in
29 s. 633.382(4)(c)2., by listing the municipalities and special
30 fire control districts from which funds were transferred under
31 paragraph (a) and specifying the amount transferred by each.

1 Section 12. Section 175.122, Florida Statutes, is
2 amended to read:
3 175.122 Limitation of disbursement.--For any
4 municipality, special fire control district, chapter plan,
5 local law municipality, local law special fire control
6 district, or local law plan under this chapter,any
7 municipality or special fire control district participating in
8 the firefighters' pension trust fund pursuant to the
9 provisions of this chapter, whether under a chapter plan or
10 local law plan,shall be limited to receiving any moneys from
11 such fund in excess of that produced by one-half of the excise
12 tax, as provided for in s. 175.101; however, any such
13 municipality or special fire control district receiving less
14 than 6 percent of its fire department payroll from such fund
15 shall be entitled to receive from such fund the amount
16 determined under s. 175.121, in excess of one-half of the
17 excise tax, not to exceed 6 percent of its fire department
18 payroll. Payroll amounts of members included in the Florida
19 Retirement System shall not be included.

20 Section 13. Section 175.131, Florida Statutes, is
21 amended to read:
22 175.131 Funds received by municipality or special fire
23 control district; deposit in firefighters' pension trust
24 fund.--For any municipality, special fire control district,
25 chapter plan, local law municipality, local law special fire
26 control district, or local law plan under this chapter,all
27 state and other funds received by any municipality or special
28 fire control district under the provisions of this chapter
29 shall be deposited by such municipality or special fire
30 control district immediately, and under no circumstances more
31 than 5 days after receipt, with the board of trustees.

1 Employee contributions, however, which are withheld by the
2 employer on behalf of an employee member shall be deposited
3 immediately after each pay period with the board of trustees
4 of the firefighters' pension trust fund ~~at least monthly~~.
5 Employer contributions shall be deposited at least quarterly.

6 Section 14. Section 175.141, Florida Statutes, is
7 amended to read:

8 175.141 Payment of excise tax credit on similar state
9 excise or license tax.--The tax herein authorized to be
10 imposed by each municipality and each special fire control
11 district shall in nowise be in addition to any similar state
12 excise or license tax imposed by part IV of chapter 624, but
13 the payor of the tax hereby authorized shall receive credit
14 therefor on his or her said state excise or license tax and
15 the balance of said state excise or license tax shall be paid
16 to the Department of Revenue ~~Insurance Commissioner and~~
17 ~~Treasurer~~ as is now provided by law.

18 Section 15. Section 175.151, Florida Statutes, is
19 amended to read:

20 175.151 Penalty for failure of insurers to comply with
21 this act.--Should any insurance company, corporation or other
22 insurer fail to comply with the provisions of this act, on or
23 before March 1 of each year as herein provided, the
24 certificate of authority issued to said insurance company,
25 corporation or other insurer to transact business in this
26 state may be canceled and revoked by the Department of
27 Insurance, and it is unlawful for any such insurance company,
28 corporation, or other insurer to transact business thereafter
29 in this state unless such insurance company, corporation, or
30 other insurer shall be granted a new certificate of authority
31 to transact any business in this state, in compliance with

1 provisions of law authorizing such certificate of authority to
2 be issued. The division is responsible for notifying the
3 Department of Insurance regarding any such failure to comply.

4 Section 16. Section 175.152, Florida Statutes, is
5 repealed.

6 Section 17. Section 175.162, Florida Statutes, is
7 amended to read:

8 175.162 Requirements for retirement.--For any
9 municipality, special fire control district, chapter plan,
10 local law municipality, local law special fire control
11 district, or local law plan under this chapter, any
12 firefighter who completes 10 or more years of creditable
13 service as a firefighter and attains age 55, or completes 25
14 years of creditable service as a firefighter and attains age
15 52, and who for such minimum period has been a member of the
16 firefighters' pension trust fund operating under a chapter
17 plan or local law plan, is eligible for normal retirement
18 benefits. Normal retirement under the plan is retirement from
19 the service of the municipality or special fire control
20 district on or after the normal retirement date. In such
21 event, payment of retirement income will be governed by the
22 following provisions of this section:

23 (1) The normal retirement date of each firefighter
24 will be the first day of the month coincident with or next
25 following the date on which he or she has completed 10 or more
26 years of creditable service and attained age 55 or completed
27 25 years of creditable service and attained age 52.

28 (2)(a) The amount of monthly retirement income payable
29 to a full-time firefighter who retires on or after his or her
30 normal retirement date shall be an amount equal to the number
31 of his or her years of credited service multiplied by 2

1 percent of his or her average final compensation as a
2 full-time firefighter. The retirement income ~~may shall~~ be
3 reduced for moneys received under the disability provisions of
4 this chapter. However, if current state contributions
5 pursuant to this chapter are not adequate to fund the
6 additional benefits to meet the minimum requirements in this
7 chapter, only such incremental increases shall be required as
8 state moneys are adequate to provide. Such increments shall
9 be provided as state moneys become available.

10 (b) The amount of monthly retirement income payable to
11 a volunteer firefighter who retires on or after his or her
12 normal retirement date shall equal the greater of:

13 1. be an amount equal to The number of his or her
14 years of credited service multiplied by 2 percent of his or
15 her average final compensation as a volunteer firefighter; or

16 2. The sum of \$20 for each of the first 20 years of
17 credited service and \$5 for each additional year of credited
18 service. If the firefighter has been contributing only 3
19 percent of his or her salary, the firefighter's monthly
20 retirement income shall be an amount equal to the number of
21 his or her years of credited service multiplied by 1.2 percent
22 of his or her average final compensation.

23
24 Pursuant to a local ordinance or resolution adopted by the
25 governing body of the municipality or special fire control
26 district, any plan may provide a benefit accrual rate that is
27 higher than the minimum 2 percent credit for each year of
28 service required under this chapter.

29 (3) The monthly retirement income payable in the event
30 of normal retirement will be payable on the first day of each
31 month. The first payment will be made on the firefighter's

1 normal retirement date, or on the first day of the month
2 coincident with or next following his or her actual
3 retirement, if later, and the last payment will be the payment
4 due next preceding the firefighter's death; except that, in
5 the event the firefighter dies after retirement but before he
6 or she has received retirement benefits for a period of 10
7 years, the same monthly benefit will be paid to the
8 beneficiary (or beneficiaries) as designated by the
9 firefighter for the balance of such 10-year period. If a
10 firefighter continues in the service of the municipality or
11 special fire control district beyond his or her normal
12 retirement date and dies prior to his or her date of actual
13 retirement, without an option made pursuant to s. 175.171
14 being in effect, monthly retirement income payments will be
15 made for a period of 10 years to a beneficiary (or
16 beneficiaries) designated by the firefighter as if the
17 firefighter had retired on the date on which his or her death
18 occurred.

19 (4) Early retirement under the plan is retirement from
20 the service of the municipality or special fire control
21 district, with the consent of the municipality or special fire
22 control district, as of the first day of any calendar month
23 which is prior to the firefighter's normal retirement date but
24 subsequent to the date as of which he or she has both attained
25 the age of 50 years and has been a member of this fund for 10
26 continuous years. In the event of early retirement, payment
27 of retirement income shall be governed as follows: The
28 monthly amount of retirement income payable to a firefighter
29 who retires prior to his or her normal retirement date shall
30 be in the amount computed as described in subsection (2),
31 taking into account the firefighter's credited service to his

1 or her date of actual retirement and final monthly
2 compensation as of such date, such amount of retirement income
3 to be actuarially reduced to take into account the
4 firefighter's younger age and the earlier commencement of
5 retirement income benefits. The amount of monthly income
6 payable in the event of early retirement will be paid in the
7 same manner as in subsection (3). In no event shall the early
8 retirement reduction exceed 3 percent for each year by which
9 the member's age at retirement preceded the member's normal
10 retirement age.

11 Section 18. Section 175.171, Florida Statutes, is
12 amended to read:

13 175.171 Optional forms of retirement income.--For any
14 municipality, special fire control district, chapter plan,
15 local law municipality, local law special fire control
16 district, or local law plan under this chapter:

17 (1) In lieu of the amount and form of retirement
18 income payable in the event of normal or early retirement as
19 specified in s. 175.162, a firefighter, upon written request
20 to the board of trustees and submission of evidence of good
21 health (except that such evidence will not be required if such
22 request is made at least 3 years prior to the date of
23 commencement of retirement income or if such request is made
24 within 6 months following the effective date of the plan, if
25 later), and subject to the approval of the board of trustees,
26 may elect to receive a retirement income or benefit of
27 equivalent actuarial value payable in accordance with one of
28 the following options:

29 (a) A retirement income of larger monthly amount,
30 payable to the firefighter for his or her lifetime only.

31

1 (b) A retirement income of a modified monthly amount,
2 payable to the firefighter during the joint lifetime of the
3 firefighter and a ~~dependent~~ joint pensioner designated by the
4 firefighter, and following the death of either of them, 100
5 percent, 75 percent, ~~66 2/3~~ percent, or 50 percent of such
6 monthly amounts payable to the survivor for the lifetime of
7 the survivor.

8 (c) Such other amount and form of retirement payments
9 or benefits as, in the opinion of the board of trustees, will
10 best meet the circumstances of the retiring firefighter.

11 1. The firefighter upon electing any option of this
12 section will designate the joint pensioner or beneficiary (or
13 beneficiaries) to receive the benefit, if any, payable under
14 the plan in the event of his or her death, and will have the
15 power to change such designation from time to time, but any
16 such change shall be deemed a new election and will be subject
17 to approval by the board of trustees. Such designation will
18 name a joint pensioner or one or more primary beneficiaries
19 where applicable. If a firefighter has elected an option with
20 a joint pensioner or beneficiary and his or her retirement
21 income benefits have commenced, the firefighter may thereafter
22 change the designated joint pensioner or beneficiary, but only
23 if the board of trustees consents to such change and if the
24 joint pensioner last previously designated by the firefighter
25 is alive when the firefighter files with the board of trustees
26 a request for such change.

27 2. The consent of a firefighter's joint pensioner or
28 beneficiary to any such change shall not be required.

29 3. The board of trustees may request such evidence of
30 the good health of the joint pensioner that is being removed
31 as it may require and the amount of the retirement income

1 payable to the firefighter upon designation of a new joint
2 pensioner shall be actuarially redetermined taking into
3 account the age and sex of the former joint pensioner, the new
4 joint pensioner, and the firefighter. Each such designation
5 will be made in writing on a form prepared by the board of
6 trustees and on completion will be filed with the board of
7 trustees. In the event that no designated beneficiary
8 survives the firefighter, such benefits as are payable in the
9 event of the death of the firefighter subsequent to his or her
10 retirement shall be paid as provided in s. 175.181.

11 (2) Retirement income payments shall be made under the
12 option elected in accordance with the provisions of this
13 section and shall be subject to the following limitations:

14 (a) If a firefighter dies prior to his or her normal
15 retirement date or early retirement date, whichever first
16 occurs, no retirement benefit will be payable under the option
17 to any person, but the benefits, if any, will be determined
18 under s. 175.201.

19 (b) If the designated beneficiary (or beneficiaries)
20 or joint pensioner dies before the firefighter's retirement
21 under the plan, the option elected will be canceled
22 automatically and a retirement income of the normal form and
23 amount will be payable to the firefighter upon retirement as
24 if the election had not been made, unless a new election is
25 made in accordance with the provisions of this section or a
26 new beneficiary is designated by the firefighter prior to
27 retirement and within 90 days after the death of the
28 beneficiary.

29 (c) If both the retired firefighter and the
30 beneficiary (or beneficiaries) designated by him or her die
31 before the full payment has been effected under any option

1 providing for payments for a period certain and life
2 thereafter, made pursuant to the provisions of paragraph
3 (1)(c), the board of trustees may, in its discretion, direct
4 that the commuted value of the remaining payments be paid in a
5 lump sum and in accordance with s. 175.181.

6 (d) If a firefighter continues beyond his or her
7 normal retirement date pursuant to the provisions of s.
8 175.162(1) and dies prior to actual retirement and while an
9 option made pursuant to the provisions of this section is in
10 effect, monthly retirement income payments will be made, or a
11 retirement benefit will be paid, under the option to a
12 beneficiary (or beneficiaries) designated by the firefighter
13 in the amount or amounts computed as if the firefighter had
14 retired under the option on the date on which death occurred.

15 (3) No firefighter may make any change in his or her
16 retirement option after the date of cashing or depositing the
17 first retirement check.

18 Section 19. Section 175.181, Florida Statutes, is
19 amended to read:

20 175.181 Beneficiaries.--For any municipality, special
21 fire control district, chapter plan, local law municipality,
22 local law special fire control district, or local law plan
23 under this chapter:

24 (1) Each firefighter may, on a form provided for that
25 purpose, signed and filed with the board of trustees,
26 designate a choice of one or more persons, named sequentially
27 or jointly, as his or her beneficiary (or beneficiaries) to
28 receive the benefit, if any, which may be payable in the event
29 of his or her death; and each designation may be revoked by
30 such firefighter by signing and filing with the board of
31 trustees a new designation-of-beneficiary form.

1 (2) If no beneficiary is named in the manner provided
2 by subsection (1), or if no beneficiary designated by the
3 member survives him, a deceased firefighter fails to name a
4 beneficiary in the manner prescribed in subsection (1), or if
5 the beneficiary (or beneficiaries) named by a deceased
6 firefighter predecease the firefighter, the death benefit, if
7 any, which may be payable under the plan with respect to such
8 deceased firefighter shall may be paid by, in the discretion
9 of the board of trustees, either to the estate of such
10 deceased firefighter, provided that the board of trustees, in
11 its discretion, may direct that the commuted value of the
12 remaining monthly income payments be paid in a lump sum.+

13
14 Any payment made to any person pursuant to this subsection
15 shall operate as a complete discharge of all obligations under
16 the plan with regard to the deceased firefighter and any other
17 persons with rights under the plan and shall not be subject to
18 review by anyone but shall be final, binding, and conclusive
19 on all persons ever interested hereunder.

20 ~~(a) The spouse or dependent children of the~~
21 ~~firefighter; or~~

22 ~~(b) The dependent living parents of the firefighter.~~

23 (3) Notwithstanding any other provision of law to the
24 contrary, the surviving spouse of any pension participant
25 member killed in the line of duty shall not lose survivor
26 retirement benefits if the spouse remarries. The surviving
27 spouse of such deceased member whose benefit terminated
28 because of remarriage shall have the benefit reinstated as of
29 July 1, 1994, at an amount that would have been payable had
30 such benefit not been terminated. ~~This paragraph shall apply~~

31

1 ~~to all municipalities which receive state excise tax moneys as~~
2 ~~provided in s. 175.101.~~

3 Section 20. Section 175.191, Florida Statutes, is
4 amended to read:

5 175.191 Disability retirement.--For any municipality,
6 special fire control district, chapter plan, local law
7 municipality, local law special fire control district, or
8 local law plan under this chapter:

9 (1) A firefighter having 10 or more ~~continuous~~ years
10 of credited service or a firefighter who becomes totally and
11 permanently disabled in the line of duty, regardless of length
12 of service, and having contributed to the firefighters'
13 ~~pension trust fund for 10 years or more~~ may retire from the
14 service of the municipality or special fire control district
15 under the plan if, ~~prior to his or her normal retirement date,~~
16 the firefighter becomes totally and permanently disabled as
17 defined in subsection (2) by reason of any cause other than a
18 cause set out in subsection (3) on or after the effective date
19 of the plan. Such retirement shall herein be referred to as
20 "disability retirement." ~~The provisions for disability other~~
21 ~~than line-of-duty disability shall not apply to a member who~~
22 ~~has reached early or normal retirement age.~~

23 (2) A firefighter will be considered totally disabled
24 if, in the opinion of the board of trustees, he or she is
25 wholly prevented from rendering useful and efficient service
26 as a firefighter; and a firefighter will be considered
27 permanently disabled if, in the opinion of the board of
28 trustees, he or she is likely to remain so disabled
29 continuously and permanently from a cause other than is
30 specified in subsection (3).

31

1 (3) A firefighter will not be entitled to receive any
2 disability retirement income if the disability is a result of:
3 (a) Excessive and habitual use by the firefighter of
4 drugs, intoxicants, or narcotics;
5 (b) Injury or disease sustained by the firefighter
6 while willfully and illegally participating in fights, riots,
7 or civil insurrections or while committing a crime;
8 (c) Injury or disease sustained by the firefighter
9 while serving in any armed forces; or
10 (d) Injury or disease sustained by the firefighter
11 after his or her employment has terminated.

12 (4) No firefighter shall be permitted to retire under
13 the provisions of this section until he or she is examined by
14 a duly qualified physician or surgeon, to be selected by the
15 board of trustees for that purpose, and is found to be
16 disabled in the degree and in the manner specified in this
17 section. Any firefighter retiring under this section shall be
18 examined periodically by a duly qualified physician or surgeon
19 or board of physicians and surgeons, to be selected by the
20 board of trustees for that purpose, to determine if such
21 disability has ceased to exist.

22 (5) The benefit ~~benefits~~ payable to a firefighter who
23 retires from the service of a municipality or special fire
24 control district due to total and permanent disability as a
25 direct result of a disability ~~commencing prior to his or her~~
26 ~~normal retirement date~~ is the monthly income payable for 10
27 years certain and life for which, if the firefighter's
28 disability occurred in the line of duty, his or her monthly
29 benefit shall be the accrued retirement benefit, but shall not
30 be less than 42 percent of his or her average monthly salary
31 at the time of disability. If after 10 years of service the

1 disability is other than in the line of duty, the
2 firefighter's monthly benefit shall be the accrued normal
3 retirement benefit, but shall not be less than 25 percent of
4 his or her average monthly salary at the time of disability.

5 (6) The monthly retirement income to which a
6 firefighter is entitled in the event of his or her disability
7 retirement shall be payable on the first day of the first
8 month after the board of trustees determines such entitlement.
9 However, the monthly retirement income shall be payable as of
10 the date the board determines such entitlement, and any
11 portion due for a partial month shall be paid together with
12 the first payment. The last payment will be, if the
13 firefighter recovers from the disability ~~prior to his or her~~
14 ~~normal retirement date~~, the payment due next preceding the
15 date of such recovery or, if the firefighter dies without
16 recovering from the disability, the payment due next preceding
17 his or her death or the 120th monthly payment, whichever is
18 later. In lieu of the benefit payment as provided in this
19 paragraph, a firefighter may select an optional form as
20 provided in s. 175.171. Any monthly retirement income payments
21 due after the death of a disabled firefighter shall be paid to
22 the firefighter's designated beneficiary (or beneficiaries) as
23 provided in ss. 175.181 and 175.201.

24 (7) If the board of trustees finds that a firefighter
25 who is receiving a disability retirement income is, ~~at any~~
26 ~~time prior to his or her normal retirement date~~, no longer
27 disabled, as provided herein, the board of trustees shall
28 direct that the disability retirement income be discontinued.
29 "Recovery from disability" as used herein means the ability of
30 the firefighter to render useful and efficient service as a
31 firefighter.

1 (8) If the firefighter recovers from disability and
2 reenters the service as a firefighter, service will be deemed
3 to have been continuous, but the period beginning with the
4 first month for which he or she received a disability
5 retirement income payment and ending with the date he or she
6 reentered the service may ~~will~~ not be considered as credited
7 service for the purpose of this plan.

