

1 A bill to be entitled
2 An act relating to state-administered
3 retirement systems; amending s. 112.63, F.S.;
4 providing for review and comment on local
5 government retirement system actuarial
6 valuation reports and impact statements on a
7 triennial basis; clarifying the basis of
8 required payments; amending s. 112.65, F.S.;
9 modifying the limitation on benefits for
10 service under more than one retirement system
11 or plan; amending s. 121.011, F.S.; clarifying
12 requirements related to consolidation of
13 existing retirement systems and preservation of
14 rights; amending s. 121.021, F.S.; redefining
15 "creditable service" to conform the definition
16 to existing law; clarifying creditable service
17 provisions for certain school board employees;
18 amending s. 121.031, F.S.; authorizing the
19 Division of Retirement to adopt rules; creating
20 the Florida Retirement System Actuarial
21 Assumption Conference; providing for duties and
22 members; reenacting s. 121.051(6), F.S.,
23 relating to Florida Retirement System
24 membership status of blind vending facility
25 operators; reenacting ss. 121.052(7)(a),
26 121.055(3)(a), and 121.071(1), F.S., relating
27 to contribution rates; amending ss. 121.052,
28 121.055, and 121.071, F.S., changing
29 contribution rates for specified classes and
30 subclasses of the system; correcting an error;
31 conforming provisions relating to de minimis

1 accounts to federal law; amending s. 121.081,
2 F.S.; clarifying provisions relating to past
3 service and prior service; amending s. 121.091,
4 F.S.; clarifying proof of disability
5 requirements; modifying provisions relating to
6 death benefits to permit purchase of certain
7 retirement credit by joint annuitants;
8 clarifying the contribution rate and interest
9 required to be paid for such purchases;
10 increasing the age at which a Special Risk
11 Class Member must elect whether to participate
12 in the Deferred Retirement Option Program;
13 updating and correcting references; amending s.
14 121.122, F.S.,; correcting a reference;
15 amending 121.24, F.S.; authorizing the State
16 Retirement Commission to adopt rules; amending
17 s. 121.35, F.S.; conforming provisions relating
18 to de minimis accounts to federal law; amending
19 s. 121.40, F.S., to remove reemployment
20 limitations and reenacting subsection (12),
21 relating to contribution rates for the
22 supplemental retirement program for the
23 Institute of Food and Agricultural Sciences at
24 the University of Florida; reenacting s.
25 413.051(11) and (12), F.S., relating to Florida
26 Retirement System membership eligibility and
27 retirement contribution payments for blind
28 vending facility operators; amending ss.
29 175.071 and 185.06, F.S.; providing, with
30 respect to the board of trustees for municipal
31 firefighters' pension trust funds and municipal

1 police officers' retirement trust funds that
2 the board may invest in corporations on the
3 National Market System of the Nasdaq Stock
4 Market; repealing s. 121.027, F.S., amending s.
5 112.18, F.S.; providing presumptions that
6 certain illnesses incurred by law enforcement
7 officers are done so in the line of duty;
8 relating to rulemaking authority for that act;
9 requiring the Board of Trustees of the State
10 Board of Administration to review the actuarial
11 valuation of the Florida Retirement System;
12 requiring the Board to review the process of
13 retirement contribution rates and comment to
14 the legislature; providing an effective date.

15
16 Be It Enacted by the Legislature of the State of Florida:

17
18 Section 1. Subsections (4) and (5) of section 112.63,
19 Florida Statutes, are amended to read:

20 112.63 Actuarial reports and statements of actuarial
21 impact; review.--

22 (4) Upon receipt, pursuant to subsection (2), of an
23 actuarial report, or upon receipt, pursuant to subsection (3),
24 of a statement of actuarial impact, the division shall
25 acknowledge such receipt, but shall only review and comment on
26 each retirement system's or plan's the actuarial valuations at
27 least on a triennial basis and statements. If the division
28 finds that the actuarial valuation is not complete, accurate,
29 or based on reasonable assumptions, or if the division does
30 not receive the actuarial report or statement of actuarial
31 impact, the division shall notify the local government and

1 request appropriate adjustment. If, after a reasonable period
 2 of time, a satisfactory adjustment is not made, the affected
 3 local government or the division may petition for a hearing
 4 under the provisions of ss. 120.569 and 120.57. If the
 5 administrative law judge recommends in favor of the division,
 6 the division shall perform an actuarial review or prepare the
 7 statement of actuarial impact. The cost to the division of
 8 performing such actuarial review or preparing such statement
 9 shall be charged to the governmental entity of which the
 10 employees are covered by the retirement system or plan. If
 11 payment of such costs is not received by the division within
 12 60 days after receipt by the governmental entity of the
 13 request for payment, the division shall certify to the
 14 Comptroller the amount due, and the Comptroller shall pay such
 15 amount to the division from any funds payable to the
 16 governmental entity of which the employees are covered by the
 17 retirement system or plan. If the administrative law judge
 18 recommends in favor of the local retirement system and the
 19 division performs an actuarial review, the cost to the
 20 division of performing the actuarial review shall be paid by
 21 the division.

