

Bill No. CS/HB 1707

Amendment No.     

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Diaz-Balart moved the following amendment:

**Senate Amendment (with title amendment)**

On page 51, between lines 26 and 27,

insert:

Section 57. Effective July 1, 1999, section 110.1315, Florida Statutes, is created to read:

110.1315 Alternative benefits; other-personal-services employees.--Upon review and recommendation of the department and approval of the Governor, the department may contract for the implementation of an alternative retirement income security program for eligible temporary and season employees of the state which is funded from appropriations for other personal services. The contract may provide for a private vendor or vendors to administer the program under a defined-contribution plan under s. 401(a), 403(b), or 457 of the Internal Revenue Code, and the program must provide retirement benefits as required under s. 3121(b)(7)(f) of the Internal Revenue Code. The department may develop a request for proposals or invitation to negotiate and solicit qualified

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1 vendors to compete for the award of the contract. The vendor  
 2 shall be selected on the basis of the plan that best serves  
 3 the interests of the participating employees and the state.  
 4 The proposal must comply with all necessary federal and state  
 5 laws and rules. The proposal must be reviewed by the State  
 6 Board of Administration, which shall advise the department  
 7 with respect to the findings of that review.

8           Section 58. Effective July 1, 1999, section 110.1316,  
 9 Florida Statutes, is created to read:

10           110.1316 Alternative benefits; tax-sheltered  
 11 annual-leave and sick-leave payments.--Upon review and  
 12 recommendation of the department and approval by the Governor,  
 13 the department may contract for the implementation of a  
 14 tax-sheltered plan for state employees who are eligible for  
 15 payment for accumulated sick leave or annual leave at  
 16 termination of employment. The contract may provide for a  
 17 private vendor or vendors to administer the plan and the plan  
 18 must provide retirement benefits in a manner that minimizes  
 19 the tax liability of the participants. The plan must be funded  
 20 by employer contributions of payments for accumulated sick  
 21 leave or annual leave. The plan must have received all  
 22 necessary federal and state approval as required by law and  
 23 must comply with the provisions of s. 112.65. The request for  
 24 proposals may require that the vendor or vendors provide  
 25 market risk or volatility ratings from recognized rating  
 26 agencies for each of its investment products. The proposal  
 27 must be reviewed by the State Board of Administration, which  
 28 shall advise the department with respect to the findings of  
 29 that review. The department shall provide for a system of  
 30 continuous quality-assurance oversight to ensure that the  
 31 program objectives are achieved and that the program is

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1 prudently managed. Within 30 days after termination from  
 2 employment, an employee may elect to withdraw the moneys,  
 3 without penalty by the plan administrator, and shall be held  
 4 harmless by the state with regard to any early withdrawal  
 5 penalties imposed by the Internal Revenue Service. The method  
 6 of calculation of such withdrawal payment shall be prescribed  
 7 by rule.

8  
 9 (Redesignate subsequent sections.)

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12 ===== T I T L E A M E N D M E N T =====

13 And the title is amended as follows:

14 On page 5, line 17, after the semicolon,

15

16 insert:

17 creating s. 110.1315, F.S.; providing for the  
 18 Department of Management Services to contract  
 19 for implementation of an alternative retirement  
 20 income security program for temporary state  
 21 employees; creating s. 110.1316, F.S.;

22 providing for the Department of Management  
 23 Services to contract for the implementation of  
 24 a tax-sheltered plan for state employees for  
 25 payment of accumulated sick leave or annual  
 26 leave; providing for review by the State Board  
 27 of Administration;

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