8 Section 21. Section 175.195, Florida Statutes, is
9 created to read:

10 175.195 False, misleading, or fraudulent statements
11 made to obtain public retirement benefits prohibited;
12 penalty.--

13 (1) It is unlawful for a person to willfully and
14 knowingly make, or cause to be made, or to assist, conspire
15 with, or urge another to make, or cause to be made, any false,
16 fraudulent, or misleading oral or written statement to obtain
17 any benefit available under a retirement plan receiving
18 funding under this chapter.

19 (2)(a) A person who violates subsection (1) commits a
20 misdemeanor of the first degree, punishable as provided in s.
21 775.082 or s. 775.083.

22 (b) In addition to any applicable criminal penalty,
23 upon conviction for a violation described in subsection (1), a
24 participant or beneficiary of a pension plan receiving funding
25 under this chapter may, in the discretion of the board of
26 trustees, be required to forfeit the right to receive any or
27 all benefits to which the person would otherwise be entitled
28 under this chapter. For purposes of this paragraph,
29 "conviction" means a determination of guilt that is the result
30 of a plea or trial, regardless of whether adjudication is
31 withheld.

1 Section 22. Section 175.201, Florida Statutes, is
2 amended to read:

3 175.201 Death prior to retirement; refunds of
4 contributions; death benefits.--For any municipality, special
5 fire control district, chapter plan, local law municipality,
6 local law special fire control district, or local law plan
7 under this chapter:

8 (1) If a firefighter dies before being eligible to
9 retire ~~under the provisions of this act~~, the heirs, legatees,
10 beneficiaries, or personal representatives of such deceased
11 firefighter shall be entitled to a refund of 100 percent,
12 without interest, of the contributions made to the
13 firefighters' pension trust fund by such deceased firefighter
14 or, in the event an annuity or life insurance contract has
15 been purchased by the board of trustees on such firefighter,
16 then to the death benefits available under such life insurance
17 or annuity contract subject to the limitations on such death
18 benefits set forth in s. 175.081, whichever amount is greater.

19 (2) If a firefighter having at least 10 years of
20 credited service dies prior to retirement ~~but has at least 10~~
21 ~~years of contributing service~~, his or her beneficiary is
22 entitled to the benefits otherwise payable to the firefighter
23 at early or normal retirement age.

24
25 In the event that the death benefit paid by a life insurance
26 company exceeds the limit set forth in s. 175.081, the excess
27 of the death benefit over the limit shall be paid to the
28 firefighters' pension trust fund. However, death ~~the~~ benefits
29 ~~as~~ provided pursuant to ~~in~~ s. 112.191 or any other state or
30 federal law shall not be included in the calculation of ~~as~~

31

1 death or retirement benefits provided under this the
2 ~~provisions of chapter 86-41, Laws of Florida.~~

3 Section 23. Section 175.211, Florida Statutes, is
4 amended to read:

5 175.211 Separation from service; refunds.--For any
6 municipality, special fire control district, chapter plan,
7 local law municipality, local law special fire control
8 district, or local law plan under this chapter:

9 (1) If a firefighter leaves the service of the
10 municipality or special fire control district before
11 accumulating aggregate time of 10 years toward retirement and
12 before being eligible to retire under the provisions of this
13 chapter, the firefighter shall be entitled to a refund of all
14 of his or her contributions made to the firefighters' pension
15 trust fund after July 1, 1963, without interest, less any
16 disability benefits paid to him or her after July 1, 1963.

17 (2) If a firefighter who has been in the service of
18 the municipality or special fire control district for at least
19 10 years ~~and has contributed to the firefighters' pension~~
20 ~~trust fund for at least 10 years~~ elects to leave his or her
21 accrued contributions, if contributions are required, in the
22 firefighters' pension trust fund, such firefighter upon
23 attaining the age of 50 years may retire at the actuarial
24 equivalent of the amount of such retirement income otherwise
25 payable to him or her, as provided in s. 175.162(4), or upon
26 attaining age 55 years may retire as provided in s.
27 175.162(1).

28 Section 24. Section 175.221, Florida Statutes, is
29 amended to read:

30 175.221 Lump-sum payment of small retirement
31 income.--For any municipality, special fire control district,

1 chapter plan, local law municipality, local law special fire
2 control district, or local law plan under this chapter,
3 notwithstanding any provisions of the plan to the contrary, if
4 the monthly retirement income payable to any person entitled
5 to benefits hereunder is less than ~~\$100\$30~~, or if the
6 single-sum value of the accrued retirement income is less than
7 ~~<U>\$5,000\$750~~, as of the date of retirement or termination of
8 service, whichever is applicable, the board of trustees, in
9 the exercise of its discretion, may specify that the actuarial
10 equivalent of such retirement income be paid in a lump sum.

11 Section 25. Section 175.231, Florida Statutes, is
12 amended to read:

13 175.231 Diseases of firefighters suffered in line of
14 duty; presumption.--For any municipality, special fire control
15 district, chapter plan, local law municipality, local law
16 special fire control district, or local law plan under this
17 chapter, any condition or impairment of health of a
18 firefighter caused by tuberculosis, hypertension, or heart
19 disease resulting in total or partial disability or death
20 shall be presumed to have been accidental and suffered in the
21 line of duty unless the contrary is shown by competent
22 evidence, provided that, such firefighter shall have
23 successfully passed a physical examination before entering
24 into such service, which examination failed to reveal any
25 evidence of such condition. This section shall be applicable
26 to all firefighters ~~employed in Florida~~ only with reference to
27 pension and retirement benefits under this chapter.

28 Section 26. Section 175.241, Florida Statutes, is
29 amended to read:

30 175.241 Exemption from execution.--For any
31 municipality, special fire control district, chapter plan,

1 local law municipality, local law special fire control
2 district, or local law plan under this chapter,the pensions,
3 annuities, or other benefits accrued or accruing to any person
4 under any chapter plan or local law plan under the provisions
5 of this chapter ~~act~~ and the accumulated contributions and the
6 cash securities in the funds created under this chapter ~~act~~
7 are hereby exempted from any state, county, or municipal tax
8 and shall not be subject to execution or attachment or to any
9 legal process whatsoever, and shall be unassignable.

10 Section 27. Section 175.251, Florida Statutes, is
11 repealed.

12 Section 28. Section 175.261, Florida Statutes, is
13 amended to read:

14 175.261 Annual report to Division of Retirement;
15 actuarial valuations reports.--For any municipality, special
16 fire control district, chapter plan, local law municipality,
17 local law special fire control district, or local law plan
18 under this chapter, the board of trustees for every chapter
19 plan and local law plan shall submit the following reports to
20 the division:

21 (1) With respect to chapter plans:

22 (a) Each year, by February 1, the chair or secretary
23 of the board of trustees of each firefighters' pension trust
24 fund operating under a chapter plan shall file a report with
25 the division which contains:

26 1.(a) A statement of whether in fact the municipality
27 or special fire control district is within the provisions of
28 s. 175.041.

29 2.(b) An independent audit by a certified public
30 accountant if the fund has \$250,000~~\$100,000~~ or more in
31 assets, or a certified statement of accounting if the fund has

1 less than ~~\$250,000~~ \$100,000 or more in assets, for the most
2 recent plan fiscal year ~~of the municipality or special fire~~
3 ~~control district~~, showing a detailed listing of assets and
4 methods used to value them and a statement of all income and
5 disbursements during the year. Such income and disbursements
6 shall be reconciled with the assets at the beginning ~~of~~ and
7 end of the year.

8 3.(c) A statistical exhibit showing the total number
9 of firefighters on the force, the number included in the
10 retirement plan and the number ineligible, classified
11 according to the reason for their being ineligible, and the
12 number of disabled firefighters and retired firefighters and
13 their beneficiaries receiving pension payments and the amounts
14 of annual retirement income or pension payments being received
15 by them.

16 4.(d) A statement of the amount the municipality or
17 special fire control district, or other income source, has
18 contributed to the retirement fund for the most recent plan
19 ~~fiscal~~ year and the amount the municipality or special fire
20 control district will contribute to the retirement fund during
21 its current plan fiscal year.

22 5.(e) If any benefits are insured with a commercial
23 insurance company, the report should include a statement of
24 the relationship of the insured benefits to the benefits
25 provided by this chapter as well as the name of the insurer
26 and information about the basis of premium rates, mortality
27 table, interest rates, and method used in valuing retirement
28 benefits.

29 (b)(2) In addition to annual reports provided under
30 paragraph (a), by February 1 of each triennial year, an
31 actuarial valuation of the chapter plan must be made by the

1 division at least once every 3 years, as provided in s.
2 112.63, commencing 3 years from the last actuarial valuation
3 of the plan or system for existing plans, or commencing 3
4 years from issuance of the initial actuarial impact statement
5 submitted under s. 112.63 for newly created plans.~~beginning~~
6 ~~with February 1, 1986, and at least every 3 years commencing~~
7 ~~from the last actuarial report of the plan or system or from~~
8 ~~February 1, 1987, if no actuarial report has been issued~~
9 ~~within the 3-year period prior to February 1, 1986,~~To that
10 end, the chair of the board of trustees for each firefighters'
11 pension trust fund operating under a chapter plan shall report
12 to the division such data as that it needs to complete an
13 actuarial valuation of each fund. The forms for each
14 municipality and special fire control district shall be
15 supplied by the division. The expense of this actuarial
16 valuation shall be borne by the firefighters' pension trust
17 fund established by ss. 175.041 and 175.121. The requirements
18 of this section are supplemental to the actuarial valuations
19 necessary to comply with ss. 11.45 and 218.32.

20 (2) With respect to local law plans:

21 (a) Each year, on or before March 15, the trustees of
22 the retirement plan shall submit the following information to
23 the division in order for the retirement plan of such
24 municipality or special fire control district to receive a
25 share of the state funds for the then-current calendar year:

26 1. A certified copy of each and every instrument
27 constituting or evidencing the plan. This includes the formal
28 plan, including all amendments, the trust agreement, copies of
29 all insurance contracts, and formal announcement material.

30 2. An independent audit by a certified public
31 accountant if the fund has \$250,000 or more in assets, or a

1 certified statement of accounting if the fund has less than
2 \$250,000 in assets, for the most recent plan year, showing a
3 detailed listing of assets and a statement of all income and
4 disbursements during the year. Such income and disbursements
5 must be reconciled with the assets at the beginning and end of
6 the year.

7 3. A certified statement listing the investments of
8 the plan and a description of the methods used in valuing the
9 investments.

10 4. A statistical exhibit showing the total number of
11 firefighters, the number included in the plan, and the number
12 ineligible classified according to the reasons for their being
13 ineligible, and the number of disabled and retired
14 firefighters and their beneficiaries receiving pension
15 payments and the amounts of annual retirement income or
16 pension payments being received by them.

17 5. A certified statement describing the methods,
18 factors, and actuarial assumptions used in determining the
19 cost.

20 6. A certified statement by an enrolled actuary
21 showing the results of the latest actuarial valuation of the
22 plan and a copy of the detailed worksheets showing the
23 computations used in arriving at the results.

24 7. A statement of the amount the municipality or
25 special fire control district, or other income source, has
26 contributed toward the plan for the most recent plan year and
27 will contribute toward the plan for the current plan year.

28
29 When any of the items required hereunder is identical to the
30 corresponding item submitted for a previous year, it is not
31

1 necessary for the trustees to submit duplicate information if
2 they make reference to the item in the previous year's report.

3 (b) In addition to annual reports provided under
4 paragraph (a), an actuarial valuation of the retirement plan
5 must be made at least once every 3 years, as provided in s.
6 112.63, commencing 3 years from the last actuarial valuation
7 of the plan or system for existing plans, or commencing 3
8 years from issuance of the initial actuarial impact statement
9 submitted under s. 112.63 for newly created plans. Such
10 valuation shall be prepared by an enrolled actuary, subject to
11 the following conditions:

12 1. The assets shall be valued as provided in s.
13 112.625(7).

14 2. The cost of the actuarial valuation must be paid by
15 the individual firefighters' retirement fund or by the
16 sponsoring municipality or special fire control district.

17 3. A report of the valuation, including actuarial
18 assumptions and type and basis of funding, shall be made to
19 the division within 3 months after the date of valuation. If
20 any benefits are insured with a commercial insurance company,
21 the report must include a statement of the relationship of the
22 retirement plan benefits to the insured benefits, the name of
23 the insurer, the basis of premium rates, and the mortality
24 table, interest rate, and method used in valuing the
25 retirement benefits.

26 Section 29. Section 175.291, Florida Statutes, is
27 repealed.

28 Section 30. Section 175.301, Florida Statutes, is
29 amended to read:

30 175.301 Depository for pension funds.--For any
31 municipality, special fire control district, chapter plan,

1 local law municipality, local law special fire control
2 district, or local law plan under this chapter,all funds ~~and~~
3 ~~securities~~ of the firefighters' pension trust fund of any
4 chapter plan or local law plan under this chapter may be
5 deposited by the board of trustees with the treasurer of the
6 municipality or special fire control district, acting in a
7 ministerial capacity only, who shall be liable in the same
8 manner and to the same extent as he or she is liable for the
9 safekeeping of funds for the municipality or special fire
10 control district. However, any funds ~~and securities~~ so
11 deposited with the treasurer of the municipality or special
12 fire control district shall be kept in a separate fund by the
13 treasurer or clearly identified as such funds ~~and securities~~
14 of the firefighters' pension trust fund. In lieu thereof, the
15 board of trustees shall deposit the funds ~~and securities~~ of
16 the firefighters' pension trust fund in a qualified public
17 depository as defined in s. 280.02, which depository with
18 regard to such funds ~~and securities~~ shall conform to and be
19 bound by all of the provisions of chapter 280.

20 Section 31. Section 175.311, Florida Statutes, is
21 amended to read:

22 175.311 Municipalities, special fire control
23 districts, and boards independent of each other.--In the
24 enforcement and ~~in the~~ interpretation of the provisions of
25 this chapter for any municipality, special fire control
26 district, chapter plan, local law municipality, local law
27 special fire control district, or local law plan under this
28 chapter, each municipality and each special fire control
29 district shall be independent of any other municipality or
30 special fire control district, and the board of trustees of
31 the firefighters' pension trust fund of each municipality and

1 each special fire control district shall function for the
2 municipality or special fire control district ~~that~~ which it
3 serves as trustee. Each board of trustees shall be
4 independent of the municipality or special fire control
5 district for which it serves as board of trustees to the
6 extent required to accomplish the intent, requirements, and
7 responsibilities provided for in this chapter.

8 Section 32. Section 175.321, Florida Statutes, is
9 repealed.

10 Section 33. Section 175.331, Florida Statutes, is
11 repealed.

12 Section 34. Section 175.333, Florida Statutes, is
13 amended to read:

14 175.333 Discrimination in benefit formula prohibited;
15 restrictions regarding designation of joint annuitants.--For
16 any municipality, special fire control district, chapter plan,
17 local law municipality, local law special fire control
18 district, or local law plan under this chapter:

19 (1) No plan ~~established under the provisions of this~~
20 chapter and participating in the distribution of premium tax
21 moneys as provided in this chapter shall discriminate in its
22 benefit formula based on color, national origin, sex, or
23 marital status, ~~however,~~

24 (2)(a) If a plan offers a joint annuitant option and
25 the member selects such option, or if a ~~the~~ plan specifies
26 that the member's spouse is to receive the benefits that ~~which~~
27 continue to be payable upon the death of the member, then, in
28 both of these cases, after retirement ~~the~~ benefits have
29 commenced, a retired member may change his or her designation
30 of joint annuitant or beneficiary only twice.

31

1 **(b)** ~~Any if said~~ retired member who desires to change
2 his or her joint annuitant or beneficiary, ~~the member~~ shall
3 file with the board of trustees of his or her plan a notarized
4 notice of such change either by registered letter or on such a
5 form as is provided by the administrator of the plan. Upon
6 receipt of a completed change of joint annuitant form or such
7 other notice, the board of trustees shall adjust the member's
8 monthly benefit by the application of actuarial tables and
9 calculations developed to ensure that the benefit paid is the
10 actuarial equivalent of the present value of the member's
11 current benefit.

12
13 Nothing herein shall preclude a plan from actuarially
14 adjusting benefits or offering options based upon sex, age,
15 early retirement, or disability.

16 Section 35. Section 175.341, Florida Statutes, is
17 amended to read:

18 175.341 Duties of Division of Retirement; rulemaking
19 authority; investments by the State Board of Administration.--

20 (1) The division shall be responsible for the daily
21 oversight and monitoring for actuarial soundness of the
22 firefighters' pension plans, whether chapter or local law
23 plans, established under this chapter, for receiving and
24 holding the premium tax moneys collected under this chapter,
25 and, upon determining compliance with the provisions of this
26 chapter, for disbursing those moneys to the firefighters'
27 pension plans. The funds necessary to pay expenses for such
28 administration shall be annually appropriated from the
29 interest and investment income earned on moneys deposited in
30 the trust fund.

31

1 (2) The division shall adopt rules necessary for the
2 administration of this chapter.

3 (3) The State Board of Administration shall invest and
4 reinvest the moneys in the trust fund collected under this
5 chapter in accordance with ss. 215.44-215.53. Costs incurred
6 by the board in carrying out the provisions of this subsection
7 shall be deducted from the interest and investment income
8 accruing to the trust fund.

9 Section 36. Section 175.351, Florida Statutes, is
10 amended to read:

11 (Substantial rewording of section. See
12 s. 175.351, F.S., for present text.)

13 175.351 Municipalities and special fire control
14 districts having their own pension plans for
15 firefighters.--For any municipality, special fire control
16 district, local law municipality, local law special fire
17 control district, or local law plan under this chapter, in
18 order for municipalities and special fire control districts
19 with their own pension plans for firefighters, or for
20 firefighters and police officers, where included, to
21 participate in the distribution of the tax fund established
22 pursuant to s. 175.101, local law plans must meet the minimum
23 benefits and standards set forth in this chapter.

24 (1) PREMIUM TAX INCOME.--If a municipality has a
25 pension plan for firefighters, or a pension plan for
26 firefighters and police officers, where included, which in the
27 opinion of the division meets the standards set forth in this
28 chapter, the board of trustees of the pension plan, as
29 approved by a majority of firefighters of the municipality,
30 may:

31

1 (a) Place the income from the premium tax in s.
2 175.101 in such pension plan for the sole and exclusive use of
3 its firefighters, or for firefighters and police officers,
4 where included, where it shall become an integral part of that
5 pension plan and shall be used to pay extra benefits to the
6 firefighters included in that pension plan; or

7 (b) Place the income from the premium tax in s.
8 175.101 in a separate supplemental pension plan to pay extra
9 benefits to firefighters, or to firefighters and police
10 officers, where included, participating in such separate
11 supplemental pension plan.

12
13 Anything to the contrary notwithstanding, the premium tax
14 provided by this chapter shall in all cases be used in its
15 entirety to provide extra benefits to firefighters, or to
16 firefighters and police officers, where included. For purposes
17 of this chapter, the term "extra benefits" means benefits in
18 addition to or greater than those provided to general
19 employees of the municipality.

20 (2) ADOPTION OR REVISION OF A LOCAL LAW PLAN.--No
21 retirement plan or amendment to a retirement plan shall be
22 proposed for adoption unless the proposed plan or amendment
23 contains an actuarial estimate of the costs involved. No such
24 proposed plan or proposed plan change shall be adopted without
25 the approval of the municipality or special fire control
26 district. Copies of the proposed plan or proposed plan change
27 and the actuarial impact statement of the proposed plan or
28 proposed plan change shall be furnished to the division for
29 approval prior to the last public hearing thereon. Such
30 statement shall also indicate whether the proposed plan or
31 proposed plan change is in compliance with s. 14, Art. X of

1 the State Constitution and those provisions of part VII of
2 chapter 112 which are not expressly provided in this chapter.