22 (5) Payments made to the fund as required by this
 23 chapter shall be based on the normal and past service costs
 24 contained in the ~~state-accepted version of the~~ most recent
 25 actuarial valuation, subject to being state-accepted.

26 Section 2. Subsection (2) of section 112.65, Florida
 27 Statutes, is amended to read:

28 112.65 Limitation of benefits.--

29 (2) No member of a retirement system or plan covered
 30 by this part who is not now a member of such plan shall be
 31 allowed to receive a retirement benefit or pension which is in

1 part or in whole based upon any service with respect to which
2 the member is already receiving, or will receive in the
3 future, a retirement benefit or pension from a different
4 employer's ~~another~~ retirement system or plan. This
5 restriction does not apply to social security benefits or
6 federal benefits under chapter 67, Title 10, U.S. Code.

7 Section 3. Paragraph (b) of subsection (2) of section
8 and paragraph (e) of subsection (3) of section 121.011,
9 Florida Statutes, 1998 Supplement, are amended to read:

10 121.011 Florida Retirement System.--

11 (2) CONSOLIDATION OF EXISTING SYSTEMS AND LAWS.--

12 (b) The chapters or retirement system laws named in
13 paragraph (a) are hereby consolidated as separate instruments
14 appended to the "Florida Retirement System Act" established by
15 this chapter, and the administration of said chapters or
16 retirement systems shall be consolidated with the
17 administration of the Florida Retirement System established by
18 this chapter, and the Florida Retirement System shall assume
19 all liabilities related to the payment of benefits to members
20 and their beneficiaries under the respective retirement
21 systems of the members and their beneficiaries.

22 (3) PRESERVATION OF RIGHTS.--

23 (e) Any member of the Florida Retirement System or any
24 member of an existing system under this chapter on July 1,
25 1975, who is not retired and who is, has been, or shall be,
26 suspended and reinstated without compensation shall receive
27 retirement service credit for the period of time from the date
28 of suspension to the date of reinstatement, provided:

29 1. The creditable service claimed for the period of
30 suspension does not exceed 24 months;

31

1 2. The member returns to active employment and remains
2 on the employer's payroll for at least 1 calendar month ~~30~~
3 ~~calendar days~~; and

4 3. The member pays into the Retirement System Trust
5 Fund the total required employer contributions plus the total
6 employee contributions, if applicable, based on the member's
7 monthly compensation in effect for the pay period immediately
8 preceding the period of suspension, prorated for the said
9 period of suspension, plus interest thereon at a rate of 4
10 percent per annum compounded annually until July 1, 1975, and
11 6.5 percent interest thereafter until paid. If permitted by
12 federal law, the member may pay into the Social Security Trust
13 Fund the total cost, if any, of providing social security
14 coverage for the period of suspension if any social security
15 payments have been made by the employer for the benefit of the
16 member during such period. Should there be any conflict as to
17 payment for social security coverage, the payment for
18 retirement service credit shall be made and retirement service
19 credit granted regardless of such conflict.

20 Section 4. Paragraph (a) of subsection (17) of section
21 121.021, Florida Statutes, 1998 Supplement, is amended to
22 read:

23 121.021 Definitions.--The following words and phrases
24 as used in this chapter have the respective meanings set forth
25 unless a different meaning is plainly required by the context:

26 (17)(a) "Creditable service" of any member means the
27 sum of his or her past service, prior service, military
28 service, out-of-state or non-FRS in-state service, workers'
29 compensation credit, leave-of-absence credit and future
30 service allowed within the provisions of this chapter if all
31 required contributions have been paid and all other

1 requirements of this chapter have been met. However, in no
 2 case shall a member receive credit for more than a year's
 3 service during any 12-month period. Service by ~~as applied to a~~
 4 ~~teacher, or a nonacademic employee of a school board, or an~~
 5 employee of a participating employer other than a school board
 6 whose total employment is to provide services to a school
 7 board for the school year only shall be based on contract
 8 years of employment or school term years of employment, as
 9 provided in chapters 122 and 238, rather than 12-month periods
 10 of employment.

11 Section 5. Subsections (1) and (3) of section 121.031,
 12 Florida Statutes, are amended to read:

13 121.031 Administration of system; appropriation;
 14 oaths; actuarial studies; public records.--

15 (1) The Division of Retirement has the authority to
 16 adopt ~~shall make such~~ rules pursuant to ss. 120.54 and
 17 120.536(1) to implement the provisions of law conferring
 18 duties upon the division and to adopt rules as are necessary
 19 for the effective and efficient administration of this system.
 20 The funds to pay the expenses for ~~such~~ administration of the
 21 system are hereby appropriated from the interest earned on
 22 investments made for the retirement and social security trust
 23 funds and the assessments allowed under chapter 650.

24 (3) The administrator shall cause an actuarial study
 25 of the system to be made at least once every 2 years and shall
 26 report the results of such study to the Legislature by
 27 February 1 prior to the next legislative session. ~~Such study~~
 28 ~~shall, at a minimum, conform to the requirements of s. 112.63,~~
 29 ~~with the following exceptions and additions:~~

30
 31

1 (a) The study shall, at a minimum, conform to the
2 requirements of s. 112.63, with the following exceptions and
3 additions:

4 ~~1.(a)~~ The valuation of plan assets shall be based on a
5 5-year averaging methodology such as that specified in the
6 United States Department of Treasury Regulations, 26 C.F.R. s.
7 1.412(c)(2)-1, or a similar accepted approach designed to
8 attenuate fluctuations in asset values.

