

By Representative Feeney

1 A bill to be entitled
2 An act relating to the Florida Retirement
3 System; amending s. 121.091, F.S.; authorizing
4 certain persons to participate in the Deferred
5 Retirement Option Program notwithstanding
6 certain restrictions; providing a contingent
7 effective date.

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

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11 Section 1. Paragraph (b) of subsection (13) of section
12 121.091, Florida Statutes, as amended by chapters 97-154 and
13 97-180, Laws of Florida, is amended to read:

14 121.091 Benefits payable under the system.--No
15 benefits shall be paid under this section unless the member
16 has terminated employment as provided in s. 121.021(39) and a
17 proper application has been filed in the manner prescribed by
18 the division.

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

1 benefits. Employment in the DROP does not guarantee employment
2 for the specified period of DROP.

3 (b) Participation in the DROP.--

4 1. An eligible member may elect to participate in the
5 DROP for a period not to exceed a maximum of 60 months
6 following the date on which the member first reaches normal
7 retirement age or date, including a member who first reaches
8 normal retirement age or date prior to the effective date of
9 this section. Any member who has exceeded the 60-month
10 limitation shall not be eligible to participate in the DROP,
11 except, any active member, other than a member who has retired
12 and has renewed his or her membership after such retirement,
13 who, as of July 1, 1998, has exceeded the normal retirement
14 age or date by 2 years or more or has exceeded the 60-month
15 limitation shall be eligible to participate in the DROP for a
16 period of time not to exceed 3 years.

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

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

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

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

29 d. Any other information required by the division.

30 3. The DROP participant shall be a retiree under the
31 Florida Retirement System for all purposes, except for

1 paragraph (5)(f) and subsection (9) and ss. 112.3173, 112.363,
2 121.053, and 121.122.

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

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

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

15 b. An elected officer who is dually employed and
16 elects to participate in DROP shall be required to satisfy the
17 definition of termination within the 60-month limitation
18 period as provided in subparagraph 1. for the nonelected
19 position and may continue employment as an elected officer as
20 provided in s. 121.053. The elected officer will be enrolled
21 as a renewed member in the Elected State and County Officers'
22 Class or the Regular Class, as provided in ss. 121.053 and
23 121.22, on the first day of the month after termination of
24 employment in the nonelected position and termination of DROP.
25 Distribution of the DROP benefits shall be made as provided in
26 paragraph (c).

27 Section 2. This act shall take effect upon the
28 effective date of amendments to s. 121.091, Florida Statutes,
29 pursuant to chapters 97-154 and 97-180, Laws of FLorida.

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HOUSE SUMMARY

Authorizes active members of the Florida Retirement System who are otherwise ineligible to participate in the Deferred Retirement Option Program to participate for up to 3 years if they meet specified criteria. See bill for details.