3 (3) The retirement plan setting forth the benefits and
4 the trust agreement, if any, covering the duties and
5 responsibilities of the trustees and the regulations of the
6 investment of funds must be in writing, and copies thereof
7 must be made available to the participants and to the general
8 public.

9 Section 37. Section 175.361, Florida Statutes, is
10 amended to read:

11 175.361 Termination of plan and distribution of
12 fund.--For any municipality, special fire control district,
13 chapter plan, local law municipality, local law special fire
14 control district, or local law plan under this chapter, the
15 plan may be terminated by the municipality or special fire
16 control district. Upon termination of the plan by the
17 municipality or special fire control district for any reason
18 or because of a transfer, merger, or consolidation of
19 governmental units, services, or functions as provided in
20 chapter 121, or upon written notice by the municipality or
21 special fire control district to the board of trustees that
22 contributions under the plan are being permanently
23 discontinued, the rights of all employees to benefits accrued
24 to the date of such termination, to the extent then funded, or
25 the amounts credited to the employees' accounts are
26 nonforfeitable and the fund shall be apportioned and
27 distributed in accordance with the following procedures:

28 (1) The board of trustees shall determine the date of
29 distribution and the asset value to be distributed, after
30 taking into account the expenses of such distribution.

31

1 (2) The board of trustees shall determine the method
2 of distribution of the asset value, that is, whether
3 distribution shall be by payment in cash, by the maintenance
4 of another or substituted trust fund, by the purchase of
5 insured annuities, or otherwise, for each firefighter entitled
6 to benefits under the plan as specified in subsection (3).

7 (3) The board of trustees shall apportion the asset
8 value as of the date of termination in the manner set forth in
9 this subsection, on the basis that the amount required to
10 provide any given retirement income shall mean the actuarially
11 computed single-sum value of such retirement income, except
12 that if the method of distribution determined under subsection
13 (2) involves the purchase of an insured annuity, the amount
14 required to provide the given retirement income shall mean the
15 single premium payable for such annuity.

16 (a) Apportionment shall first be made in respect of
17 each retired firefighter receiving a retirement income
18 hereunder on such date, each person receiving a retirement
19 income on such date on account of a retired (but since
20 deceased) firefighter, and each firefighter who has, by such
21 date, become eligible for normal retirement but has not yet
22 retired, in the amount required to provide such retirement
23 income, provided that, if such asset value is less than the
24 aggregate of such amounts, such amounts shall be
25 proportionately reduced so that the aggregate of such reduced
26 amounts will be equal to such asset value.

27 (b) If there is any asset value remaining after the
28 apportionment under paragraph (a), apportionment shall next be
29 made in respect of each firefighter in the service of the
30 municipality or special fire control district on such date who
31 has completed at least 10 years of credited service, in who

1 ~~has contributed to~~ the firefighters' pension trust fund for at
2 least 10 years, and who is not entitled to an apportionment
3 under paragraph (a), in the amount required to provide the
4 actuarial equivalent of the accrued normal retirement income,
5 based on the firefighter's credited service and earnings to
6 such date, and each former participant then entitled to a
7 benefit under the provisions of s. 175.211 who has not by such
8 date reached his or her normal retirement date, in the amount
9 required to provide the actuarial equivalent of the accrued
10 normal retirement income to which he or she is entitled under
11 s. 175.211; provided that, if such remaining asset value is
12 less than the aggregate of the amounts apportioned hereunder,
13 such latter amounts shall be proportionately reduced so that
14 the aggregate of such reduced amounts will be equal to such
15 remaining asset value.

16 (c) If there is any asset value after the
17 apportionments under paragraphs (a) and (b), apportionment
18 shall lastly be made in respect of each firefighter in the
19 service of the municipality or special fire control district
20 on such date who is not entitled to an apportionment under
21 paragraphs (a) and (b) in the amount equal to the
22 firefighter's total contributions to the plan to date of
23 termination; provided that, if such remaining asset value is
24 less than the aggregate of the amounts apportioned hereunder,
25 such latter amounts shall be proportionately reduced so that
26 the aggregate of such reduced amounts will be equal to such
27 remaining asset value.

28 (d) In the event that there is asset value remaining
29 after the full apportionment specified in paragraphs (a), (b),
30 and (c), such excess shall be returned to the municipality or
31 special fire control district, less return to the state of the

1 state's contributions, provided that, if the excess is less
2 than the total contributions made by the municipality or
3 special fire control district and the state to date of
4 termination of the plan, such excess shall be divided
5 proportionately to the total contributions made by the
6 municipality or special fire control district and the state.

7 (4) The board of trustees shall distribute, in
8 accordance with the manner of distribution determined under
9 subsection (2), the amounts apportioned under subsection (3).

10

11 If, after a period of 24 months after the date on which the
12 plan terminated or the date on which the board received
13 written notice that the contributions thereunder were being
14 permanently discontinued, the municipality or special fire
15 control district or the board of trustees of the firefighters'
16 pension trust fund affected has not complied with all the
17 provisions in this section, the division shall effect the
18 termination of the fund in accordance with this section.

19 Section 38. Section 175.371, Florida Statutes, is
20 amended to read:

21 175.371 Transfer to another state retirement system;
22 benefits payable.--For any municipality, special fire control
23 district, chapter plan, local law municipality, local law
24 special fire control district, or local law plan under this
25 chapter:

26 (1) Any firefighter who has a vested right to benefits
27 under a pension plan created pursuant to the provisions of
28 this chapter and who elects to participate in another state
29 retirement system may not receive a benefit under the
30 provisions of the latter retirement system for any year's

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1 service for which benefits are paid under the provisions of
2 the pension plan created pursuant to this chapter.

3 (2) When every active participant in any pension plan
4 created pursuant to this chapter elects to transfer to another
5 state retirement system, the pension plan created pursuant to
6 this chapter shall be terminated and the assets distributed in
7 accordance with s. 175.361. If some participants in a pension
8 plan created pursuant to this chapter elect to transfer to
9 another state retirement system and other participants elect
10 to remain in the existing plan created pursuant to this
11 chapter, the plan created pursuant to this chapter shall
12 remain in effect until fully funded and shall then be
13 terminated in accordance with s. 175.361.

14 Section 39. Section 175.381, Florida Statutes, is
15 amended to read:

16 (Substantial rewording of section. See
17 s. 175.381, F.S., for present text.)

18 175.381 Applicability.--This act shall apply to all
19 municipalities, special fire control districts, chapter plans,
20 local law municipalities, local law special fire control
21 districts, or local law plans presently existing or to be
22 created pursuant to this chapter. Those plans presently
23 existing pursuant to s. 175.351 and not in compliance with the
24 provisions of this act must comply no later than December 31,
25 1998. However, the plan sponsor of any plan established by
26 special act of the Legislature shall have until July 1, 1999,
27 to comply with the provisions of this act, except as otherwise
28 provided in this act with regard to establishment and election
29 of board members. The provisions of this act shall be
30 construed to establish minimum standards and benefit levels,
31 and nothing contained in this act or in chapter 175 shall

1 operate to reduce presently existing rights or benefits of any
2 firefighter, directly, indirectly, or otherwise.

3 Section 40. Section 175.391, Florida Statutes, is
4 repealed.

5 Section 41. Section 175.401, Florida Statutes, is
6 amended to read:

7 175.401 Retiree health insurance subsidy.--For any
8 municipality, special fire control district, chapter plan,
9 local law municipality, local law special fire control
10 district, or local law plan under this chapter,under the
11 broad grant of home rule powers under the Florida Constitution
12 and chapter 166, municipalities have the authority to
13 establish and administer locally funded health insurance
14 subsidy programs. In addition, special fire control districts
15 may, by resolution, establish and administer locally funded
16 health insurance subsidy programs. Pursuant thereto:

17 (1) PURPOSE.--The purpose of this section is to allow
18 municipalities and special fire control districts the option
19 to use premium tax moneys, as provided for under this chapter,
20 to establish and administer health insurance subsidy programs
21 which will provide a monthly subsidy payment to retired
22 members of any firefighters' pension trust fund system or plan
23 as provided under this chapter, or to beneficiaries who are
24 spouses or financial dependents entitled to receive benefits
25 under such a plan, in order to assist such retired members or
26 beneficiaries in paying the costs of health insurance.

27 (2) RETIREE HEALTH INSURANCE SUBSIDY TRUST FUNDS;
28 ESTABLISHMENT AND TERMINATION.--

29 (a) Any municipality or special fire control district
30 having a firefighters' pension trust fund system or plan as
31 provided under this chapter may, in its discretion, establish

1 by ordinance or resolution, as appropriate, a trust fund to be
2 known as the firefighters' retiree health insurance subsidy
3 trust fund. This fund may be a separate account established
4 for such purpose in the existing firefighters' pension fund,
5 provided that all funds deposited in such account are
6 segregated from, and not commingled with, pension funds or
7 other public moneys and that the account otherwise conforms to
8 the requirements of subsection (8). The trust fund shall be
9 used to account for all moneys received and disbursed pursuant
10 to this section.

11 (b) Prior to the second reading of the ordinance
12 before the municipal legislative body, or of the resolution
13 before the governing body of the special fire control
14 district, an actuarial valuation must be performed by an
15 enrolled actuary as provided in s. 112.63, and copies of the
16 valuation and the proposed implementing ordinance or
17 resolution shall be furnished to the division.

18 (c) The subsidy program may, at the discretion of the
19 municipal governing body, be permanently discontinued by
20 municipal ordinance, and at the discretion of the governing
21 body of a special fire control district may be permanently
22 discontinued by resolution, at any time, subject to the
23 requirements of any applicable collective bargaining
24 agreement, in the same manner and subject to the same
25 conditions established for plan termination and fund
26 distribution under s. 175.361.

27 (3) FUNDING.--Trust funds established pursuant to this
28 section shall be funded in the following manner:

29 (a) By payment to the fund of an amount equivalent to
30 one-half of the net increase over the previous tax year in the
31

1 premium tax funds provided for in this chapter, said amount to
2 be established in the implementing ordinance or resolution.

3 (b) By no less than one-half of 1 percent of the base
4 salary of each firefighter, for so long as the firefighter is
5 employed and covered by a pension plan established pursuant to
6 this chapter. The municipality or special fire control
7 district, with approval of the board of trustees, may increase
8 member contributions if needed to fund benefits greater than
9 the minimums established in this section.

10 (c) By payment by the municipality or special fire
11 control district, on at least a quarterly basis, of whatever
12 sum is determined necessary to maintain the actuarial
13 soundness of the fund in accordance with s. 112.64.

14
15 Such contributions and payments shall be submitted to the
16 board of trustees of the firefighters' pension trust fund, or
17 the plan trustees in the case of local law plans established
18 under s. 175.351, and deposited in the firefighters' retiree
19 health insurance subsidy trust fund, in the same manner and
20 subject to the same time constraints as provided under s.
21 175.131.

22 (4) ELIGIBILITY FOR RETIREE HEALTH INSURANCE
23 SUBSIDY.--A person who has contributed to the retiree health
24 insurance subsidy trust fund and retires under a firefighters'
25 pension trust fund system or plan as provided under this
26 chapter, including any local law plan as provided under s.
27 175.351, or a beneficiary who is a spouse or financial
28 dependent entitled to receive benefits under such a plan, is
29 eligible for health insurance subsidy payments provided under
30 this section. However, the fund, with approval of the board
31 of trustees and approval of the municipality or special fire

1 control district, may provide coverage to retirees and
2 beneficiaries when the retirees have not contributed to the
3 fund as provided in subsection (3). Payment of the retiree
4 health insurance subsidy shall be made only after coverage for
5 health insurance for the retiree or beneficiary has been
6 certified in writing to the board of trustees of the
7 firefighters' pension trust fund.

8 (5) RETIREE HEALTH INSURANCE SUBSIDY

9 AMOUNT.--Beginning on the effective date established in the
10 implementing ordinance or resolution, each eligible retiree,
11 or beneficiary who is a spouse or financial dependent thereof,
12 shall receive a monthly retiree health insurance subsidy
13 payment equal to the aggregate number of years of service, as
14 defined in s. 175.032, completed at the time of retirement
15 multiplied by an amount determined in the implementing
16 ordinance or resolution, but no less than \$3 for each year of
17 service. Nothing herein shall be construed to restrict the
18 plan sponsor from establishing, in the implementing ordinance
19 or resolution, a cap of no less than 30 years upon the number
20 of years' service for which credit will be given toward a
21 health insurance subsidy or a maximum monthly subsidy amount.

22 (6) PAYMENT OF RETIREE HEALTH INSURANCE

23 SUBSIDY.--Beginning on the effective date established in the
24 implementing ordinance or resolution, any monthly retiree
25 health insurance subsidy amount due and payable under this
26 section shall be paid to retired members, or their eligible
27 beneficiaries, by the board of trustees of the firefighters'
28 pension trust fund, or the plan trustees in the case of local
29 law plans established under s. 175.351, in the same manner as
30 provided by s. 175.071(1)(c) for drafts upon the pension fund.

31

1 (7) INVESTMENT OF THE TRUST FUND.--The trustees of the
2 firefighters' pension trust fund, or the plan trustees in the
3 case of local law plans established under s. 175.351, are
4 hereby authorized to invest and reinvest the funds of the
5 firefighters' retiree health insurance subsidy trust fund in
6 the same manner and subject to the same conditions as apply
7 hereunder to the investment of firefighters' pension funds
8 under s. 175.071.

9 (8) DEPOSIT OF HEALTH INSURANCE SUBSIDY FUNDS.--All
10 funds ~~and securities~~ of the health insurance subsidy fund may
11 be deposited by the board of trustees with the treasurer of
12 the municipality or special fire control district, acting in a
13 ministerial capacity only, who shall be liable in the same
14 manner and to the same extent as he or she is liable for the
15 safekeeping of funds for the municipality or special fire
16 control district. Any funds so deposited shall be segregated
17 by the treasurer in a separate fund, clearly identified as
18 funds ~~and securities~~ of the health insurance subsidy fund. In
19 lieu thereof, the board of trustees shall deposit the funds
20 ~~and securities~~ of the health insurance subsidy fund in a
21 qualified public depository as defined in s. 280.02, which
22 shall conform to and be bound by the provisions of chapter 280
23 with regard to such funds. In no case shall the funds of the
24 health insurance subsidy fund be deposited in any financial
25 institution, brokerage house trust company, or other entity
26 that is not a public depository as provided by s. 280.02.

27 (9) SEPARATION FROM SERVICE; REFUNDS.--Any firefighter
28 who terminates employment with a municipality or special fire
29 control district having a retiree health insurance subsidy
30 trust fund system or plan as provided under this section shall
31 be entitled to a refund of all employee contributions he or

1 she made to that trust fund, without interest, regardless of
2 whether the firefighter has vested for purposes of retirement.
3 Any firefighter who has vested for purposes of retirement in
4 the service of the municipality or special fire control
5 district, and has contributed to the firefighters' retiree
6 health insurance subsidy trust fund for so long as he or she
7 was eligible to make such contributions, may, in his or her
8 discretion, elect to leave his or her accrued contributions in
9 the fund, whereupon, such firefighter shall, upon retiring and
10 commencing to draw retirement benefits, receive a health
11 insurance subsidy based upon his or her aggregate number of
12 years of service, as defined in s. 175.032.

13 (10) ADMINISTRATION OF SYSTEM; ACTUARIAL VALUATIONS;
14 AUDITS; RULES; ADMINISTRATIVE COSTS.--The board of trustees of
15 the firefighters' pension trust fund, or the plan trustees in
16 the case of local law plans established under s. 175.351,
17 shall be solely responsible for administering the health
18 insurance subsidy trust fund. Pursuant thereto:

19 (a) As part of its administrative duties, no less
20 frequently than every 3 years, the board shall have an
21 actuarial valuation of the firefighters' retiree health
22 insurance subsidy trust fund prepared as provided in s. 112.63
23 by an enrolled actuary, covering the same reporting period or
24 plan year used for the firefighters' pension plan, and shall
25 submit a report of the valuation, including actuarial
26 assumptions and type and basis of funding, to the division.

27 (b) By February 1 of each year, the trustees shall
28 file a report with the division, containing an independent
29 audit by a certified public accountant if the fund has
30 \$250,000~~\$100,000~~ or more in assets, or a certified statement
31 of accounting if the fund has less than \$250,000~~\$100,000~~ in

1 assets, for the most recent plan ~~fiscal~~ year of the
2 ~~municipality or special fire control district~~, showing a
3 detailed listing of assets and methods used to value them and
4 a statement of all income and disbursements during the year.
5 Such income and disbursements shall be reconciled with the
6 assets at the beginning of and end of the year.

7 (c) The trustees may adopt such rules and regulations
8 as are necessary for the effective and efficient
9 administration of this section.

10 (d) At the discretion of the plan sponsor, the cost of
11 administration may be appropriated from the trust fund or paid
12 directly by the plan sponsor.

13 (11) BENEFITS.--Subsidy payments shall be payable
14 under the firefighters' retiree health insurance subsidy
15 program only to participants in the program or their
16 beneficiaries. Such subsidy payments shall not be subject to
17 assignment, execution, or attachment or to any legal process
18 whatsoever, and shall be in addition to any other benefits to
19 which eligible recipients are entitled under any workers'
20 compensation law, pension law, collective bargaining
21 agreement, municipal or county ordinance, or any other state
22 or federal statute.

23 (12) DISTRIBUTION OF PREMIUM TAXES; COMPLIANCE
24 REQUIRED.--Premium tax dollars for which spending authority is
25 granted under this section shall be distributed from the
26 Police and Firefighters' Premium Tax Trust Fund and remitted
27 annually to municipalities and special fire control districts
28 in the same manner as provided under this chapter for
29 firefighters' pension funds. Once a health insurance subsidy
30 plan has been implemented by a municipality or special fire
31 control district under this section, in order for the

1 municipality or special fire control district to participate
2 in the distribution of premium tax dollars authorized under
3 this section, all provisions of this section, including state
4 acceptance pursuant to part VII of chapter 112, shall be
5 complied with, and said premium tax dollars may be withheld
6 for noncompliance.

7 Section 42. Section 185.01, Florida Statutes, is
8 amended to read:

9 185.01 Legislative declaration.--

10 (1) It is hereby found and declared by the Legislature
11 that police officers as hereinafter defined perform both state
12 and municipal functions; that they make arrests for violations
13 of state traffic laws on public highways; that they keep the
14 public peace; that they conserve both life and property; and
15 that their activities are vital to public welfare of this
16 state. Therefore the Legislature declares that it is a proper
17 and legitimate state purpose to provide a uniform retirement
18 system for the benefit of police officers as hereinafter
19 defined and intends, in implementing the provisions of s. 14,
20 Art. X of the State Constitution as they relate to municipal
21 police officers' retirement trust fund systems and plans, that
22 such retirement systems or plans be managed, administered,
23 operated, and funded in such manner as to maximize the
24 protection of police officers' retirement trust funds.
25 Therefore, the Legislature hereby determines and declares that
26 the provisions of this act fulfill an important state
27 interest.

28 (2) This chapter hereby establishes, for all municipal
29 pension plans now or hereinafter provided for under this
30 chapter, including chapter plans and local law plans, minimum
31 benefits and standards for the operation and funding of such

1 ~~municipal police officers' retirement trust fund systems and~~
2 ~~plans, hereinafter referred to as municipal police officers'~~
3 ~~retirement trust funds. The minimum benefits and standards set~~
4 ~~forth in this chapter may not be diminished by local ordinance~~
5 ~~or by special act of the Legislature, nor may the benefits or~~
6 ~~standards be reduced or offset by any other local, state, or~~
7 ~~federal plan that may include police officers in its~~
8 ~~operation, except as provided under s. 112.65.~~

9 Section 43. Section 185.02, Florida Statutes, is
10 amended to read:

11 (Substantial rewording of section. See
12 s. 185.02, F.S., for present text.)