9 ~~2.(b)~~ The study shall include a narrative explaining
10 the changes in the covered group over the period between
11 actuarial valuations and the impact of those changes on
12 actuarial results.

13 ~~3.(c)~~ When substantial changes in actuarial
14 assumptions have been made, the study shall reflect the
15 results of an actuarial assumption as of the current date
16 based on the assumptions utilized in the prior actuarial
17 report.

18 ~~4.(d)~~ The study shall include an analysis of the
19 changes in actuarial valuation results by the factors
20 generating those changes. Such analysis shall reconcile the
21 current actuarial valuation results with those results from
22 the prior valuation.

23 ~~5.(e)~~ The study shall include measures of funding
24 status and funding progress designed to facilitate the
25 assessment of trends over several actuarial valuations with
26 respect to the overall solvency of the system. Such measures
27 shall be adopted by the division and shall be used
28 consistently in all actuarial valuations performed on the
29 system.

30 (b) The Florida Retirement System Actuarial Assumption
31 Conference which is hereby created shall by consensus develop

1 official information with respect to the economic and
2 noneconomic assumptions and funding methods of the Florida
3 Retirement System necessary to perform the study. Such
4 information shall include: an analysis of the actuarial
5 assumptions and actuarial methods and a determination of
6 whether changes to the assumptions or methods need to be made
7 due to experience changes or revised future forecasts. The
8 members of the conference shall include the Executive Office
9 of the Governor, the coordinator of the Office of Economic and
10 Demographic Research, and professional staff of the Senate and
11 House of Representatives who have forecasting expertise, or
12 their designees. The Executive Office of the Governor shall
13 have the responsibility of presiding over the sessions of the
14 conference. The State Board of Administration and the
15 Division of Retirement shall be participants, as defined in s.
16 216.134, in the conference.

17 Section 6. Subsection (6) of section 121.051, Florida
18 Statutes, 1998 Supplement, as amended by chapter 96-423, Laws
19 of Florida, is reenacted to read:

20 121.051 Participation in the system.--

21 (6) SEASONAL STATE EMPLOYMENT; BLIND VENDING FACILITY
22 OPERATORS.--

23 (a) Seasonal state employment shall be included under
24 this chapter, and the time limit and procedure for claiming
25 same as set forth in s. 122.07 shall continue under this
26 chapter for those members transferring to this system and for
27 all new members.

28 (b)1. All blind or partially sighted persons employed
29 or licensed by the Division of Blind Services as vending
30 facility operators on or after December 1, 1970, and prior to
31 July 1, 1996, are hereby declared to be state employees within

1 the meaning of this chapter, and all vending facility
2 operators licensed and employed during that period shall be
3 compulsory members of the Florida Retirement System in
4 compliance with this chapter for as long as the member is a
5 vending facility operator, except as provided in subparagraph
6 3.

7 2. Blindness shall not be deemed a retirement
8 disability within the provisions of this chapter for such
9 members as are contemplated by this paragraph.

10 3. Any vending facility operator as described in
11 subparagraph 1. may elect, on or before July 31, 1996, to
12 withdraw from the Florida Retirement System as provided in s.
13 413.051(11). The election to withdraw shall take effect as of
14 July 1, 1996, and the decision to withdraw is irrevocable. A
15 vending facility operator who withdraws from the Florida
16 Retirement System as provided in this subparagraph shall
17 retain all creditable service earned in the Florida Retirement
18 System through the month that retirement contributions ceased
19 to be reported, and no creditable service shall be earned as a
20 vending facility operator after such month. However, any such
21 person may participate in the Florida Retirement System in the
22 future if employed by a participating employer in a covered
23 position.

24 4. All blind or partially sighted persons employed or
25 licensed by the Division of Blind Services as vending facility
26 operators on or after July 1, 1996, shall be independent
27 contractors within the meaning of this chapter and shall not
28 be eligible for membership in the Florida Retirement System.

29 Section 7. Paragraph (a) of subsection (7) of section
30 121.052, Florida Statutes, 1998 Supplement, as amended by
31

1 chapters 96-423 and 98-413, Laws of Florida, is reenacted and
 2 amended to read:

3 121.052 Membership class of elected officers.--

4 (7) CONTRIBUTIONS.--

5 (a) The following table states the required retirement
 6 contribution rates for members of the Elected Officers' Class
 7 and their employers in terms of a percentage of the member's
 8 gross compensation. A change in a contribution rate is
 9 effective with the first salary paid on or after the beginning
 10 date of the change. Contributions shall be made or deducted as
 11 may be appropriate for each pay period and are in addition to
 12 the contributions required for social security and the Retiree
 13 Health Insurance Subsidy Trust Fund.