13 185.02 Definitions.--For any municipality, chapter
14 plan, local law municipality, or local law plan under this
15 chapter, the following words and phrases as used in this
16 chapter shall have the following meanings, unless a different
17 meaning is plainly required by the context:

18 (1) "Average final compensation" means one-twelfth of
19 the average annual compensation of the 5 best years of the
20 last 10 years of creditable service prior to retirement,
21 termination, or death.

22 (2) "Casualty insurance" means automobile public
23 liability and property damage insurance to be applied at the
24 place of residence of the owner, or if the subject is a
25 commercial vehicle, to be applied at the place of business of
26 the owner; automobile collision insurance; fidelity bonds;
27 burglary and theft insurance; and plate glass insurance.

28 "Multiple peril" means a combination or package policy that
29 includes both property coverage and casualty coverage for a
30 single premium.

31

1 (3) "Chapter plan" means a separate defined benefit
2 pension plan for police officers which incorporates by
3 reference the provisions of this chapter and has been adopted
4 by the governing body of a municipality as provided in s.
5 185.08. Except as may be specifically authorized in this
6 chapter, provisions of a chapter plan may not differ from the
7 plan provisions set forth in ss. 185.01-185.341 and
8 185.36-185.42. Actuarial valuations of chapter plans shall be
9 conducted by the division as provided by s. 185.221(1)(b).

10 (4) "Compensation" or "salary" means the total cash
11 remuneration paid to a police officer for services rendered,
12 except as otherwise provided in paragraph (a). Pursuant
13 thereto:

14 (a) A retirement trust fund or plan may use a
15 definition of salary other than the definition in this
16 subsection but only if the monthly retirement income payable
17 to each police officer covered by the retirement trust fund or
18 plan, as determined under s. 185.16(2) and using such other
19 definition, equals or exceeds the monthly retirement income
20 that would be payable to each police officer if his monthly
21 retirement income were determined under s. 185.16(2) and using
22 the definition in this subsection.

23 (b) Any retirement trust fund or plan which now or
24 hereafter meets the requirements of this chapter shall not,
25 solely by virtue of this subsection, reduce or diminish the
26 monthly retirement income otherwise payable to each police
27 officer covered by the retirement trust fund or plan.

28 (c) The member's compensation or salary contributed as
29 employee-elective salary reductions or deferrals to any salary
30 reduction, deferred compensation, or tax-sheltered annuity
31 program authorized under the Internal Revenue Code shall be

1 deemed to be the compensation or salary the member would
2 receive if he or she were not participating in such program
3 and shall be treated as compensation for retirement purposes
4 under this chapter.

5 (d) For any person who first becomes a member in any
6 plan year beginning on or after January 1, 1996, compensation
7 for any plan year shall not include any amounts in excess of
8 the Internal Revenue Code Section 401(a)(17) limitation [as
9 amended by the Omnibus Budget Reconciliation Act of 1993],
10 which limitation of \$150,000 shall be adjusted as required by
11 federal law for qualified government plans and shall be
12 further adjusted for changes in the cost of living in the
13 manner provided by Internal Revenue Code Section
14 401(a)(17)(B). For any person who first became a member prior
15 to the first plan year beginning on or after January 1, 1996,
16 the limitation on compensation shall be not less than the
17 maximum compensation amount that was allowed to be taken into
18 account under the plan as in effect on July 1, 1993, which
19 limitation shall be adjusted for changes in the cost of living
20 since 1989 in the manner provided by Internal Revenue Code
21 Section 401(a)(17)(1991).

22 (5) "Creditable service" or "credited service" means
23 the aggregate number of years of service and fractional parts
24 of years of service of any police officer, omitting
25 intervening years and fractional parts of years when such
26 police officer may not have been employed by the municipality
27 subject to the following conditions:

28 (a) No police officer will receive credit for years or
29 fractional parts of years of service if he or she has
30 withdrawn his or her contributions to the fund for those years
31 or fractional parts of years of service, unless the police

1 officer repays into the fund the contributions he or she has
2 withdrawn, with interest, within 90 days after his or her
3 reemployment.

4 (b) A police officer may voluntarily leave his or her
5 contributions in the fund for a period of 5 years after
6 leaving the employ of the police department, pending the
7 possibility of his or her being rehired by the same
8 department, without losing credit for the time he or she has
9 participated actively as a police officer. If he or she is
10 not reemployed as a police officer with the same department
11 within 5 years, his or her contributions shall be returned to
12 him or her without interest.

13 (c) Credited service under this chapter shall be
14 provided only for service as a police officer, as defined in
15 s. 185.02(7), or for military service and shall not include
16 credit for any other type of service. A municipality may, by
17 local ordinance, provide for the purchase of credit for
18 military service occurring prior to employment as well as
19 prior service as a police officer for some other employer as
20 long as the police officer is not already receiving a benefit
21 for such other service.

22 (d) In determining the creditable service of any
23 police officer, credit for up to 5 years of the time spent in
24 the military service of the Armed Forces of the United States
25 shall be added to the years of actual service, if:

26 1. The police officer is in the active employ of the
27 municipality prior to such service and leaves a position,
28 other than a temporary position, for the purpose of voluntary
29 or involuntary service in the Armed Forces of the United
30 States.

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1 2. The police officer is entitled to reemployment
2 under the provisions of the Uniformed Services Employment and
3 Reemployment Rights Act.

4 3. The police officer returns to his or her employment
5 as a police officer of the municipality within 1 year from the
6 date of his or her release from such active service.

7 (6) "Deferred Retirement Option Plan" or "DROP" means
8 a local law plan retirement option under which a police
9 officer may elect to participate. A police officer may retire
10 for all purposes of the plan and defer receipt of retirement
11 benefits into a DROP account, while continuing employment with
12 his employer.

13 (7) "Division" means the Division of Retirement of the
14 Department of Management Services.

15 (8) "Enrolled actuary" means an actuary who is
16 enrolled under Subtitle C of Title III of the Employee
17 Retirement Income Security Act of 1974 and who is a member of
18 the Society of Actuaries or the American Academy of Actuaries.

19 (9) "Local law municipality" is any municipality in
20 which there exists a local law plan.

21 (10) "Local law plan" means a defined benefit pension
22 plan for police officers or for police officers and
23 firefighters, where included, as described in s. 185.35,
24 established by municipal ordinance or special act of the
25 Legislature, which enactment sets forth all plan provisions.
26 Local law plan provisions may vary from the provisions of this
27 chapter, provided that required minimum benefits and standards
28 are met. Any such variance shall provide a greater benefit
29 for police officers. Actuarial valuations of local law plans
30 shall be conducted by an enrolled actuary as provided in s.
31 185.221(2)(b).

1 (11) "Police officer" means any person who is elected,
2 appointed, or employed full time by any municipality, who is
3 certified or required to be certified as a law enforcement
4 officer in compliance with s. 943.1395, who is vested with
5 authority to bear arms and make arrests, and whose primary
6 responsibility is the prevention and detection of crime or the
7 enforcement of the penal, criminal, traffic, or highway laws
8 of the state. This definition includes all certified
9 supervisory and command personnel whose duties include, in
10 whole or in part, the supervision, training, guidance, and
11 management responsibilities of full-time law enforcement
12 officers, part-time law enforcement officers, or auxiliary law
13 enforcement officers, but does not include part-time law
14 enforcement officers or auxiliary law enforcement officers as
15 the same are defined in s. 943.10(6) and (8), respectively.
16 For the purposes of this chapter only, "police officer" also
17 shall include a public safety officer who is responsible for
18 performing both police and fire services. Any plan may provide
19 that the police chief shall have an option to participate, or
20 not, in that plan.

21 (12) "Police Officers' Retirement Trust Fund" means a
22 trust fund, by whatever name known, as provided under s.
23 185.03 for the purpose of assisting municipalities in
24 establishing and maintaining a retirement plan for police
25 officers.

26 (13) "Retiree" or "retired police officer" means a
27 police officer who has entered retirement status. For the
28 purposes of a plan which includes a Deferred Retirement Option
29 Plan (DROP), a police officer who enters the DROP shall be
30 considered a retiree for all purposes of the plan.

31

1 (14) "Retirement" means a police officer's separation
2 from city employment as a police officer with eligibility for
3 immediate receipt of benefits under the plan. For purposes of
4 a plan which includes a Deferred Retirement Option Plan
5 (DROP), "retirement" means the date a police officer enters
6 the DROP.

7 (15) "Supplemental plan" means a plan to which
8 deposits are made to provide extra benefits to police officers
9 or police officers and firefighters, where included, under
10 this chapter. Such a plan is an element of a local law plan
11 and exists in conjunction with a defined benefit plan that
12 meets the minimum standards and benefits of this chapter.

13 Section 44. Section 185.03, Florida Statutes, is
14 amended to read:

15 185.03 Municipal police officers' retirement trust
16 funds; creation; applicability of provisions; participation by
17 public safety officers.--For any municipality, chapter plan,
18 local law municipality, or local law plan under this chapter:

19 (1) There shall be established ~~may be hereby created~~ a
20 special fund exclusively for the purpose of this chapter,
21 which in the case of chapter plans shall ~~to~~ be known as the
22 "Municipal Police Officers' Retirement Trust Fund,"
23 ~~exclusively for the purposes provided in this chapter,~~ in each
24 municipality of this state, heretofore or hereafter created,
25 which now has or which may hereafter have a regularly
26 organized police department, and which now owns and uses or
27 which may hereafter own and use equipment and apparatus of a
28 value exceeding \$500 in serviceable condition for the
29 prevention of crime and for the preservation of life and
30 property, ~~and which does not presently have established by law~~
31 ~~a similar fund.~~

1 (2) The provisions of this chapter ~~act~~ shall apply
2 only to municipalities organized and established pursuant to
3 the laws of the state and said provisions shall not apply to
4 the unincorporated areas of any county or counties nor shall
5 the provisions hereof apply to any governmental entity whose
6 employees are eligible to participate ~~for membership in the~~
7 Florida Retirement System ~~a state or state and county~~
8 ~~retirement system.~~

9 (3) No municipality shall establish more than one
10 retirement plan for public safety officers which is supported
11 in whole or in part by the distribution of premium tax funds
12 as provided by this chapter or chapter 175, nor shall any
13 municipality establish a retirement plan for public safety
14 officers which receives premium tax funds from both this
15 chapter and chapter 175.

16 (4) The plan provisions, participation, and benefits
17 as set forth in this chapter must be provided on a
18 nondiscriminatory basis.

19 Section 45. Section 185.04, Florida Statutes, is
20 amended to read:

21 185.04 Actuarial deficits not state obligations.--For
22 any municipality, chapter plan, local law municipality, or
23 local law plan under this chapter, actuarial deficits, if any,
24 arising under this chapter are ~~shall~~ not ~~be~~ the obligation of
25 the state.

26 Section 46. Section 185.05, Florida Statutes, is
27 amended to read:

28 185.05 Board of trustees; members, terms of office;
29 meetings; legal entity; costs; attorney's fees.--For any
30 municipality, chapter plan, local law municipality, or local
31 law plan under this chapter:

1 (1) In each municipality described in s. 185.03 there
2 is hereby created a board of trustees of the municipal police
3 officers' retirement trust fund, which shall be solely
4 responsible for administering the trust fund. Effective
5 October 1, 1986, and thereafter:—

6 (a) The membership of the board of trustees for
7 chapter plans shall consist of five members, two of whom,
8 unless otherwise prohibited by law, shall be legal residents
9 of the municipality, who shall be appointed by the legislative
10 body of the municipality, and two of whom shall be police
11 officers as defined in s. 185.02 who shall be elected by a
12 majority of the active police officers who are members of such
13 plan. With respect to any chapter plan or local law plan that,
14 on January 1, 1997, allowed retired police officers to vote in
15 such elections, retirees may continue to vote in such
16 elections.The fifth member shall be chosen by a majority of
17 the previous four members, and such person's name shall be
18 submitted to the legislative body of the municipality. Upon
19 receipt of the fifth person's name, the legislative body of
20 the municipality shall, as a ministerial duty, appoint such
21 person to the board of trustees as its fifth member. The
22 fifth member shall have the same rights as each of the other
23 four members appointed or elected as herein provided, shall
24 serve as trustee for a period of 2 years,and may succeed
25 himself or herself in office. Each resident member shall serve
26 as trustee for a period of 2 years, unless sooner replaced by
27 the legislative body at whose pleasure the member shall serve,
28 and may succeed himself or herself as a trustee. ~~However, the~~
29 ~~terms of the mayor, or corresponding chief executive officer~~
30 ~~of the municipality, and the chief of the police department as~~
31 ~~members of the board of trustees as provided in chapter 28230,~~

1 ~~Laws of Florida, 1953, as amended, together with any city~~
2 ~~manager and member of the legislative body of the municipality~~
3 ~~as members of the board of trustees shall terminate on~~
4 ~~September 30, 1986.~~ Each police officer member shall serve as
5 trustee for a period of 2 years, unless he or she sooner
6 leaves the employment of the municipality as a police officer,
7 whereupon the legislative body of the municipality shall
8 choose a successor in the same manner as an original
9 appointment. Each police officer may succeed himself or
10 herself in office. ~~The board of trustees shall meet at least~~
11 ~~quarterly each year. Each board of trustees shall be a legal~~
12 ~~entity with, in addition to other powers and responsibilities~~
13 ~~contained herein, the power to bring and defend lawsuits of~~
14 ~~every kind, nature, and description.~~

15 (b) The membership of boards of trustees for local law
16 plans shall be as follows:

17 1. If a municipality has a pension plan for police
18 officers only, the provisions of paragraph (a) shall apply.

19 2. If a municipality has a pension plan for police
20 officers and firefighters, the provisions of paragraph (a)
21 shall apply, except that one member of the board shall be a
22 police officer as defined in s. 185.02 and one member shall be
23 a firefighter as defined in s. 175.032, respectively, elected
24 by a majority of the active firefighters and police officers
25 who are members of the plan.

26 3. Any board of trustees operating a local law plan on
27 July 1, 1998, which is combined with a plan for general
28 employees shall hold an election of the police officers, or
29 police officers and firefighters, if included, to determine
30 whether a plan is to be established for police officers only,
31 or for police officers and firefighters, where included.

1 Based on the election results, a new board shall be
2 established as provided in subparagraph 1. or 2., as
3 appropriate. The newly established board shall take whatever
4 action is necessary to determine the amount of assets that is
5 attributable to police officers, or police officers and
6 firefighters, where included. Such assets shall include all
7 employer, employee, and state contributions made by or on
8 behalf of police officers, or police officers and
9 firefighters, where included, and any investment income
10 derived from such contributions. All such moneys shall be
11 transferred into the newly established retirement plan, as
12 directed by the board.

13
14 With respect to any board of trustees operating a local law
15 plan on June 30, 1986, nothing in this paragraph shall permit
16 the reduction of the membership percentage of police officers
17 or police officers and firefighters.

18 (2) The trustees shall by majority vote elect from its
19 members a chair and a secretary. The secretary of the board
20 shall keep a complete minute book of the actions, proceedings,
21 or hearings of the board. The trustees shall not receive any
22 compensation as such, but may receive expenses and per diem as
23 provided by Florida law.

24 (3) The board of trustees shall meet at least
25 quarterly each year.

26 (4) Each board of trustees shall be a legal entity
27 which shall have, in addition to other powers and
28 responsibilities contained herein, the power to bring and
29 defend lawsuits of every kind, nature, and description.

30 (5) In any judicial proceeding or administrative
31 proceeding under chapter 120 brought under or pursuant to the

1 provisions of this chapter, the prevailing party shall be
2 entitled to recover the costs thereof, together with
3 reasonable attorney's fees.

4 (6) The provisions of this section may not be altered
5 by a participating municipality operating a chapter or local
6 law plan under this chapter.

7 Section 47. Section 185.06, Florida Statutes, is
8 amended to read:

9 185.06 General powers and duties of board of
10 trustees.--For any municipality, chapter plan, local law
11 municipality, or local law plan under this chapter:

12 (1) The board of trustees may:

13 (a) Invest and reinvest the assets of the retirement
14 trust fund in annuity and life insurance contracts of life
15 insurance companies in amounts sufficient to provide, in whole
16 or in part, the benefits to which all of the participants in
17 the municipal police officers' retirement trust fund shall be
18 entitled under the provisions of this chapter, and pay the
19 initial and subsequent premiums thereon.

20 (b) Invest and reinvest the assets of the retirement
21 trust fund in:

22 1. Time or savings accounts of a national bank, a
23 state bank insured by the Bank Insurance Fund ~~Federal Deposit~~
24 ~~Insurance Corporation~~, or a savings and loan association
25 insured by the Savings Association Insurance Fund which are
26 administered by the Federal Deposit Insurance Corporation
27 ~~Federal Savings and Loan Insurance Corporation.~~

28 2. Obligations of the United States or obligations
29 guaranteed as to principal and interest by the United States.

30 3. Bonds issued by the State of Israel.

31

1 4. Bonds, stocks, or other evidences of indebtedness
2 issued or guaranteed by a corporation organized under the laws
3 of the United States, any state or organized territory of the
4 United States, or the District of Columbia, provided:

5 a. The corporation is listed on any one or more of the
6 recognized national stock exchanges and holds a rating in one
7 of the three highest classifications by a major rating
8 service; and

9 b. The board of trustees shall not invest more than 5
10 percent of its assets in the common stock or capital stock of
11 any one issuing company, nor shall the aggregate investment in
12 any one issuing company exceed 5 percent of the outstanding
13 capital stock of the company or the aggregate of its
14 investments under this subparagraph at market cost exceed 50
15 ~~30~~ percent of the fund's assets. Investment experience
16 producing a market value percent exceeding the stated limit
17 does not arbitrarily mean assets are to be liquidated to
18 satisfy the limit.

19
20 This paragraph shall apply to all boards of trustees and
21 participants. However, in the event that a municipality has a
22 duly enacted pension plan pursuant to, and in compliance with,
23 s. 185.35 and the trustees thereof desire to vary the
24 investment procedures herein, the trustees of such plan shall
25 request a variance of the investment procedures as outlined
26 herein only through a municipal ordinance or special act of
27 the Legislature; where a special act, or a municipality by
28 ordinance adopted prior to the effective date of this act
29 ~~October 1, 1986~~, permits a greater than 50-percent ~~30-percent~~
30 equity investment, such municipality shall not be required to
31 comply with the aggregate equity investment provisions of this

1 paragraph. The board of trustees may invest up to 10 percent
2 of plan assets in foreign securities, subject to the following
3 limitations: the board of trustees must adhere to the
4 investment limitations for the funds enumerated in s.
5 215.47(1)-(9), except that the authority of the State Board of
6 Administration shall not apply; and any investment will be
7 permitted only after the development of a new or amended total
8 investment plan that establishes the time horizon for the
9 investment and its relationship to the fiduciary
10 responsibility the board has to the plan members.~~Investments~~
11 ~~shall not be made in any stocks, bonds, or other securities~~
12 ~~owned or controlled by a government other than that of the~~
13 ~~United States or of the several states.~~

14 (c) Issue drafts upon the municipal police officers'
15 retirement trust fund pursuant to this act and rules and
16 regulations prescribed by the board of trustees. All such
17 drafts shall be consecutively numbered, be signed by the chair
18 and secretary, and state upon their faces the purposes for
19 which the drafts are drawn. The city treasurer or other
20 depository shall retain such drafts when paid, as permanent
21 vouchers for disbursements made, and no money shall otherwise
22 be drawn from the fund.

23 (d) Finally decide all claims to relief under the
24 board's rules and regulations and pursuant to the provisions
25 of this act.

26 (e) Convert into cash any securities of the fund.

27 (f) Keep a complete record of all receipts and
28 disbursements and of the board's acts and proceedings.

29 (2) Any and all acts and decisions shall be
30 effectuated by vote of a majority of the ~~at least three~~
31 members of the board; however, no trustee shall take part in

1 any action in connection with his or her own participation in
2 the fund, and no unfair discrimination shall be shown to any
3 individual employee participating in the fund.

4 (3) The secretary of the board of trustees shall keep
5 a record of all persons receiving retirement payments under
6 the provisions of this chapter, in which shall be noted the
7 time when the pension is allowed and when the pension shall
8 cease to be paid. In this record, the secretary shall keep a
9 list of all police officers employed by the municipality. The
10 record shall show the name, address, and time of employment of
11 such police officer and when he or she ceases to be employed
12 by the municipality.

13 (4)~~(3)~~ The sole and exclusive administration of, and
14 the responsibilities for, the proper operation of the
15 retirement trust fund and for making effective the provisions
16 of this chapter are vested in the board of trustees; however,
17 nothing herein shall empower a board of trustees to amend the
18 provisions of a retirement plan without the approval of the
19 municipality. The board of trustees shall keep in convenient
20 form such data as shall be necessary for an actuarial
21 valuation of the retirement trust fund and for checking the
22 actual experience of the fund.

23 (5)(a)~~(4)~~ At least once every 3 years, the board of
24 trustees shall retain a professionally qualified an
25 independent consultant who shall ~~professionally qualified to~~
26 evaluate the performance of any existing professional money
27 manager and managers. ~~The independent consultant shall make~~
28 recommendations to the board of trustees regarding the
29 selection of money managers for the next investment term.
30 These recommendations shall be considered by the board of
31 trustees at its next regularly scheduled meeting. The date,

1 time, place, and subject of this meeting shall be advertised
2 in the same manner as for any meeting of the board ~~a newspaper~~
3 ~~of general circulation in the municipality at least 10 days~~
4 ~~prior to the date of the hearing.~~

5 (b) For the purpose of this subsection, a
6 "professionally qualified independent consultant" means a
7 consultant who, based on education and experience, is
8 professionally qualified to evaluate the performance of
9 professional money managers, and who, at a minimum:

10 1. Provides his or her services on a flat-fee basis.

11 2. Is not associated in any manner with the money
12 manager for the pension fund.

13 3. Makes calculations according to the American
14 Banking Institute method of calculating time-weighted rates of
15 return. All calculations must be made net of fees.

16 4. Has 3 or more years of experience working in the
17 public sector.

18 (6) To assist the board in meeting its
19 responsibilities under this chapter, the board, if it so
20 elects, may:

21 (a) Employ independent legal counsel at the pension
22 fund's expense.

23 (b) Employ an independent actuary, as defined in s.
24 185.02(7), at the pension fund's expense.

25 (c) Employ such independent professional, technical,
26 or other advisers as it deems necessary at the pension fund's
27 expense.

28
29 If the board chooses to use the city's or special district's
30 legal counsel or actuary, or chooses to use any of the city's
31

1 other professional, technical, or other advisers, it shall do
2 so only under terms and conditions acceptable to the board.

3 Section 48. Section 185.061, Florida Statutes, is
4 amended to read:

5 185.061 Use of annuity or insurance policies.--When
6 the board of trustees of any municipality, chapter plan, local
7 law municipality, or local law plan purchases annuity or life
8 insurance contracts to provide all or part of the benefits
9 promised by this chapter, the following principles shall be
10 observed:

11 (1) Only those officers who have been members of the
12 retirement trust fund for 1 year or longer may be included in
13 the insured plan.

14 (2) Individual policies shall be purchased only when a
15 group insurance plan is not feasible.

16 (3) Each application and policy shall designate the
17 pension fund as owner of the policy.

18 (4) Policies shall be written on an annual premium
19 basis.

20 (5) The type of policy shall be one which for the
21 premium paid provides each individual with the maximum
22 retirement benefit at his or her earliest statutory normal
23 retirement age.

24 (6) Death benefit, if any, should not exceed:

25 (a) One hundred times the estimated normal monthly
26 retirement income, based on the assumption that the present
27 rate of compensation continues without change to normal
28 retirement date, or

29 (b) Twice the annual rate of compensation as of the
30 date of termination of service, or

31

1 (c) The single-sum value of the accrued deferred
2 retirement income (beginning at normal retirement date) at
3 date of termination of service, whichever is greatest.

4 (7) An insurance plan may provide that the assignment
5 of insurance contract to separating officer shall be at least
6 equivalent to the return of the officer's contributions used
7 to purchase the contract. An assignment of contract
8 discharges the municipality from all further obligation to the
9 participant under the plan even though the cash value of such
10 contract may be less than the employee's contributions.

11 (8) Provisions shall be made, either by issuance of
12 separate policies, or otherwise, that the separating officer
13 does not receive cash values and other benefits under the
14 policies assigned to the officer which exceed the present
15 value of his or her vested interest under the retirement plan,
16 inclusive of the officer's contribution to the plan, the
17 contributions by the state shall not be exhausted faster
18 merely because the method of funding adopted was through
19 insurance companies.

20 (9) The police officer shall have the right at any
21 time to give the board of trustees written instructions
22 designating the primary and contingent beneficiaries to
23 receive death benefit or proceeds and the method of the
24 settlement of the death benefit or proceeds, or requesting a
25 change in the beneficiary, designation or method of settlement
26 previously made, subject to the terms of the policy or
27 policies on the officer's life. Upon receipt of such written
28 instructions, the board of trustees shall take the necessary
29 steps to effectuate the designation or change of beneficiary
30 or settlement option.

31

1 Section 49. Section 185.07, Florida Statutes, is
2 amended to read:

3 185.07 Creation and maintenance of fund.--For any
4 municipality, chapter plan, local law municipality, or local
5 law plan under this chapter:

6 (1) The municipal police officers' retirement trust
7 fund in each municipality described in s. 185.03 shall be
8 created and maintained in the following manner:

9 (a) By the net proceeds of the .85-percent excise tax
10 which may be imposed by the respective cities and towns upon
11 certain casualty insurance companies on their gross receipts
12 of premiums from holders of policies, which policies cover
13 property within the corporate limits of such municipalities,
14 as is hereinafter expressly authorized.

15 (b) Except as reduced or increased contributions are
16 authorized by subsection (2), by the payment to the fund of 5
17 percent of the salary of each full-time police officer duly
18 appointed and enrolled as a member of such police department,
19 which 5 percent shall be deducted by the municipality from the
20 compensation due to the police officer and paid over to the
21 board of trustees of the retirement trust fund wherein such
22 police officer is employed, ~~provided that no deductions shall~~
23 ~~be made after an officer has passed his or her normal~~
24 ~~retirement date.~~ No police officer shall have any right to
25 the said money so paid into the said fund except as provided
26 in this chapter.

27 (c) By all fines and forfeitures imposed and collected
28 from any police officer because of the violation of any rule
29 adopted and regulation promulgated by the board of trustees.

30 (d) By payment by the municipality or other sources of
31 a sum equal to the normal cost and the amount required to fund

1 ~~over a 40-year basis~~ any actuarial deficiency shown by a
2 triennial ~~quinquennial~~ actuarial valuation as provided in part
3 VII of chapter 112. ~~The first such actuarial valuation shall~~
4 ~~be conducted for the calendar year ending December 31, 1963.~~

5 (e) By all gifts, bequests and devises when donated to
6 ~~<O>~~for the fund.

7 (f) By all accretions to the fund by way of interest
8 or dividends on bank deposits or otherwise.

9 (g) By all other sources of income now or hereafter
10 authorized by law for the augmentation of such municipal
11 police officers' retirement trust fund.

12 (2) Member contribution rates may be adjusted as
13 follows:

14 (a) The employing municipality, by local ordinance,
15 may elect to make an employee's contributions. However, under
16 no circumstances may a municipality reduce the member
17 contribution to less than one-half of 1 percent of salary.

18 (b) Member contributions may be increased by majority
19 consent of the members of the fund to provide greater
20 benefits.

21
22 Nothing in this section shall be construed to require
23 adjustment of member contribution rates in effect on the date
24 this act becomes a law, including rates that exceed 5 percent
25 of salary, provided that such rates are at least one-half of 1
26 percent of salary.

27 Section 50. Section 185.08, Florida Statutes, is
28 amended to read:

29 185.08 State excise tax on casualty insurance premiums
30 authorized; procedure.--For any municipality, chapter plan,
31 local law municipality, or local law plan under this chapter:

1 (1) Each incorporated municipality in this state
2 described and classified in s. 185.03, as well as each other
3 city or town of this state which on July 31, 1953, had a
4 lawfully established municipal police officers' retirement
5 trust fund or city fund, by whatever name known, providing
6 pension or relief benefits to police officers as provided
7 under this chapter ~~by whatever name known~~, may assess and
8 impose on every insurance company, corporation, or other
9 insurer now engaged in or carrying on, or who shall hereafter
10 engage in or carry on, the business of casualty insurance as
11 shown by records of the Department of Insurance, an excise tax
12 in addition to any lawful license or excise tax now levied by
13 each of the said municipalities, respectively, amounting to
14 .85 percent of the gross amount of receipts of premiums from
15 policyholders on all premiums collected on casualty insurance
16 policies covering property within the corporate limits of such
17 municipalities, respectively. The tax shall apply to all
18 insurers, whether authorized or not, transacting business in
19 this state.

20 (2) In the case of multiple peril policies with a
21 single premium for both property and casualty coverages in
22 such policies, 30 percent of such premium shall be used as the
23 basis for the .85-percent tax above.

24 (3) The said excise tax shall be payable annually
25 March 1 of each year after the passing of an ordinance
26 assessing and imposing the tax herein authorized.
27 Installments of taxes shall be paid according to the
28 provisions of s. 624.5092(2)(a), (b), and (c).

29 Section 51. Section 185.09, Florida Statutes, is
30 amended to read:

31

1 185.09 Report of premiums paid; date tax payable.--For
2 any municipality, chapter plan, local law municipality, or
3 local law plan under this chapter, whenever any municipality
4 passes an ordinance establishing a chapter plan or local law
5 plan and assessing and imposing the tax authorized in s.
6 185.08, a certified copy of such ordinance shall be deposited
7 with the division; and thereafter every insurance company,
8 corporation, or other insurer carrying on the business of
9 casualty insuring, on or before the succeeding March 1 after
10 date of the passage of the ordinance, shall report fully in
11 writing to the division and the Department of Revenue a just
12 and true account of all premiums received by such insurer for
13 casualty insurance policies covering or insuring any property
14 located within the corporate limits of such municipality
15 during the period of time elapsing between the date of the
16 passage of the ordinance and the end of the calendar year
17 ~~succeeding March 1~~. The aforesaid insurer shall annually
18 thereafter, on March 1, file with the division and the
19 Department of Revenue a similar report covering the preceding
20 year's premium receipts. Every such insurer shall, at the
21 time of making such report, pay to the Department of Revenue
22 the amount of the tax heretofore mentioned. Every insurer
23 engaged in carrying on a general casualty insurance business
24 in the state shall keep accurate books of account of all such
25 business done by it within the limits of such incorporated
26 municipality in such a manner as to be able to comply with the
27 provisions of this chapter. Based on the insurers' reports of
28 premium receipts, the division shall prepare a consolidated
29 premium report and shall furnish to any municipality
30 requesting the same a copy of the relevant section of that
31 report.

1 Section 52. Section 185.10, Florida Statutes, is
2 amended to read:

3 185.10 Department of Revenue and Division of
4 Retirement to keep accounts of deposits; disbursements.--For
5 any municipality having a chapter plan or local law plan under
6 this chapter:

7 (1) The Department of Revenue shall keep a separate
8 account of all moneys collected for each municipality under
9 the provisions of this chapter. All moneys so collected must
10 be transferred to the Police and Firefighters' Premium Tax
11 Trust Fund and shall be separately accounted for by the
12 division. The moneys budgeted as necessary to pay the expenses
13 of the division for the daily oversight and monitoring of the
14 police officers' retirement plans under this chapter and for
15 the oversight and actuarial reviews conducted under part VII
16 of chapter 112 are annually appropriated from the interest and
17 investment income earned on the moneys collected for each
18 municipality or special fire control district and deposited in
19 the Police and Firefighters' Premium Tax Trust Fund. Interest
20 and investment income remaining thereafter in the trust fund
21 which is unexpended and otherwise unallocated by law shall
22 revert to the General Revenue Fund on June 30 of each year.

23 (2) The Comptroller shall, on or before July 1 ~~June 1~~
24 of each year, and at such other times as authorized by the
25 division, draw his or her warrants on the full net amount of
26 money then on deposit pursuant to this chapter in the Police
27 and Firefighters' Premium Tax Trust Fund, specifying the
28 municipalities to which the moneys must be paid and the net
29 amount collected for and to be paid to each municipality,
30 respectively. The sum payable to each municipality is
31 appropriated annually out of the Police and Firefighters'

1 Premium Tax Trust Fund. The warrants of the Comptroller shall
2 be payable to the respective municipalities entitled to
3 receive them and shall be remitted annually by the division to
4 the respective municipalities. In order for a municipality and
5 its retirement fund to participate in the distribution of
6 premium tax moneys under this chapter, all the provisions
7 shall be complied with annually, including state acceptance
8 pursuant to part VII of chapter 112.

9 Section 53. Section 185.11, Florida Statutes, is
10 amended to read:

11 185.11 Funds received by municipalities, deposit in
12 retirement trust fund.--For any municipality, chapter plan,
13 local law municipality, or local law plan under this chapter,
14 all state and other funds received by any municipality under
15 the provisions of this chapter shall be deposited by the said
16 municipality immediately, and under no circumstances more than
17 5 days after receipt, with the board of trustees. Employee
18 contributions, however, which are withheld by the employer on
19 behalf of an employee member shall be deposited immediately
20 after each pay period with the board of trustees of the
21 municipal police officers' retirement trust fund. Employer
22 contributions shall be deposited at least quarterly ~~at least~~
23 ~~monthly.~~

24 Section 54. Section 185.12, Florida Statutes, is
25 amended to read:

26 185.12 Payment of excise tax credit on similar state
27 excise or license tax.--The tax herein authorized shall in
28 nowise be additional to the similar state excise or license
29 tax imposed by part IV, chapter 624, but the payor of the tax
30 hereby authorized shall receive credit therefor on his or her
31 ~~said~~ state excise or license tax and the balance of said state

1 excise or license tax shall be paid to the Department of
2 Revenue ~~Insurance Commissioner and Treasurer as is now~~
3 provided by law.

4 Section 55. Section 185.13, Florida Statutes, is
5 amended to read:

6 185.13 Failure of insurer to comply with chapter;
7 penalty.--Should any insurance company, corporation or other
8 insurer fail to comply with the provisions of this chapter, on
9 or before March 1 in each year as herein provided, the
10 certificate of authority issued to said insurance company,
11 corporation or other insurer to transact business in this
12 state may be canceled and revoked by the Department of
13 Insurance, and it is unlawful for any such insurance company,
14 corporation or other insurer to transact any business
15 thereafter in this state unless such insurance company,
16 corporation or other insurer shall be granted a new
17 certificate of authority to transact business in this state,
18 in compliance with provisions of law authorizing such
19 certificate of authority to be issued. The division shall be
20 responsible for notifying the Department of Insurance
21 regarding any such failure to comply.

22 Section 56. Section 185.14, Florida Statutes, is
23 repealed.

24 Section 57. Section 185.15, Florida Statutes, is
25 repealed.

26 Section 58. Section 185.16, Florida Statutes, is
27 amended to read:

28 185.16 Requirements for retirement.--For any
29 municipality, chapter plan, local law municipality, or local
30 law plan under this chapter, any police officer who completes
31 10 or more years of creditable service as a police officer and

1 attains age 55, or completes 25 years of creditable service as
2 a police officer and attains age 52, and for such period has
3 been a member of the retirement fund is eligible for normal
4 retirement benefits. Normal retirement under the plan is
5 retirement from the service of the city on or after the normal
6 retirement date. In such event, for chapter plans and local
7 law plans, payment of retirement income will be governed by
8 the following provisions of this section:

9 (1) The normal retirement date of each police officer
10 will be the first day of the month coincident with or next
11 following the date on which the police officer has completed
12 10 or more years of creditable service and attained age 55 or
13 completed 25 years of creditable service and attained age 52.
14 ~~A police officer who retires after his or her normal~~
15 ~~retirement date will upon actual retirement be entitled to~~
16 ~~receive the same amount of monthly retirement income that the~~
17 ~~police officer would have received had he or she retired on~~
18 ~~his or her normal retirement date.~~

19 (2) The amount of the monthly retirement income
20 payable to a police officer who retires on or after his or her
21 normal retirement date shall be an amount equal to the number
22 of the police officer's years of credited service multiplied
23 by 2 percent of his or her average final compensation.
24 However, if current state contributions pursuant to this
25 chapter are not adequate to fund the additional benefits to
26 meet the minimum requirements in this chapter, only increment
27 increases shall be required as state moneys are adequate to
28 provide. Such increments shall be provided as state moneys
29 become available. The retirement income will be reduced for
30 moneys received under the disability provisions of this
31 chapter. Pursuant to a local ordinance adopted by the

1 governing body of the municipality or special act of the
2 Legislature, any plan may provide a benefit accrual rate that
3 is higher than the minimum 2-percent credit for each year of
4 service required under this chapter.

5 (3) The monthly retirement income payable in the event
6 of normal retirement will be payable on the first day of each
7 month. The first payment will be made on the police officer's
8 normal retirement date, or on the first day of the month
9 coincident with or next following the police officer's actual
10 retirement, if later, and the last payment will be the payment
11 due next preceding the police officer's death; except that, in
12 the event the police officer dies after retirement but before
13 receiving retirement benefits for a period of 10 years, the
14 same monthly benefit will be paid to the beneficiary (or
15 beneficiaries) as designated by the police officer for the
16 balance of such 10-year period, or, if no beneficiary is
17 designated, to the ~~surviving spouse, descendants, heirs at~~
18 ~~law, or~~ estate of the police officer, as provided in s.
19 185.162. If a police officer continues in the service of the
20 city beyond his or her normal retirement date and dies prior
21 to the date of actual retirement, without an option made
22 pursuant to s. 185.161 being in effect, monthly retirement
23 income payments will be made for a period of 10 years to a
24 beneficiary (or beneficiaries) designated by the police
25 officer as if the police officer had retired on the date on
26 which death occurred, or, if no beneficiary is designated, to
27 the ~~surviving spouse, descendants, heirs at law, or~~ estate of
28 the police officer, as provided in s. 185.162.

29 (4) Early retirement under the plan is retirement from
30 the service of the city, with the consent of the city, as of
31 the first day of any calendar month which is prior to the

1 police officer's normal retirement date but subsequent to the
2 date as of which the police officer has both attained the age
3 of 50 years and completed 10 years of contributing service.
4 In the event of early retirement, payment of retirement income
5 will be governed as follows:

6 (a) The early retirement date shall be the first day
7 of the calendar month coincident with or immediately following
8 the date a police officer retires from the service of the city
9 under the provisions of this section prior to his or her
10 normal retirement date.