15 Dates of Contribution	16 Rate Changes	Members	Employers
18 July 1, 1972, through September 30, 1977			
	19 Legislators	8%	8%
	20 All Other Members	8%	8%
22 October 1, 1977, through September 30, 1978			
	23 Legislators	8%	8%
	24 All Other Members	4%	12%
26 October 1, 1978, through September 30, 1979			
	27 Legislators	8%	10.57%
	28 All Other Members	4%	16.78%
30 October 1, 1979, through September 30, 1981			
	31 Legislators	8%	10.57%

1	Governor, Lt. Governor, Cabinet		
2	Officers	4%	16.78%
3	All Other Members	0%	20.78%
4			
5	July 1, 1981, through June 30, 1984		
6	County Elected Officers	0%	19.30%
7			
8	July 1, 1984, through September 30, 1984		
9	County Elected Officers	0%	20.25%
10			
11	October 1, 1981, through September 30, 1984		
12	Legislators	0%	19.30%
13	Governor, Lt. Governor, Cabinet		
14	Officers	0%	21.03%
15	State Attorneys, Public Defenders	0%	20.95%
16	Justices, Judges	0%	22.55%
17			
18	October 1, 1984, through September 30, 1986		
19	Legislators	0%	10.98%
20	Governor, Lt. Governor, Cabinet		
21	Officers	0%	10.98%
22	State Attorneys, Public Defenders	0%	10.98%
23	Justices, Judges	0%	21.79%
24	County Elected Officers	0%	16.97%
25			
26	October 1, 1986, through December 31, 1988		
27	Legislators	0%	11.50%
28	Governor, Lt. Governor, Cabinet		
29	Officers	0%	11.50%
30	State Attorneys, Public Defenders	0%	11.50%
31	Justices, Judges	0%	20.94%

1	County Elected Officers	0%	17.19%
2			
3	January 1, 1989, through December 31, 1989		
4	Legislators	0%	13.70%
5	Governor, Lt. Governor, Cabinet		
6	Officers	0%	13.70%
7	State Attorneys, Public Defenders	0%	13.70%
8	Justices, Judges	0%	22.58%
9	County Elected Officers	0%	18.44%
10			
11	January 1, 1990, through December 31, 1990		
12	Legislators	0%	15.91%
13	Governor, Lt. Governor, Cabinet		
14	Officers	0%	15.91%
15	State Attorneys, Public Defenders	0%	15.91%
16	Justices, Judges	0%	24.22%
17	County Elected Officers	0%	19.71%
18			
19	January 1, 1991, through December 31, 1991		
20	Legislators	0%	17.73%
21	Governor, Lt. Governor, Cabinet		
22	Officers	0%	17.73%
23	State Attorneys, Public Defenders	0%	17.73%
24	Justices, Judges	0%	26.63%
25	County Elected Officers	0%	23.32%
26			
27	January 1, 1992, through December 31, 1992		
28	Legislators	0%	19.94%
29	Governor, Lt. Governor, Cabinet		
30	Officers	0%	19.94%
31	State Attorneys, Public Defenders	0%	19.94%

1	Justices, Judges	0%	28.27%
2	County Elected Officers	0%	24.59%
3			
4	January 1, 1993, through December 31, 1993		
5	Legislators	0%	22.14%
6	Governor, Lt. Governor, Cabinet		
7	Officers	0%	22.14%
8	State Attorneys, Public Defenders	0%	22.14%
9	Justices, Judges	0%	29.91%
10	County Elected Officers	0%	25.84%
11			
12	January 1, 1994, through December 31, 1994		
13	Legislators	0%	22.65%
14	Governor, Lt. Governor, Cabinet		
15	Officers	0%	22.65%
16	State Attorneys, Public Defenders	0%	22.65%
17	Justices, Judges	0%	30.52%
18	County Elected Officers	0%	26.07%
19			
20	January 1, 1995, through December 31, 1995		
21	Legislators	0%	22.80%
22	Governor, Lt. Governor, Cabinet		
23	Officers	0%	22.80%
24	State Attorneys, Public Defenders	0%	22.80%
25	Justices, Judges	0%	30.21%
26	County Elected Officers	0%	27.48%
27			
28	January 1, 1996, through June 30, 1996		
29	Legislators	0%	22.90%
30	Governor, Lt. Governor, Cabinet		
31	Officers	0%	22.90%

1	State Attorneys, Public Defenders	0%	22.90%
2	Justices, Judges	0%	30.15%
3	County Elected Officers	0%	27.54%
4			
5	July 1, 1996, through June 30, 1998		
6	Legislators	0%	23.07%
7	Governor, Lt. Governor, Cabinet		
8	Officers	0%	23.07%
9	State Attorneys, Public Defenders	0%	23.07%
10	Justices, Judges	0%	29.55%
11	County Elected Officers	0%	27.33%
12			
13	Effective July 1, 1998, <u>through</u>		
14	<u>June 30, 1999</u>		
15	Legislators	0%	22.33%
16	Governor, Lt. Governor, Cabinet		
17	Officers	0%	22.33%
18	State Attorneys, Public Defenders	0%	22.33%
19	Justices, Judges	0%	27.21%
20	County Elected Officers	0%	26.99%
21			
22	<u>Effective July 1, 1999</u>		
23	<u>Legislators</u>	<u>0%</u>	<u>14.31%</u>
24	<u>Governor, Lt. Governor, Cabinet</u>		
25	<u>Officers</u>	<u>0%</u>	<u>14.31%</u>
26	<u>State Attorneys, Public</u>		
27	<u>Defenders</u>	<u>0%</u>	<u>14.31%</u>
28	<u>Justices, Judges</u>	<u>0%</u>	<u>20.48%</u>
29	<u>County Elected</u>		
30	<u>Officers</u>	<u>0%</u>	<u>17.05%</u>
31			