11 (b) The monthly amount of retirement income payable to
12 a police officer who retires prior to his or her normal
13 retirement date under the provisions of this section shall be
14 an amount computed as described in subsection (2), taking into
15 account his or her credited service to the date of actual
16 retirement and his or her final monthly compensation as of
17 such date, such amount of retirement income to be actuarially
18 reduced to take into account the police officer's younger age
19 and the earlier commencement of retirement income payments.
20 In no event shall the early retirement reduction exceed 3
21 percent for each year by which the member's age at retirement
22 preceded the member's normal retirement age.

23 (c) The retirement income payable in the event of
24 early retirement will be payable on the first day of each
25 month. The first payment will be made on the police officer's
26 early retirement date and the last payment will be the payment
27 due next preceding the retired police officer's death; except
28 that, in the event the police officer dies before receiving
29 retirement benefits for a period of 10 years, the same monthly
30 benefit will be paid to the beneficiary designated by the
31 police officer for the balance of such 10-year period, or, if

1 no designated beneficiary is surviving, the same monthly
2 benefit for the balance of such 10-year period shall be
3 payable as provided in s. 185.162.

4 Section 59. Section 185.161, Florida Statutes, is
5 amended to read:

6 185.161 Optional forms of retirement income.--For any
7 municipality, chapter plan, local law municipality, or local
8 law plan under this chapter:

9 (1)(a) In lieu of the amount and form of retirement
10 income payable in the event of normal or early retirement as
11 specified in s. 185.16, a police officer, upon written request
12 to the board of trustees and submission of evidence of good
13 health (except that such evidence will not be required if such
14 request is made at least 3 years prior to the date of
15 commencement of retirement income or if such request is made
16 within 6 months following the effective date of the plan, if
17 later), and subject to the approval of the board of trustees,
18 may elect to receive a retirement income or benefit of
19 equivalent actuarial value payable in accordance with one of
20 the following options:

21 1. A retirement income of larger monthly amount,
22 payable to the police officer for his or her lifetime only.

23 2. A retirement income of a modified monthly amount,
24 payable to the police officer during the joint lifetime of the
25 police officer and a joint pensioner designated by the police
26 officer, and following the death of either of them, 100
27 percent, 75 percent, 66 2/3 percent, or 50 percent of such
28 monthly amount payable to the survivor for the lifetime of the
29 survivor.

30
31

1 3. Such other amount and form of retirement payments
2 or benefit as, in the opinion of the board of trustees, will
3 best meet the circumstances of the retiring police officer.
4 (b) The police officer upon electing any option of
5 this section will designate the joint pensioner or beneficiary
6 (or beneficiaries) to receive the benefit, if any, payable
7 under the plan in the event of the police officer's death, and
8 will have the power to change such designation from time to
9 time but any such change shall be deemed a new election and
10 will be subject to approval by the pension committee. Such
11 designation will name a joint pensioner or one or more primary
12 beneficiaries where applicable. If a police officer has
13 elected an option with a joint pensioner or beneficiary and
14 his or her retirement income benefits have commenced, he or
15 she may thereafter change the designated joint pensioner or
16 beneficiary but only if the board of trustees consents to such
17 change and if the joint pensioner last previously designated
18 by the police officer is alive when he or she files with the
19 board of trustees a request for such change. The consent of a
20 police officer's joint pensioner or beneficiary to any such
21 change shall not be required. The board of trustees may
22 request such evidence of the good health of the joint
23 pensioner that is being removed as it may require and the
24 amount of the retirement income payable to the police officer
25 upon the designation of a new joint pensioner shall be
26 actuarially redetermined taking into account the ages and sex
27 of the former joint pensioner, the new joint pensioner, and
28 the police officer. Each such designation will be made in
29 writing on a form prepared by the board of trustees, and on
30 completion will be filed with the board of trustees. In the
31 event that no designated beneficiary survives the police

1 officer, such benefits as are payable in the event of the
2 death of the police officer subsequent to his or her
3 retirement shall be paid as provided in s. 185.162.

4 (2) Retirement income payments shall be made under the
5 option elected in accordance with the provisions of this
6 section and shall be subject to the following limitations:

7 (a) If a police officer dies prior to his or her
8 normal retirement date or early retirement date, whichever
9 first occurs, no benefit will be payable under the option to
10 any person, but the benefits, if any, will be determined under
11 s. 185.21.

12 (b) If the designated beneficiary (or beneficiaries)
13 or joint pensioner dies before the police officer's retirement
14 under the plan, the option elected will be canceled
15 automatically and a retirement income of the normal form and
16 amount will be payable to the police officer upon his or her
17 retirement as if the election had not been made, unless a new
18 election is made in accordance with the provisions of this
19 section or a new beneficiary is designated by the police
20 officer prior to his or her retirement and within 90 days
21 after the death of the beneficiary.

22 (c) If both the retired police officer and the
23 designated beneficiary (or beneficiaries) die before the full
24 payment has been effected under any option providing for
25 payments for a period certain and life thereafter, made
26 pursuant to the provisions of subparagraph (1)(a)3., the board
27 of trustees may, in its discretion, direct that the commuted
28 value of the remaining payments be paid in a lump sum and in
29 accordance with s. 185.162.

30 (d) If a police officer continues beyond his or her
31 normal retirement date pursuant to the provisions of s.

1 185.16(1) and dies prior to actual retirement and while an
2 option made pursuant to the provisions of this section is in
3 effect, monthly retirement income payments will be made, or a
4 retirement benefit will be paid, under the option to a
5 beneficiary (or beneficiaries) designated by the police
6 officer in the amount or amounts computed as if the police
7 officer had retired under the option on the date on which
8 death occurred.

9 (3) No police officer may make any change in his or
10 her retirement option after the date of cashing or depositing
11 his or her first retirement check.

12 Section 60. Section 185.162, Florida Statutes, is
13 amended to read:

14 185.162 Beneficiaries.--For any municipality, chapter
15 plan, local law municipality, or local law plan under this
16 chapter:

17 (1) Each police officer may, on a form, provided for
18 that purpose, signed and filed with the board of trustees,
19 designate a choice of one or more persons, named sequentially
20 or jointly, as his or her beneficiary (or beneficiaries) to
21 receive the benefit, if any, which may be payable in the event
22 of the police officer's death, and each designation may be
23 revoked by such police officer by signing and filing with the
24 board of trustees a new designation or beneficiary form.

25 (2) If no beneficiary is named in the manner provided
26 by subsection (1), or if no beneficiary designated by the
27 member survives him or her ~~a deceased police officer failed to~~
28 ~~name a beneficiary in the manner above prescribed, or if the~~
29 ~~beneficiary (or beneficiaries) named by a deceased police~~
30 ~~officer predeceases the police officer,~~ the death benefit, if
31 any, which may be payable under the plan with respect to such

1 deceased police officer shall may be paid by, ~~in the~~
2 ~~discretion of the board of trustees, either to+~~
3 ~~(a) Any one or more of the persons comprising the~~
4 ~~group consisting of the police officer's spouse, the police~~
5 ~~officer's descendants, the police officer's parents, or the~~
6 ~~police officer's heirs at law, and the board of trustees may~~
7 ~~pay the entire benefit to any member of such group or~~
8 ~~apportion such benefit among any two or more of them in such~~
9 ~~shares as the board of trustees, in its sole discretion, shall~~
10 ~~determine, or~~
11 ~~(b) the estate of such deceased police officer,~~
12 provided that in any of such cases the board of trustees, in
13 its discretion, may direct that the commuted value of the
14 remaining monthly income payments be paid in a lump sum. Any
15 payment made to any person pursuant to this subsection ~~the~~
16 ~~power and discretion conferred upon the board of trustees by~~
17 ~~the preceding sentence~~ shall operate as a complete discharge
18 of all obligations under the plan with regard to such deceased
19 police officer and shall not be subject to review by anyone,
20 but shall be final, binding and conclusive on all persons ever
21 interested hereunder.
22 (3) Notwithstanding any other provision of law to the
23 contrary, the surviving spouse of any pension participant
24 member killed in the line of duty shall not lose survivor
25 retirement benefits if the spouse remarries. The surviving
26 spouse of such deceased member whose benefit terminated
27 because of remarriage shall have the benefit reinstated as of
28 July 1, 1994, at an amount that would have been payable had
29 such benefit not been terminated. ~~This paragraph shall apply~~
30 ~~to all municipalities which receive state excise tax moneys as~~
31 ~~provided in s. 185.08.~~

1 Section 61. Section 185.18, Florida Statutes, is
2 amended to read:

3 185.18 Disability retirement.--For any municipality,
4 chapter plan, local law municipality, or local law plan under
5 this chapter:

6 (1) A police officer having 10 or more years of
7 credited service, or a police officer who becomes totally and
8 permanently disabled in the line of duty, regardless of length
9 of service, and having contributed to the municipal police
10 officers' retirement trust fund for 10 years or more may
11 retire from the service of the city under the plan if, ~~prior~~
12 ~~to the police officer's normal retirement date,~~ he or she
13 becomes totally and permanently disabled as defined in
14 subsection (2) by reason of any cause other than a cause set
15 out in subsection (3) on or after the effective date of the
16 plan. Such retirement shall herein be referred to as
17 disability retirement. ~~The provisions for disability other~~
18 ~~than line-of-duty disability shall not apply to a member who~~
19 ~~has reached early or normal retirement age.~~

20 (2) A police officer will be considered totally
21 disabled if, in the opinion of the board of trustees, he or
22 she is wholly prevented from rendering useful and efficient
23 service as a police officer; and a police officer will be
24 considered permanently disabled if, in the opinion of the
25 board of trustees, such police officer is likely to remain so
26 disabled continuously and permanently from a cause other than
27 as specified in subsection (3).

28 (3) A police officer will not be entitled to receive
29 any disability retirement income if the disability is a result
30 of:

31

- 1 (a) Excessive and habitual use by the police officer
2 of drugs, intoxicants or narcotics;
- 3 (b) Injury or disease sustained by the police officer
4 while willfully and illegally participating in fights, riots,
5 civil insurrections or while committing a crime;
- 6 (c) Injury or disease sustained by the police officer
7 while serving in any armed forces;
- 8 (d) Injury or disease sustained by the police officer
9 after employment has terminated;
- 10 (e) Injury or disease sustained by the police officer
11 while working for anyone other than the city and arising out
12 of such employment.
- 13 (4) No police officer shall be permitted to retire
14 under the provisions of this section until examined by a duly
15 qualified physician or surgeon, to be selected by the board of
16 trustees for that purpose, and is found to be disabled in the
17 degree and in the manner specified in this section. Any
18 police officer retiring under this section shall be examined
19 periodically by a duly qualified physician or surgeon or board
20 of physicians and surgeons to be selected by the board of
21 trustees for that purpose, to determine if such disability has
22 ceased to exist.
- 23 (5) The benefit payable to a police officer who
24 retires from the service of the city with a total and
25 permanent disability as a result of a disability commencing
26 ~~prior to the police officer's normal retirement date~~ is the
27 monthly income payable for 10 years certain and life for
28 which, if the police officer's disability occurred in the line
29 of duty, his or her monthly benefit shall be the accrued
30 retirement benefit, but shall not be less than 42 percent of
31 his or her average monthly compensation as of the police

1 officer's disability retirement date. If after 10 years of
2 service the disability is other than in the line of duty, the
3 police officer's monthly benefit shall be the accrued normal
4 retirement benefit, but shall not be less than 25 percent of
5 his or her average monthly compensation as of the police
6 officer's disability retirement date.

7 (6)(a) The monthly retirement income to which a police
8 officer is entitled in the event of his or her disability
9 retirement shall be payable on the first day of the first
10 month after the board of trustees determines such entitlement.
11 However, the monthly retirement income shall be payable as of
12 the date the board determines such entitlement, and any
13 portion due for a partial month shall be paid together with
14 the first payment.

15 (b) The last payment will be, ⁺

16 1. if the police officer recovers from the disability
17 ~~prior to his or her normal retirement date~~, the payment due
18 next preceding the date of such recovery, or,

19 2. if the police officer dies without recovering from
20 his or her disability ~~or attains his or her normal retirement~~
21 ~~date while still disabled~~, the payment due next preceding
22 death or the 120th monthly payment, whichever is later. In
23 lieu of the benefit payment as provided in this subsection, a
24 police officer may select an optional form as provided in s.
25 185.161.

26 (c) Any monthly retirement income payments due after
27 the death of a disabled police officer shall be paid to the
28 police officer's designated beneficiary (or beneficiaries) as
29 provided in ss. 185.162 and 185.21.

30 (7) If the board of trustees finds that a police
31 officer who is receiving a disability retirement income is, ~~at~~

1 ~~any time prior to the police officer's normal retirement date,~~
2 no longer disabled, as provided herein, the board of trustees
3 shall direct that the disability retirement income be
4 discontinued. Recovery from disability as used herein shall
5 mean the ability of the police officer to render useful and
6 efficient service as a police officer.

7 (8) If the police officer recovers from disability and
8 reenters the service of the city as a police officer, his or
9 her service will be deemed to have been continuous, but the
10 period beginning with the first month for which the police
11 officer received a disability retirement income payment and
12 ending with the date he or she reentered the service of the
13 city may ~~will~~ not be considered as credited service for the
14 purposes of the plan.

15 Section 62. Section 185.185, Florida Statutes, is
16 created to read:

17 185.185 False, misleading, or fraudulent statements
18 made to obtain public retirement benefits prohibited;
19 penalty.--

20 (1) It is unlawful for a person to willfully and
21 knowingly make, or cause to be made, or to assist, conspire
22 with, or urge another to make, or cause to be made, any false,
23 fraudulent, or misleading oral or written statement to obtain
24 any benefit available under a retirement plan receiving
25 funding under this chapter.

26 (2)(a) A person who violates subsection (1) commits a
27 misdemeanor of the first degree, punishable as provided in s.
28 775.082 or s. 775.083.

29 (b) In addition to any applicable criminal penalty,
30 upon conviction for a violation described in subsection (1), a
31 participant or beneficiary of a pension plan receiving funding

1 under this chapter may, in the discretion of the board of
2 trustees, be required to forfeit the right to receive any or
3 all benefits to which the person would otherwise be entitled
4 under this chapter. For purposes of this paragraph,
5 "conviction" means a determination of guilt that is the result
6 of a plea or trial, regardless of whether adjudication is
7 withheld.

8 Section 63. Section 185.19, Florida Statutes, is
9 amended to read:

10 185.19 Separation from municipal service;
11 refunds.--For any municipality, chapter plan, local law
12 municipality, or local law plan under this chapter:

13 (1) If ~~Should~~ any police officer leaves ~~leave~~ the
14 service of the municipality before accumulating aggregate time
15 of 10 years toward retirement and before being eligible to
16 retire under the provisions of this chapter, such police
17 officer shall be entitled to a refund of all of his or her
18 contributions made to the municipal police officers'
19 retirement trust fund without interest, less any benefits paid
20 to him or her.

21 (2) If ~~Should~~ any police officer who has been in the
22 service of the municipality for at least 10 years elects ~~and~~
23 ~~has contributed to the municipal police officers' retirement~~
24 ~~trust fund for at least 10 years~~ elect to leave his or her
25 accrued contributions, if contributions are required, in the
26 municipal police officers' retirement trust fund, such police
27 officer upon attaining age 50 years or more may retire at the
28 actuarial equivalent of the amount of such retirement income
29 otherwise payable to him or her, as provided in s. 185.16(4),
30 or upon attaining age 55 years, may retire as provided in s.
31 185.16(2).

1 Section 64. Section 185.191, Florida Statutes, is
2 amended to read:

3 185.191 Lump-sum payment of small retirement
4 income.--For any municipality, chapter plan, local law
5 municipality, or local law plan under this chapter,
6 notwithstanding any provision of the plan to the contrary, if
7 the monthly retirement income payable to any person entitled
8 to benefits hereunder is less than ~~\$100~~^{\$30} or if the
9 single-sum value of the accrued retirement income is less than
10 ~~\$2,500~~^{\$750} as of the date of retirement or termination of
11 service, whichever is applicable, the board of trustees, in
12 the exercise of its discretion, may specify that the actuarial
13 equivalent of such retirement income be paid in a lump sum.

14 Section 65. Section 185.21, Florida Statutes, is
15 amended to read:

16 185.21 Death prior to retirement; refunds of
17 contributions or payment of death benefits.--For any
18 municipality, chapter plan, local law municipality, or local
19 law plan under this chapter:

20 (1) ~~If a~~ Should any police officer dies ~~die~~ before
21 being eligible to retire ~~under the provisions of this chapter,~~
22 the heirs, legatees, beneficiaries, or personal
23 representatives ~~representative~~ of such deceased police officer
24 shall be entitled to a refund of 100 percent, without
25 interest, of the contributions made to the municipal police
26 officers' retirement trust fund by such deceased police
27 officer or, in the event an annuity or life insurance contract
28 has been purchased by the board on such police officer, then
29 to the death benefits available under such life insurance or
30 annuity contract, subject to the limitations on such death
31 benefits set forth in s. 185.061 whichever amount is greater.

1 (2) If a any police officer having at least 10 years
2 of credited service dies prior to retirement ~~but has at least~~
3 ~~10 years of contributing service~~, his or her beneficiary is
4 entitled to the benefits otherwise payable to the police
5 officer at early or normal retirement age.

6
7 In the event that a ~~the~~ death benefit paid by a life insurance
8 company exceeds the limit set forth in s. 185.061(6), the
9 excess of the death benefit over the limit shall be paid to
10 the municipal police officers' retirement trust fund.
11 However, death ~~the~~ benefits as provided pursuant to ~~in~~ s.
12 112.19 or any other state or federal law shall not be included
13 in the calculation of ~~as~~ death or retirement benefits provided
14 ~~under the provisions of~~ this chapter.

15 Section 66. Section 185.221, Florida Statutes, is
16 amended to read:

17 185.221 Annual report to Division of Retirement;
18 actuarial valuations reports.--For any municipality, chapter
19 plan, local law municipality, or local law plan under this
20 chapter, the board of trustees for every chapter plan and
21 local law plan shall submit the following reports to the
22 division:

23 (1) With respect to chapter plans:

24 (a)~~(1)~~ Each year by February 1, the chair or secretary
25 of each municipal police officers' retirement trust fund
26 operating a chapter plan shall file a report with the division
27 which contains:

28 1.~~(a)~~ A statement of whether in fact the municipality
29 is within the provisions of s. 185.03.

30 2.~~(b)~~ An independent audit by a certified public
31 accountant if the fund has \$250,000~~\$100,000~~ or more in

1 assets, or a certified statement of accounting if the fund has
2 less than ~~\$250,000~~\$100,000 in assets, for the most recent
3 plan fiscal year of the municipality, showing a detailed
4 listing of assets and methods used to value them and a
5 statement of all income and disbursements during the year.
6 Such income and disbursements shall be reconciled with the
7 assets at the beginning and end of the year.

8 3.(c) A statistical exhibit showing the total number
9 of police officers on the force of the municipality, the
10 number included in the retirement plan and the number
11 ineligible classified according to the reasons for their being
12 ineligible, and the number of disabled and retired police
13 officers and their beneficiaries receiving pension payments
14 and the amounts of annual retirement income or pension
15 payments being received by them.

16 4.(d) A statement of the amount the municipality, or
17 other income source, has contributed to the retirement plan
18 for the most recent plan year ending with the preceding
19 December 31 and the amount the municipality will contribute to
20 the retirement plan for the current plan calendar year.