1 Section 8. Paragraph (a) of subsection (3) of section
 2 121.055, Florida Statutes, 1998 Supplement, as amended by
 3 chapters 96-423 and 98-413, Laws of Florida, is reenacted and
 4 amended, and paragraph (e) of subsection (6) of said section
 5 is amended, to read:

6 121.055 Senior Management Service Class.--There is
 7 hereby established a separate class of membership within the
 8 Florida Retirement System to be known as the "Senior
 9 Management Service Class," which shall become effective
 10 February 1, 1987.

11 (3)(a) The following table states the required
 12 retirement contribution rates for members of the Senior
 13 Management Service Class and their employers in terms of a
 14 percentage of the member's gross compensation. A change in
 15 the contribution rate is effective with the first salary paid
 16 on or after the beginning date of the change. Contributions
 17 shall be made for each pay period and are in addition to the
 18 contributions required for social security and the Retiree
 19 Health Insurance Subsidy Trust Fund.

20
 21 Dates of Contribution

22 Rate Changes	Members	Employers
23 24 February 1, 1987, through		
25 December 31, 1988	0%	13.88%
26 January 1, 1989, through		
27 December 31, 1989	0%	14.95%
28 January 1, 1990, through		
29 December 31, 1990	0%	16.04%
30 January 1, 1991, through		
31 December 31, 1991	0%	18.39%

1	January 1, 1992, through		
2	December 31, 1992	0%	19.48%
3	January 1, 1993, through		
4	December 31, 1993	0%	20.55%
5	January 1, 1994, through		
6	December 31, 1994	0%	23.07%
7	January 1, 1995, through		
8	December 31, 1995	0%	23.88%
9	January 1, 1996, through		
10	June 30, 1996	0%	24.14%
11	July 1, 1996, through		
12	June 30, 1998	0%	21.58%
13	Effective July 1, 1998, through		
14	<u>June 30, 1999</u>	0%	23.10%
15	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>11.19%</u>

16
17 (6)

18 (e) Benefits.--

19 1. Benefits shall be payable under the Senior
20 Management Service Optional Annuity Program only to
21 participants in the program, or their beneficiaries as
22 designated by the participant in the contract with a provider
23 company, and such benefits shall be paid by the designated
24 company in accordance with the terms of the annuity contract
25 or contracts applicable to the participant. A participant must
26 be terminated from all employment with all Florida Retirement
27 System employers as provided in s. 121.021(39) to begin
28 receiving the employer-funded benefit. Benefits funded by
29 employer contributions shall be payable only as a lifetime
30 annuity to the participant, his beneficiary, or his estate,
31 except for:

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

3 b. A cash-out of a de minimis account upon the request
4 of a former participant who has been terminated for a minimum
5 of 6 months from the employment that entitled him to optional
6 annuity ~~retirement~~ program participation. A de minimis account
7 is an account with a provider company containing employer
8 contributions and accumulated earnings of not more than \$5,000
9 ~~\$3,500~~ made under the provisions of this chapter. Such
10 cash-out must be a complete liquidation of the account balance
11 with that company and is subject to the provisions of the
12 Internal Revenue Code.

13 2. The benefits payable to any person under the Senior
14 Management Service Optional Annuity Program, and any
15 contribution accumulated under such program, shall not be
16 subject to assignment, execution, or attachment or to any
17 legal process whatsoever.

18 3. A participant who receives optional annuity program
19 benefits funded by employer contributions shall be deemed to
20 be retired from a state-administered retirement system in the
21 event of subsequent employment with any employer that
22 participates in the Florida Retirement System.

23 Section 9. Subsection (1) of section 121.071, Florida
24 Statutes, 1998 Supplement, as amended by chapters 96-423 and
25 98-413, Laws of Florida, is reenacted and amended to read:

26 121.071 Contributions.--Contributions to the system
27 shall be made as follows:

28 (1) The following tables state the required retirement
29 contribution rates for members of the Regular Class, Special
30 Risk Class, or Special Risk Administrative Support Class and
31 their employers in terms of a percentage of the member's gross

1 compensation. A change in a contribution rate is effective
 2 with the first salary paid on or after the beginning date of
 3 the change. Contributions shall be made or deducted as may be
 4 appropriate for each pay period and are in addition to the
 5 contributions required for social security and the Retiree
 6 Health Insurance Subsidy Trust Fund.

7 (a) Retirement contributions for regular members are
 8 as follows:

9
 10 Dates of Contribution

11 Rate Changes	Members	Employers
13 December 1, 1970, through December 14 31, 1974, for state agencies, state 15 universities, community colleges, 16 and district school boards	4%	4%
18 December 1, 1970, through September 19 30, 1975, for all other local 20 government agencies	4%	4%
22 January 1, 1975, through September 23 30, 1978, for state agencies and 24 state universities	0%	9%
26 January 1, 1975, through July 31, 27 1978, for community colleges and 28 district school boards	0%	9%

1			
2	October 1, 1975, through September		
3	30, 1978, for all other local		
4	government agencies	0%	9%
5			
6	August 1, 1978, through September 30,		
7	1981, for community colleges and		
8	district school boards	0%	9.1%
9			
10	October 1, 1978, through September		
11	30, 1981, for all other agencies	0%	9.1%
12			
13	October 1, 1981, through		
14	September 30, 1984	0%	10.93%
15	October 1, 1984, through		
16	September 30, 1986	0%	12.24%
17	October 1, 1986, through		
18	December 31, 1988	0%	13.14%
19	January 1, 1989, through		
20	December 31, 1989	0%	13.90%
21	January 1, 1990, through		
22	December 31, 1990	0%	14.66%
23	January 1, 1991, through		
24	December 31, 1991	0%	15.72%
25	January 1, 1992, through		
26	December 31, 1992	0%	16.51%
27	January 1, 1993, through		
28	December 31, 1993	0%	17.27%
29	January 1, 1994, through		
30	December 31, 1994	0%	17.10%
31	January 1, 1995, through		

1	December 31, 1995	0%	16.91%
2	January 1, 1996, through		
3	June 30, 1996	0%	17.00%
4	July 1, 1996, through		
5	June 30, 1998	0%	16.77%
6	Effective <u>July 1, 1998, through</u>		
7	<u>June 30, 1999</u>	0%	15.51%
8	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>9.21%</u>
9			
10	(b) Retirement contributions for special risk members		
11	are as follows:		
12			
13	Dates of Contribution		
14	Rate Changes	Members	Employers
15			
16	December 1, 1970, through		
17	September 30, 1974	6%	6%
18			
19	October 1, 1974, through December 31,		
20	1974, for state agencies, state		
21	universities, community colleges,		
22	and district school boards	8%	8%
23			
24	October 1, 1974, through September		
25	30, 1975, for all other local		
26	government agencies	8%	8%
27			
28	January 1, 1975, through September		
29	30, 1978, for state agencies, state		
30	universities, community colleges,		
31	and district school boards	0%	13%

1			
2	October 1, 1975, through September		
3	30, 1978, for other local		
4	government agencies	0%	13%
5			
6	October 1, 1978, through		
7	September 30, 1981	0%	13.95%
8	October 1, 1981, through		
9	September 30, 1984	0%	13.91%
10	October 1, 1984, through		
11	September 30, 1986	0%	14.67%
12	October 1, 1986, through		
13	December 31, 1988	0%	15.11%
14	January 1, 1989, through		
15	December 31, 1989	0%	17.50%
16	January 1, 1990, through		
17	December 31, 1990	0%	19.90%
18	January 1, 1991, through		
19	December 31, 1991	0%	25.52%
20	January 1, 1992, through		
21	December 31, 1992	0%	26.35%
22	January 1, 1993, through		
23	December 31, 1993	0%	27.14%
24	January 1, 1994, through		
25	December 31, 1994	0%	27.03%
26	January 1, 1995, through		
27	December 31, 1995	0%	26.83%
28	January 1, 1996, through		
29	June 30, 1996	0%	26.84%
30	July 1, 1996, through		
31	June 30, 1998	0%	26.44%

1	Effective <u>July 1, 1998, through</u>		
2	<u>June 30, 199</u>	0%	24.38%
3	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>20.22%</u>
4			
5	(c) Retirement contributions for special risk		
6	administrative support members are as follows:		
7			
8	Dates of Contribution		
9	Rate Changes	Members	Employers
10			
11	July 1, 1982, through		
12	September 30, 1984	0%	11.14%
13	October 1, 1984, through		
14	September 30, 1986	0%	13.09%
15	October 1, 1986, through		
16	December 31, 1988	0%	15.44%
17	January 1, 1989, through		
18	December 31, 1989	0%	14.76%
19	January 1, 1990, through		
20	December 31, 1990	0%	14.09%
21	January 1, 1991, through		
22	December 31, 1991	0%	20.16%
23	January 1, 1992, through		
24	December 31, 1992	0%	19.51%
25	January 1, 1993, through		
26	December 31, 1993	0%	18.83%
27	January 1, 1994, through		
28	December 31, 1994	0%	18.59%
29	January 1, 1995, through		
30	December 31, 1995	0%	17.81%
31	January 1, 1996, through		

1	June 30, 1996	0%	17.80%
2	July 1, 1996, through		
3	June 30, 1998	0%	17.20%
4	Effective July 1, 1998, <u>through</u>		
5	<u>June 30, 1999</u>	0%	14.64%
6	<u>Effective July 1, 1999</u>	<u>0%</u>	<u>11.53</u>

7
8 Section 10. Paragraph (i) of subsection (1) and
9 subsection (2) of section 121.081, Florida Statutes, 1998
10 Supplement, are amended to read:

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

14 (1)