21 5.(e) If any benefits are insured with a commercial
22 insurance company, the report shall include a statement of the
23 relationship of the insured benefits to the benefits provided
24 by this chapter. This report shall also contain information
25 about the insurer, basis of premium rates and mortality table,
26 interest rate and method used in valuing retirement benefits.

27 (b)(2) In addition to annual reports provided under
28 paragraph (a), by February 1 of each triennial year, an
29 actuarial valuation of the chapter plan must be made by the
30 division at least once every 3 years, as provided in s.
31 112.63, commencing 3 years from the last actuarial valuation

1 of the plan or system for existing plans, or commencing 3
2 years from the issuance of the initial actuarial impact
3 statement submitted under s. 112.63 for newly created plans.
4 ~~To that end By February 1 of each triennial year beginning~~
5 ~~with February 1, 1986, and at least every 3 years commencing~~
6 ~~from the last actuarial report of the plan or system or from~~
7 ~~February 1, 1987, if no actuarial report has been issued~~
8 ~~within the 3-year period prior to February 1, 1986, the chair~~
9 ~~of the board of trustees for each municipal police officers'~~
10 ~~retirement trust fund operating under a chapter plan shall~~
11 ~~report to the division such data as that the division needs to~~
12 ~~complete an actuarial valuation of each fund. The forms for~~
13 ~~each municipality shall be supplied by the division. The~~
14 ~~expense of the actuarial valuation shall be borne by the~~
15 ~~municipal police officers' retirement trust fund established~~
16 ~~by s. 185.10. The requirements of this section are~~
17 ~~supplemental to the actuarial valuations necessary to comply~~
18 ~~with ss. 11.45 and 218.32.~~

19 (2) With respect to local law plans:

20 (a) Each year, on or before March 15, the trustees of
21 the retirement plan shall submit the following information to
22 the division in order for the retirement plan of such
23 municipality to receive a share of the state funds for the
24 then-current calendar year:

25 1. A certified copy of each and every instrument
26 constituting or evidencing the plan. This includes the formal
27 plan, including all amendments, the trust agreement, copies of
28 all insurance contracts, and formal announcement materials.

29 2. An independent audit by a certified public
30 accountant if the fund has \$250,000 or more in assets, or a
31 certified statement of accounting if the fund has less than

1 \$250,000 in assets, for the most recent plan year, showing a
2 detailed listing of assets and a statement of all income and
3 disbursements during the year. Such income and disbursements
4 must be reconciled with the assets at the beginning and end of
5 the year.

6 3. A certified statement listing the investments of
7 the plan and a description of the methods used in valuing the
8 investments.

9 4. A statistical exhibit showing the total number of
10 police officers, the number included in the plan, and the
11 number ineligible classified according to the reasons for
12 their being ineligible, and the number of disabled and retired
13 police officers and their beneficiaries receiving pension
14 payments and the amounts of annual retirement income or
15 pension payments being received by them.

16 5. A certified statement describing the methods,
17 factors, and actuarial assumptions used in determining the
18 cost.

19 6. A certified statement by an enrolled actuary
20 showing the results of the latest actuarial valuation of the
21 plan and a copy of the detailed worksheets showing the
22 computations used in arriving at the results.

23 7. A statement of the amount the municipality, or
24 other income source, has contributed toward the plan for the
25 most recent plan year and will contribute toward the plan for
26 the current plan year.

27
28 When any of the items required hereunder is identical to the
29 corresponding item submitted for a previous year, it is not
30 necessary for the trustees to submit duplicate information if
31 they make reference to the item in the previous year's report.

1 (b) In addition to annual reports provided under
2 paragraph (a), an actuarial valuation of the retirement plan
3 must be made at least once every 3 years, as provided in s.
4 112.63, commencing 3 years from the last actuarial valuation
5 of the plan or system for existing plans, or commencing 3
6 years from issuance of the initial actuarial impact statement
7 submitted under s. 112.63 for newly created plans. Such
8 valuation shall be prepared by an enrolled actuary, subject to
9 the following conditions:

10 1. The assets shall be valued as provided in s.
11 112.625(7).

12 2. The cost of the actuarial valuation must be paid by
13 the individual police officer's retirement trust fund or by
14 the sponsoring municipality.

15 3. A report of the valuation, including actuarial
16 assumptions and type and basis of funding, shall be made to
17 the division within 3 months after the date of the valuation.
18 If any benefits are insured with a commercial insurance
19 company, the report must include a statement of the
20 relationship of the retirement plan benefits to the insured
21 benefits, the name of the insurer, the basis of premium rates,
22 and the mortality table, interest rate, and method used in
23 valuing the retirement benefits.

24 Section 67. Subsection (1) of section 185.23, Florida
25 Statutes, is amended to read:

26 185.23 Duties of Division of Retirement; rulemaking;
27 investment by State Board of Administration.--

28 (1) The division shall be responsible for the daily
29 oversight and monitoring for actuarial soundness of the
30 municipal police officers' retirement plans, whether chapter
31 or local law plans, established under this chapter, for

1 receiving and holding the premium tax moneys collected under
2 this chapter, and, upon determining compliance with the
3 provisions on this chapter, for disbursing those moneys to the
4 municipal police officers' retirement plans. The funds to pay
5 the expenses for such administration shall be annually
6 appropriated from the interest and investment income earned on
7 moneys deposited in the trust fund.

8 Section 68. Section 185.25, Florida Statutes, is
9 amended to read:

10 185.25 Exemption from execution.--For any
11 municipality, chapter plan, local law municipality, or local
12 law plan under this chapter, the pensions, annuities, or any
13 other benefits accrued or accruing to any person under any
14 municipality, chapter plan, local law municipality, or local
15 law plan under the provisions of this chapter and the
16 accumulated contributions and the cash securities in the funds
17 created under this chapter are ~~hereby~~ exempted from any state,
18 county or municipal tax of the state and shall not be subject
19 to execution or attachment or to any legal process whatsoever
20 and shall be unassignable.

21 Section 69. Section 185.27, Florida Statutes, is
22 repealed.

23 Section 70. Section 185.29, Florida Statutes, is
24 repealed.

25 Section 71. Section 185.30, Florida Statutes, is
26 amended to read:

27 185.30 Depository for retirement fund.--For any
28 municipality, chapter plan, local law municipality, or local
29 law plan under this chapter, all funds ~~and securities~~ of the
30 municipal police officers' retirement trust fund of any
31 municipality, chapter plan, local law municipality, or local

1 law plan under this chapter may be deposited by the board of
2 trustees with the treasurer of the municipality acting in a
3 ministerial capacity only, who shall be liable in the same
4 manner and to the same extent as he or she is liable for the
5 safekeeping of funds for the municipality. However, any funds
6 ~~and securities~~ so deposited with the treasurer of the
7 municipality shall be kept in a separate fund by the municipal
8 treasurer or clearly identified as such funds ~~and securities~~
9 of the municipal police officers' retirement trust fund. In
10 lieu thereof, the board of trustees shall deposit the funds
11 ~~and securities~~ of the municipal police officers' retirement
12 trust fund in a qualified public depository as defined in s.
13 280.02, which depository with regard to such funds ~~and~~
14 ~~securities~~ shall conform to and be bound by all of the
15 provisions of chapter 280.

16 Section 72. Section 185.31, Florida Statutes, is
17 amended to read:

18 185.31 Municipalities and boards independent of other
19 municipalities and boards and of each other.--In the
20 enforcement and ~~in the~~ interpretation of the provisions of
21 this chapter for any municipality, chapter plan, local law
22 municipality, or local law plan under this chapter, each
23 municipality shall be independent of any other municipality,
24 and the board of trustees of the municipal police officers'
25 retirement trust fund of each municipality shall function for
26 the municipality which they are to serve as trustees. Each
27 board of trustees shall be independent of each municipality
28 for which it serves as board of trustees to the extent
29 required to accomplish the intent, requirements, and
30 responsibilities provided for in this chapter.

31

1 Section 73. Section 185.32, Florida Statutes, is
2 repealed.

3 Section 74. Section 185.34, Florida Statutes, is
4 amended to read:

5 185.34 Disability in line of duty.--For any
6 municipality, chapter plan, local law municipality, or local
7 law plan under this chapter,any condition or impairment of
8 health of any and all police officers employed in the state
9 caused by tuberculosis, hypertension, heart disease, or
10 hardening of the arteries, resulting in total or partial
11 disability or death, shall be presumed to be accidental and
12 suffered in line of duty unless the contrary be shown by
13 competent evidence. Any condition or impairment of health
14 caused directly or proximately by exposure, which exposure
15 occurred in the active performance of duty at some definite
16 time or place without willful negligence on the part of the
17 police officer, resulting in total or partial disability,
18 shall be presumed to be accidental and suffered in the line of
19 duty, provided that such police officer shall have
20 successfully passed a physical examination upon entering such
21 service, which physical examination including
22 electrocardiogram failed to reveal any evidence of such
23 condition, and, further, that such presumption shall not apply
24 to benefits payable under or granted in a policy of life
25 insurance or disability insurance. This section shall be
26 applicable to all police officers ~~employed in this state~~ only
27 with reference to pension and retirement benefits under this
28 chapter.

29 Section 75. Section 185.341, Florida Statutes, is
30 amended to read:

31

1 185.341 Discrimination in benefit formula prohibited;
2 restrictions regarding designation of joint annuitants.--For
3 any municipality, chapter plan, local law municipality, or
4 local law plan under this chapter:

5 (1) No plan ~~established under the provisions of this~~
6 ~~chapter and participating in the distribution of premium tax~~
7 ~~moneys as provided in this chapter~~ shall discriminate in its
8 benefit formula based on color, national origin, sex, or
9 marital status, ~~and however,~~

10 (2)(a) If a plan offers a joint annuitant option and
11 the member selects such option, or if a ~~the~~ plan specifies
12 that the member's spouse is to receive the benefits that ~~which~~
13 continue to be payable upon the death of the member, then, in
14 both of these cases, after retirement ~~the~~ benefits have
15 commenced, a retired member may change the designation of
16 joint annuitant or beneficiary only twice.

17 (b) ~~Any if said~~ retired member who desires to change
18 the joint annuitant or beneficiary, ~~he or she~~ shall file with
19 the board of trustees of his or her plan a notarized notice of
20 such change either by registered letter or on such ~~a~~ form as
21 is provided by the administrator of the plan. Upon receipt of
22 a completed change of joint annuitant form or such other
23 notice, the board of trustees shall adjust the member's
24 monthly benefit by the application of actuarial tables and
25 calculations developed to ensure that the benefit paid is the
26 actuarial equivalent of the present value of the member's
27 current benefit. Nothing herein shall preclude a plan from
28 actuarially adjusting benefits or offering options based upon
29 sex, age, early retirement, or disability.

30 Section 76. Section 185.35, Florida Statutes, is
31 amended to read:

1 185.35 Municipalities having their own pension plans
2 for police officers.--For any municipality, chapter plan,
3 local law municipality, or local law plan under this chapter,
4 ~~(1)~~ in order for municipalities with their own pension
5 plans for police officers or for police officers and
6 firefighters, where included,~~other employees~~ to participate
7 in the distribution of the tax fund established pursuant to s.
8 ~~in ss. 185.07, 185.08, local law plans and 185.09, their~~
9 ~~retirement funds~~ must meet the minimum benefits and standards
10 set forth in this chapter each of the following standards:
11 (1) PREMIUM TAX INCOME.--If a municipality has a
12 pension plan for police officers, or for police officers and
13 firefighters, where included, which, in the opinion of the
14 division, meets the standards set forth in this chapter, the
15 board of trustees of the pension plan, as approved by a
16 majority of police officers of the municipality, may:
17 (a) Place the income from the premium tax in s. 185.08
18 in such pension plan for the sole and exclusive use of its
19 police officers, or its police officers and firefighters,
20 where included, where it shall become an integral part of that
21 pension plan and shall be used to pay extra benefits to the
22 police officers included in that pension plan; or
23 (b) May place the income from the premium tax in s.
24 185.08 in a separate supplemental pension plan to pay extra
25 benefits to the police officers, or police officers and
26 firefighters, where included, participating in such separate
27 supplemental pension plan.
28
29 Any provision of law to the contrary notwithstanding, the
30 premium tax provided by this chapter shall in all cases be
31 used in its entirety to provide extra benefits to police

1 officers, or police officers and firefighters, where included.
2 For purposes of this chapter, the term "extra benefits" means
3 benefits in addition to or greater than those provided to
4 general employees of the municipality.
5 (2) ADOPTION OR REVISION OF A LOCAL LAW PLAN.--
6 ~~(a) The plan must be for the purpose of providing~~
7 ~~retirement and disability income for police officers.~~
8 ~~(b) The normal retirement age, if any, must not be~~
9 ~~higher than age 60.~~
10 ~~(c) If the plan provides for a stated period of~~
11 ~~service as a requirement to receive a retirement income, that~~
12 ~~period must not be higher than 30 years.~~
13 ~~(d) The benefit formula to determine the amount of~~
14 ~~monthly pension must be equal to at least 2 percent for each~~
15 ~~year of the police officer's credited service, multiplied by~~
16 ~~his or her average final compensation. However, if current~~
17 ~~state contributions pursuant to this chapter are not adequate~~
18 ~~to fund the additional benefits to meet the minimum~~
19 ~~requirements in this chapter, only increment increases shall~~
20 ~~be required as state moneys are adequate to provide. Such~~
21 ~~increments shall be provided as state moneys become available.~~
22 ~~(e) If a ceiling on the monthly payment is stated in~~
23 ~~the plan, it should be no lower than \$100.~~
24 ~~(f) Death or survivor benefits and disability benefits~~
25 ~~may be incorporated into the plan as the municipality wishes~~
26 ~~but in no event should the single-sum value of such benefits~~
27 ~~as of the date of termination of service because of death or~~
28 ~~disability exceed:~~
29 ~~1. One hundred times the estimated normal monthly~~
30 ~~retirement income, based on the assumption that the present~~
31

1 ~~rate of compensation continues without change to normal~~
2 ~~retirement date,~~
3 ~~2. Twice the annual rate of compensation as of the~~
4 ~~date of termination of service, or~~
5 ~~3. The single sum value of the accrued deferred~~
6 ~~retirement income (beginning at normal retirement date) at~~
7 ~~date of termination of service,~~
8
9 ~~whichever is greatest; however, nothing in this paragraph~~
10 ~~shall require any reduction in death or disability benefits~~
11 ~~provided by a retirement plan in effect on July 1, 1959.~~
12 ~~(g) Eligibility for coverage under the plan must be~~
13 ~~based upon length of service, or attained age, or both, and~~
14 ~~benefits must be determined by a nondiscriminatory formula~~
15 ~~based upon:~~
16 ~~1. Length of service and compensation, or~~
17 ~~2. Length of service.~~
18
19 ~~The retirement plan shall require participants to contribute~~
20 ~~toward the cost of the plan an amount which shall not be less~~
21 ~~than 1 percent of salary, and it must set forth the~~
22 ~~termination rights, if any, of an employee in the event of the~~
23 ~~separation or withdrawal of an employee before retirement.~~
24 ~~(h) An actuarial valuation of the retirement plan must~~
25 ~~be made at least once in every 5 years commencing with~~
26 ~~December 31, 1963, and at least every 3 years commencing from~~
27 ~~the last actuarial report of the plan or system or from~~
28 ~~October 1, 1986, if no actuarial report has been issued within~~
29 ~~the 3 years prior to October 1, 1983. Such valuation shall be~~
30 ~~prepared by an enrolled actuary.~~
31

1 1. ~~The cost of the actuarial valuation must be paid by~~
2 ~~the individual retirement fund or by the municipality.~~

3 2. ~~A report of the valuation, including actuarial~~
4 ~~assumptions and type and basis of funding, shall be made to~~
5 ~~the division within 3 months after the date of valuation. If~~
6 ~~any benefits are insured with a commercial insurance company,~~
7 ~~the report shall include a statement of the relationship of~~
8 ~~the retirement plan benefits to the insured benefits and, in~~
9 ~~addition, the name of the insurer, basis of premium rates, and~~
10 ~~the mortality table, interest rate, and method used in valuing~~
11 ~~retirement benefits.~~

12 (i) ~~Commencing on July 1, 1964, the municipality shall~~
13 ~~contribute to the plan annually an amount which together with~~
14 ~~the contributions from the police officers, the amount derived~~
15 ~~from the premium tax provided in s. 185.08, and other income~~
16 ~~sources will be sufficient to meet the normal cost of the plan~~
17 ~~and to fund the actuarial deficiency over a period not longer~~
18 ~~than 40 years.~~

19 (j) ~~No retirement plan or amendment to a retirement~~
20 ~~plan shall be proposed for adoption unless the proposed plan~~
21 ~~or amendment contains an actuarial estimate of the costs~~
22 ~~involved. No such proposed plan or proposed plan change shall~~
23 ~~be adopted without the approval of the municipality. Copies of~~
24 ~~the proposed plan or proposed plan change and the actuarial~~
25 ~~impact statement of the proposed plan or proposed plan change~~
26 ~~shall be furnished to the division for approval prior to the~~
27 ~~last public hearing thereon. Such statement shall also~~
28 ~~indicate whether the proposed plan or proposed plan change is~~
29 ~~in compliance with s. 14, Art. X of the State Constitution and~~
30 ~~those provisions of part VII of chapter 112 which are not~~
31 ~~expressly provided in this chapter.~~

1 ~~(k) Each year on or before March 15, the trustees of~~
2 ~~the retirement plan must submit the following information to~~
3 ~~the division in order for the retirement plan of such~~
4 ~~municipality to receive a share of state funds for the then~~
5 ~~current calendar year; when any of these items would be~~
6 ~~identical with the corresponding item submitted for a previous~~
7 ~~year, it is not necessary for the trustees to submit duplicate~~
8 ~~information if they make reference to the item in such~~
9 ~~previous year's report:~~

10 ~~1. A certified copy of each and every instrument~~
11 ~~constituting or evidencing the plan.~~

12 ~~2. An independent audit by a certified public~~
13 ~~accountant if the fund has \$100,000 or more in assets, or a~~
14 ~~certified statement of accounting if the fund has less than~~
15 ~~\$100,000 in assets, for the most recent fiscal year of the~~
16 ~~municipality showing a detailed listing of assets and a~~
17 ~~statement of all income and disbursements during the year.~~
18 ~~Such income and disbursements must be reconciled with the~~
19 ~~assets at the beginning and end of the year.~~

20 ~~3. A certified statement listing the investments of~~
21 ~~the plan and a description of the methods used in valuing the~~
22 ~~investments.~~

23 ~~4. A statistical exhibit showing the total number of~~
24 ~~police officers, the number included in the plan, and the~~
25 ~~number ineligible classified according to the reasons for~~
26 ~~their being ineligible.~~

27 ~~5. A statement of the amount the municipality and~~
28 ~~other income sources have contributed toward the plan or will~~
29 ~~contribute toward the plan for the current calendar year.~~

30 ~~(2) If a municipality has a police officers'~~
31 ~~retirement plan which, in the opinion of the division, meets~~

1 ~~the standards set forth in subsection (1), the board of~~
2 ~~trustees of the pension plan, as approved by a majority of the~~
3 ~~police officers of the municipality affected, or the official~~
4 ~~pension committee, as approved by a majority of the police~~
5 ~~officers of the municipality affected, may place the income~~
6 ~~from the premium tax in s. 185.08 in its existing pension fund~~
7 ~~for the sole and exclusive use of its police officers (or for~~
8 ~~firefighters and police officers where included), where it~~
9 ~~shall become an integral part of that fund, or may use the~~
10 ~~income to pay extra benefits to the police officers included~~
11 ~~in the fund.~~

12 (3) The retirement plan setting forth the benefits and
13 the trust agreement, if any, covering the duties and
14 responsibilities of the trustees and the regulations of the
15 investment of funds must be in writing and copies made
16 available to the participants and to the general public.

17 ~~(4)(a) The membership of the board of trustees for~~
18 ~~pension plans operated pursuant to this section shall be as~~
19 ~~follows:~~

20 1. ~~If a municipality has a pension plan for police~~
21 ~~officers only, the provisions of s. 185.05 shall apply.~~

22 2. ~~If a municipality has a pension plan for police~~
23 ~~officers and firefighters, the provisions of s. 185.05 shall~~
24 ~~apply, except that two members of the board shall be police~~
25 ~~officers or firefighters who shall be elected by a majority of~~
26 ~~the police officers and firefighters who are members of the~~
27 ~~plan.~~

28 3. ~~If a municipality has a pension plan for police~~
29 ~~officers and general employees, at least one member of the~~
30 ~~board shall be a police officer who shall be elected by a~~
31 ~~majority of the police officers who are members of the plan.~~

1 ~~4. If a municipality has a pension plan for police~~
2 ~~officers, firefighters, and general employees, at least one~~
3 ~~member of the board shall be a police officer or firefighter~~
4 ~~who shall be elected by a majority of the police officers and~~
5 ~~firefighters who are members of the plan.~~

6 ~~(b) Nothing in this section shall permit the reduction~~
7 ~~of the membership percentage of police officers, or police~~
8 ~~officers and firefighters where a joint or mixed fund exists,~~
9 ~~on any board of trustees operating a pension plan pursuant to~~
10 ~~this section on June 30, 1986.~~

11 ~~(5) The provisions of this section and s. 185.05 may~~
12 ~~not be changed by a participating municipality operating a~~
13 ~~pension plan pursuant to this section.~~

14 Section 77. Section 185.36, Florida Statutes, is
15 repealed.

16 Section 78. Section 185.37, Florida Statutes, is
17 amended to read:

18 185.37 Termination of plan and distribution of
19 fund.--For any municipality, chapter plan, local law
20 municipality, or local law plan under this chapter, the plan
21 may be terminated by the municipality. Upon termination of the
22 plan by the municipality for any reason, or because of a
23 transfer, merger, or consolidation of governmental units,
24 services, or functions as provided in chapter 121, or upon
25 written notice to the board of trustees by the municipality
26 that contributions under the plan are being permanently
27 discontinued, the rights of all employees to benefits accrued
28 to the date of such termination or discontinuance, to the
29 extent then funded, or the amounts credited to the employees'
30 accounts are nonforfeitable and the fund shall be apportioned
31 and distributed in accordance with the following procedures:

1 (1) The board of trustees shall determine the date of
2 distribution and the asset value to be distributed, after
3 taking into account the expenses of such distribution.

4 (2) The board of trustees shall determine the method
5 of distribution of the asset value, that is, whether
6 distribution shall be by payment in cash, by the maintenance
7 of another or substituted trust fund, by the purchase of
8 insured annuities, or otherwise, for each police officer
9 entitled to benefits under the plan, as specified in
10 subsection (3).

11 (3) The board of trustees shall apportion the asset
12 value as of the date of termination in the manner set forth in
13 this subsection, on the basis that the amount required to
14 provide any given retirement income shall mean the actuarially
15 computed single-sum value of such retirement income, except
16 that if the method of distribution determined under subsection
17 (2) involves the purchase of an insured annuity, the amount
18 required to provide the given retirement income shall mean the
19 single premium payable for such annuity.

20 (a) Apportionment shall first be made in respect of
21 each retired police officer receiving a retirement income
22 hereunder on such date, each person receiving a retirement
23 income on such date on account of a retired (but since
24 deceased) police officer, and each police officer who has, by
25 such date, become eligible for normal retirement but has not
26 yet retired, in the amount required to provide such retirement
27 income, provided that, if such asset value is less than the
28 aggregate of such amounts, such amounts shall be
29 proportionately reduced so that the aggregate of such reduced
30 amounts will be equal to such asset value.

31

1 (b) If there is any asset value remaining after the
2 apportionment under paragraph (a), apportionment shall next be
3 made in respect of each police officer in the service of the
4 municipality on such date who has completed at least 10 years
5 of credited service, in ~~who has contributed~~ to the municipal
6 police officers' retirement trust fund for at least 10 years,
7 and who is not entitled to an apportionment under paragraph
8 (a), in the amount required to provide the actuarial
9 equivalent of the accrued normal retirement income, based on
10 the police officer's credited service and earnings to such
11 date, and each former participant then entitled to a benefit
12 under the provisions of s. 185.19 who has not by such date
13 reached his or her normal retirement date, in the amount
14 required to provide the actuarial equivalent of the accrued
15 normal retirement income to which he or she is entitled under
16 s. 185.19, provided that, if such remaining asset value is
17 less than the aggregate of the amounts apportioned hereunder,
18 such latter amounts shall be proportionately reduced so that
19 the aggregate of such reduced amounts will be equal to such
20 remaining asset value.

21 (c) If there is an asset value after the
22 apportionments under paragraphs (a) and (b), apportionment
23 shall lastly be made in respect of each police officer in the
24 service of the municipality on such date who is not entitled
25 to an apportionment under paragraphs (a) and (b) in the amount
26 equal to the police officer's total contributions to the plan
27 to date of termination, provided that, if such remaining asset
28 value is less than the aggregate of the amounts apportioned
29 hereunder, such latter amounts shall be proportionately
30 reduced so that the aggregate of such reduced amounts will be
31 equal to such remaining asset value.

1 (d) In the event that there is asset value remaining
2 after the full apportionment specified in paragraphs (a), (b),
3 and (c), such excess shall be returned to the municipality,
4 less return to the state of the state's contributions,
5 provided that, if the excess is less than the total
6 contributions made by the municipality and the state to date
7 of termination of the plan, such excess shall be divided
8 proportionately to the total contributions made by the
9 municipality and the state.

10 (4) The board of trustees shall distribute, in
11 accordance with the manner of distribution determined under
12 subsection (2), the amounts apportioned under subsection (3).

13
14 If, after a period of 24 months after the date on which the
15 plan terminated or the date on which the board received
16 written notice that the contributions thereunder were being
17 permanently discontinued, the municipality or the board of
18 trustees of the municipal police officers' retirement trust
19 fund affected has not complied with all the provisions in this
20 section, the division shall effect the termination of the fund
21 in accordance with this section.

22 Section 79. Section 185.38, Florida Statutes, is
23 amended to read:

24 185.38 Transfer to another state retirement system;
25 benefits payable.--For any municipality, chapter plan, local
26 law municipality, or local law plan under this chapter:

27 (1) Any police officer who has a vested right to
28 benefits under a pension plan created pursuant to the
29 provisions of this chapter and who elects to participate in
30 another state retirement system may not receive a benefit
31 under the provisions of the latter retirement system for any

1 year's service for which benefits are paid under the
2 provisions of the pension plan created pursuant to this
3 chapter.

4 (2) When every active participant in any pension plan
5 created pursuant to this chapter elects to transfer to another
6 state retirement system, the pension plan created pursuant to
7 this chapter shall be terminated and the assets distributed in
8 accordance with s. 185.37. If some participants in a pension
9 plan created pursuant to this chapter elect to transfer to
10 another state retirement system and other participants elect
11 to remain in the existing plan created pursuant to this
12 chapter, the plan created pursuant to this chapter shall
13 remain in effect until fully funded and shall then be
14 terminated in accordance with s. 185.37.

15 Section 80. Section 185.39, Florida Statutes, is
16 amended to read:

17 (Substantial rewording of section. See
18 s. 185.39, F.S., for present text.)

19 185.39 Applicability.--This act applies to all
20 municipalities, chapter plans, local law municipalities, or
21 local law plans presently existing or to be created pursuant
22 to this chapter. Those plans presently existing pursuant to
23 s. 185.35 and not in compliance with the provisions of this
24 act must comply no later than December 31, 1998. However, the
25 plan sponsor of any plan established by special act of the
26 Legislature shall have until July 1, 1999, to comply with the
27 provisions of this act, except as otherwise provided in this
28 act with regard to establishment and election of board
29 members. The provisions of this act shall be construed to
30 establish minimum standards and benefit levels, and nothing
31 contained in this act or in chapter 185 shall operate to

1 reduce presently existing rights or benefits of any police
2 officer, directly, indirectly, or otherwise.

3 Section 81. Section 185.40, Florida Statutes, is
4 repealed.

5 Section 82. Section 185.50, Florida Statutes, is
6 amended to read:

7 185.50 Retiree health insurance subsidy.--For any
8 municipality, chapter plan, local law municipality, or local
9 law plan under this chapter, under the broad grant of home
10 rule powers under the Florida Constitution and chapter 166,
11 municipalities have the authority to establish and administer
12 locally funded health insurance subsidy programs. Pursuant
13 thereto:

14 (1) PURPOSE.--The purpose of this section is to allow
15 municipalities the option to use premium tax moneys, as
16 provided for under this chapter, to establish and administer
17 health insurance subsidy programs which will provide a monthly
18 subsidy payment to retired members of any municipal police
19 officers' pension trust fund system or plan as provided under
20 this chapter, or to beneficiaries who are spouses or financial
21 dependents entitled to receive benefits under such a plan, in
22 order to assist such retired members or beneficiaries in
23 paying the costs of health insurance.

24 (2) MUNICIPAL RETIREE HEALTH INSURANCE SUBSIDY TRUST
25 FUNDS; ESTABLISHMENT AND TERMINATION.--

26 (a) Any municipality having a municipal police
27 officers' pension trust fund system or plan as provided under
28 this chapter may, in its discretion, establish by ordinance a
29 trust fund to be known as the municipal police officers'
30 retiree health insurance subsidy trust fund. This fund may be
31 a separate account established for such purpose in the

1 existing municipal police officers' pension fund, provided
2 that all funds deposited in such account are segregated from,
3 and not commingled with, pension funds or other public moneys
4 and that the account otherwise conforms to the requirements of
5 subsection (8). The trust fund shall be used to account for
6 all moneys received and disbursed pursuant to this section.

7 (b) Prior to the second reading of the ordinance
8 before the municipal legislative body, an actuarial valuation
9 must be performed by an enrolled actuary as defined in s.
10 185.02, and copies of the valuation and the proposed
11 implementing ordinance shall be furnished to the division.

12 (c) The subsidy program may, at the discretion of the
13 municipal governing body, be permanently discontinued by
14 municipal ordinance at any time, subject to the requirements
15 of any applicable collective bargaining agreement, in the same
16 manner and subject to the same conditions established for plan
17 termination and fund distribution under s. 185.37.

18 (3) FUNDING.--Trust funds established pursuant to this
19 section shall be funded in the following manner:

20 (a) By payment to the fund of an amount equivalent to
21 one-half of the net increase over the previous tax year in the
22 premium tax funds provided for in this chapter, said amount to
23 be established in the implementing ordinance.

24 (b) By no less than one-half of 1 percent of the base
25 salary of each police officer, for so long as the police
26 officer is employed and covered by a pension plan established
27 pursuant to this chapter. The municipality, with approval of
28 the board of trustees, may increase member contributions if
29 needed to fund benefits greater than the minimums established
30 in this section.

31

1 (c) By payment by the municipality, on at least a
2 quarterly basis, of whatever sum is determined necessary to
3 maintain the actuarial soundness of the fund in accordance
4 with s. 112.64.

5
6 Such contributions and payments shall be submitted to the
7 board of trustees of the police officers' pension trust fund,
8 or the plan trustees in the case of local law plans
9 established under s. 185.35, and deposited in the Municipal
10 Police Officers' Retiree Health Insurance Subsidy Trust Fund,
11 in the same manner and subject to the same time constraints as
12 provided under s. 185.11.

13 (4) ELIGIBILITY FOR RETIREE HEALTH INSURANCE
14 SUBSIDY.--A person who has contributed to the Retiree Health
15 Insurance Subsidy Trust Fund and retires under a municipal
16 police officers' pension trust fund system or plan as provided
17 under this chapter, including any local law plan as provided
18 under s. 185.35, or a beneficiary who is a spouse or financial
19 dependent entitled to receive benefits under such a plan, is
20 eligible for health insurance subsidy payments provided under
21 this section. However, the fund, with approval of the board
22 of trustees and the municipality, may provide coverage to
23 retirees and beneficiaries when the retirees have not
24 contributed to the fund as provided in subsection (3).
25 Payment of the retiree health insurance subsidy shall be made
26 only after coverage for health insurance for the retiree or
27 beneficiary has been certified in writing to the board of
28 trustees of the municipal police officers' pension trust fund.

29 (5) RETIREE HEALTH INSURANCE SUBSIDY
30 AMOUNT.--Beginning on the effective date established in the
31 implementing ordinance, each eligible retiree, or beneficiary

1 who is a spouse or financial dependent thereof, shall receive
2 a monthly retiree health insurance subsidy payment equal to
3 the aggregate number of years of service with the
4 municipality, as defined in s. 185.02, completed at the time
5 of retirement multiplied by an amount determined in the
6 implementing ordinance, but no less than \$3 for each year of
7 service. Nothing herein shall be construed to restrict the
8 plan sponsor from establishing, in the implementing ordinance,
9 a cap of no less than 30 years upon the number of years'
10 service for which credit will be given toward a health
11 insurance subsidy or a maximum monthly subsidy amount.

12 (6) PAYMENT OF RETIREE HEALTH INSURANCE
13 SUBSIDY.--Beginning on the effective date established in the
14 implementing ordinance, any monthly retiree health insurance
15 subsidy amount due and payable under this section shall be
16 paid to retired members, or their eligible beneficiaries, by
17 the board of trustees of the police officers' pension trust
18 fund, or the plan trustees in the case of local law plans
19 established under s. 185.35, in the same manner as provided by
20 s. 185.06(1)(c) for drafts upon the pension fund.

21 (7) INVESTMENT OF THE TRUST FUND.--The trustees of the
22 police officers' pension trust fund, or the plan trustees in
23 the case of local law plans established under s. 185.35, are
24 hereby authorized to invest and reinvest the funds of the
25 Municipal Police Officers' Retiree Health Insurance Subsidy
26 Trust Fund in the same manner and subject to the same
27 conditions as apply hereunder to the investment of municipal
28 police officers' pension funds under s. 185.06.

29 (8) DEPOSIT OF PENSION FUNDS.--All funds ~~and~~
30 ~~securities~~ of the health insurance subsidy fund may be
31 deposited by the board of trustees with the treasurer of the

1 municipality, acting in a ministerial capacity only, who shall
2 be liable in the same manner and to the same extent as he or
3 she is liable for the safekeeping of funds for the
4 municipality. Any funds so deposited shall be segregated by
5 said treasurer in a separate fund, clearly identified as funds
6 ~~and securities~~ of the health insurance subsidy fund. In lieu
7 thereof, the board of trustees shall deposit the funds ~~and~~
8 ~~securities~~ of the health insurance subsidy fund in a qualified
9 public depository as defined in s. 280.02, which shall conform
10 to and be bound by the provisions of chapter 280 with regard
11 to such funds. In no case shall the funds of the health
12 insurance subsidy fund be deposited in any financial
13 institution, brokerage house trust company, or other entity
14 that is not a public depository as provided by s. 280.02.

15 (9) SEPARATION FROM SERVICE; REFUNDS.--Any police
16 officer who terminates employment with a municipality having a
17 Municipal Retiree Health Insurance Subsidy Trust Fund system
18 or plan as provided under this section shall be entitled to a
19 refund of all employee contributions he or she made to that
20 trust fund, without interest, regardless of whether he or she
21 has vested for purposes of retirement. Any police officer who
22 has vested for purposes of retirement in the service of the
23 municipality, and has contributed to the Municipal Police
24 Officers' Retiree Health Insurance Subsidy Trust Fund for so
25 long as he or she was eligible to make such contributions,
26 may, in his or her discretion, elect to leave his or her
27 accrued contributions in the fund, whereupon, such police
28 officer shall, upon retiring and commencing to draw retirement
29 benefits, receive a health insurance subsidy based upon his or
30 her aggregate number of years of service with the
31 municipality, as defined in s. 185.02.

1 (10) ADMINISTRATION OF SYSTEM; ACTUARIAL VALUATIONS;
2 AUDITS; RULES; ADMINISTRATIVE COSTS.--The board of trustees of
3 the police officers' pension trust fund, or the plan trustees
4 in the case of local law plans established under s. 185.35,
5 shall be solely responsible for administering the health
6 insurance subsidy trust fund. Pursuant thereto:
7 (a) As part of its administrative duties, no less
8 frequently than every 3 years, the board shall have an
9 actuarial valuation of the municipal police officers' retiree
10 health insurance subsidy trust fund prepared as provided in s.
11 112.63 by an enrolled actuary, covering the same reporting
12 period or plan year used for the municipal police officers'
13 pension plan, and shall submit a report of the valuation,
14 including actuarial assumptions and type and basis of funding,
15 to the division.
16 (b) By February 1 of each year, the trustees shall
17 file a report with the division, containing an independent
18 audit by a certified public accountant if the fund has
19 \$250,000~~\$100,000~~ or more in assets, or a certified statement
20 of accounting if the fund has less than \$250,000~~\$100,000~~ in
21 assets, for the most recent plan ~~fiscal~~ year of the
22 ~~municipality~~, showing a detailed listing of assets and methods
23 used to value them and a statement of all income and
24 disbursements during the year. Such income and disbursements
25 shall be reconciled with the assets at the beginning of and
26 end of the year.
27 (c) The trustees may adopt such rules and regulations
28 as are necessary for the effective and efficient
29 administration of this section.
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1 (d) At the discretion of the plan sponsor, the cost of
2 administration may be appropriated from the trust fund or paid
3 directly by the plan sponsor.

4 (11) BENEFITS.--Subsidy payments shall be payable
5 under the municipal police officers' retiree health insurance
6 subsidy program only to participants in the program or their
7 beneficiaries. Such subsidy payments shall not be subject to
8 assignment, execution, or attachment or to any legal process
9 whatsoever, and shall be in addition to any other benefits to
10 which eligible recipients are entitled under any workers'
11 compensation law, pension law, collective bargaining
12 agreement, municipal or county ordinance, or any other state
13 or federal statute.

14 (12) DISTRIBUTION OF PREMIUM TAXES; COMPLIANCE
15 REQUIRED.--Premium tax dollars for which spending authority is
16 granted under this section shall be distributed from the
17 Police and Firefighters' Premium Tax Trust Fund and remitted
18 annually to municipalities in the same manner as provided
19 under this chapter for police officers' pension funds. Once a
20 health insurance subsidy plan has been implemented by a
21 municipality under this section, in order for the municipality
22 to participate in the distribution of premium tax dollars
23 authorized under this section, all provisions of this section,
24 including state acceptance pursuant to part VII of chapter
25 112, shall be complied with, and said premium tax dollars may
26 be withheld for noncompliance.

27 Section 83. This act shall take effect October 1, of
28 the year in which it is enacted.

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HOUSE SUMMARY

Extensively revises chapters 175 and 185, Florida Statutes, relating to firefighters' pension plans and law enforcement officers' pension plans, respectively, in order to make the plans conform to the greatest extent possible, to provide definitions and clarify application of provisions, and to update provisions to conform to other laws and subsequent changes in federal provisions.

The act provides that fire and police chiefs may optionally participate in their respective pension plans. Up to 10 percent of firefighter and police officer pension plan assets may be invested in foreign securities subject to the limitations contained in s. 215.47(1)-(9). Plans seeking to avail themselves of this authority must complete new or provide amendments to their total investment plan. See bill for details.