15 (i) An employee of a state agency who was a member of
16 a state-administered retirement system and who was granted
17 educational leave with pay pursuant to a written educational
18 leave-with-pay policy may claim such period of educational
19 leave as past service subject to the following conditions:

20 1. The educational leave must have occurred prior to
21 December 31, 1971;

22 2. The member must have completed at least 10 years of
23 creditable service excluding the period of the educational
24 leave;

25 3. The employee must have returned to employment with
26 a state agency employer who participated in the retirement
27 system, which return was immediately upon termination of the
28 educational leave, and must have remained on the employer's
29 payroll for at least 1 calendar month ~~30 calendar days~~
30 following the return to employment;

31

1 4. The employee must be a member of the Florida
2 Retirement System at the time he or she claims such service;

3 5. Not more than 24 months of creditable service may
4 be claimed for such period of educational leave with pay;

5 6. The service must not be claimed under any other
6 state or federal retirement system; and

7 7. The member must pay to the retirement trust fund
8 for claiming such past-service credit an amount equal to 8
9 percent of his or her gross annual salary immediately prior to
10 the educational leave with pay for each year of past service
11 claimed, plus 4 percent interest thereon compounded annually
12 each June 30 from the first year of service claimed until July
13 1, 1975, and 6.5 percent interest thereafter on the unpaid
14 balance compounded annually each June 30 until paid.

15 (2) Prior service, as defined in s. 121.021(19), may
16 be claimed as creditable service under the Florida Retirement
17 System after a member has been reemployed for 1 complete year
18 of creditable service within a period of 12 consecutive
19 ~~continuous~~ months, except as provided in paragraph (c).
20 Service performed as a participant of the optional retirement
21 program for the State University System under s. 121.35 or the
22 Senior Management Service Optional Annuity Program under s.
23 121.055 may be used to satisfy the reemployment requirement of
24 1 complete year of creditable service ~~12-month~~
25 ~~continuous-month~~ requirement. The member shall not be permitted to make any
26 contributions for prior service until after completion of the
27 1 year of creditable service ~~12-month period~~. The required
28 contributions for claiming the various types of prior service
29 are:

30 (a) For prior service performed prior to the date the
31 system becomes noncontributory for the member and for which

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

22 (b) For prior service performed prior to the date the
23 system becomes noncontributory for the member and for which
24 the member had credit under the Florida Retirement System and
25 received a refund of contributions upon termination of
26 employment, the member shall contribute at the rate that was
27 required of him or her during the period of service being
28 claimed, on all salary received during such period, plus 4
29 percent interest compounded annually from date of refund until
30 July 1, 1975, and 6.5 percent interest compounded annually
31

1 thereafter, until the full payment is made to the Retirement
2 Trust Fund.

3 (c) For prior service as defined in s. 121.021(19)(b)
4 and (c) during which no contributions were made because the
5 member did not participate in a retirement system, the member
6 shall contribute 14.38 percent of all salary received during
7 such period or 14.38 percent of \$100 per month during such
8 period, whichever is greater, plus 4 percent interest
9 compounded annually from the first year of service claimed
10 until July 1, 1975, and 6.5 percent interest compounded
11 annually thereafter, until full payment is made to the
12 Retirement Trust Fund.

13 (d) In order to claim credit for prior service as
14 defined in s. 121.021(19)(d) for which no retirement
15 contributions were paid during the period of such service, the
16 member shall contribute the total employee and employer
17 contributions which were required to be made to the Highway
18 Patrol Pension Trust Fund, as provided in chapter 321, during
19 the period claimed, plus 4 percent interest compounded
20 annually from the first year of service until July 1, 1975,
21 and 6.5 percent interest compounded annually thereafter, until
22 full payment is made to the Retirement Trust Fund. However,
23 any governmental entity which employed such member may elect
24 to pay up to 50 percent of the contributions and interest
25 required to purchase this prior service credit.

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

1 detailing the documentation required to substantiate the
2 error.

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

10 Section 11. Paragraph (c) of subsection (4), paragraph
11 (f) of subsection (7), and paragraphs (a) and (i) of
12 subsection (13) of section 121.091, Florida Statutes, 1998
13 Supplement, are amended to read:

14 121.091 Benefits payable under the system.--Benefits
15 may not be paid under this section unless the member has
16 terminated employment as provided in s. 121.021(39)(a) or
17 begun participation in the Deferred Retirement Option Program
18 as provided in subsection (13), and a proper application has
19 been filed in the manner prescribed by the division. The
20 division may cancel an application for retirement benefits
21 when the member or beneficiary fails to timely provide the
22 information and documents required by this chapter and the
23 division's rules. The division shall adopt rules establishing
24 procedures for application for retirement benefits and for the
25 cancellation of such application when the required information
26 or documents are not received.

27 (4) DISABILITY RETIREMENT BENEFIT.--

28 (b) Total and permanent disability.--A member shall be
29 considered totally and permanently disabled if, in the opinion
30 of the administrator, he or she is prevented, by reason of a
31 medically determinable physical or mental impairment, from

1 rendering useful and efficient service as an officer or
2 employee.

3 (c) Proof of disability.--The administrator, before
4 approving payment of any disability retirement benefit, shall
5 require proof that the member is totally and permanently
6 disabled as provided herein:

7 1. Such, which proof shall include the certification
8 of the member's total and permanent disability by two licensed
9 physicians of the state and such other evidence of disability
10 as the administrator may require, including reports from
11 vocational rehabilitation, evaluation, or testing specialists
12 who have evaluated the applicant for employment.

13 2. It must be documented that:

14 a. The member's medical condition occurred or became
15 symptomatic during the time the member was employed in an
16 employee/employer relationship with his or her employer;

17 b. The member was totally and permanently disabled at
18 the time he or she terminated covered employment; and

19 c. The member has not been employed with any other
20 employer after such termination.

21 3. If the application is for in-line-of-duty
22 disability, in addition to the requirements of subparagraph
23 2., it must be documented by competent medical evidence that
24 the disability was caused by a job-related illness or accident
25 which occurred while the member was in an employee/employer
26 relationship with his or her employer.

27 4. The unavailability of an employment position that
28 the member is physically and mentally capable of performing
29 will not be considered as proof of total and permanent
30 disability.

31 (7) DEATH BENEFITS.--

1 (f) Notwithstanding any other provisions in this
 2 chapter to the contrary and upon application to the
 3 administrator, an eligible joint annuitant, of a member whose
 4 employment is terminated by death within 1 year of such member
 5 satisfying the service requirements for vesting and retirement
 6 eligibility, shall be permitted to purchase only the
 7 additional service credit necessary to vest and qualify for
 8 retirement benefits, not to exceed a total of 1 year of
 9 credit, by one or a combination of the following methods:

10 1. Such eligible joint annuitant may use the deceased
 11 member's accumulated hours of annual, sick, and compensatory
 12 leave to purchase additional creditable service, on an hour by
 13 hour basis, provided that such deceased member's accumulated
 14 leave is sufficient to cover the additional months required.
 15 For each month of service credit needed prior to the final
 16 month, credit for the total number of work hours in that month
 17 must be purchased, using an equal number of the deceased
 18 member's accumulated leave hours. Service credit required for
 19 the final month in which the deceased member would have become
 20 vested shall be awarded upon the purchase of 1 hour of credit.
 21 Such eligible joint annuitant shall pay the contribution rate
 22 in effect for the period of time being claimed for ~~at the time~~
 23 ~~of purchase of~~ the deceased member's class of membership,
 24 multiplied by such member's monthly salary at the time of
 25 death, plus 6.5 percent interest compounded annually. The
 26 accumulated leave payment used in the average final
 27 compensation shall not include that portion of the payment
 28 that represents any leave hours used in the purchase of such
 29 creditable service.

30 2. Such eligible joint annuitant may purchase
 31 additional months of creditable service, ~~up to a maximum of 1~~

1 ~~year~~, for any periods of out-of-state service as provided in
 2 s. 121.1115, and ~~or~~ in-state service as provided in s.
 3 121.1122, that the deceased member would have been eligible to
 4 purchase prior to his or her death.

5
 6 Service purchased under this paragraph shall be added to the
 7 creditable service of the member and used to vest for
 8 retirement eligibility, and shall be used in the calculation
 9 of any benefits which may be payable to the eligible joint
 10 annuitant. Any benefits paid in accordance with this
 11 paragraph shall only be made prospectively.

12 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general,
 13 and subject to the provisions of this section, the Deferred
 14 Retirement Option Program, hereinafter referred to as the
 15 DROP, is a program under which an eligible member of the
 16 Florida Retirement System may elect to participate, deferring
 17 receipt of retirement benefits while continuing employment
 18 with his or her Florida Retirement System employer. The
 19 deferred monthly benefits shall accrue in the System Trust
 20 Fund on behalf of the participant, plus interest compounded
 21 monthly, for the specified period of the DROP participation,
 22 as provided in paragraph (c). Upon termination of employment,
 23 the participant shall receive the total DROP benefits and
 24 begin to receive the previously determined normal retirement
 25 benefits. Participation in the DROP does not guarantee
 26 employment for the specified period of DROP.

27 (a) Eligibility of member to participate in the
 28 DROP.--All active Florida Retirement System members in a
 29 regularly established position, and all active members of
 30 either the Teachers' Retirement System established in chapter
 31 238 or the State and County Officers' and Employees'

1 Retirement System established in chapter 122 which systems are
2 consolidated within the Florida Retirement System under s.
3 121.011, are eligible to elect participation in the DROP
4 provided that:

5 1. The member is not a renewed member of the Florida
6 Retirement System under s. 121.122, or a member of the State
7 Community College System Optional Retirement Program under s.
8 121.051, the Senior Management Service Optional Annuity
9 Program under s. 121.055, or the optional retirement program
10 for the State University System under s. 121.35.

11 2. Election to participate is made within 12 months
12 immediately following the date on which the member first
13 reaches normal retirement date, or, for a member who reaches
14 normal retirement date based on service before he or she
15 reaches age 62, or age 55 for Special Risk Class members,
16 election to participate may be deferred to the 12 months
17 immediately following the date the member attains 57, or age
18 52 ~~50~~ for Special Risk Class members. For a member who first
19 reached normal retirement date or the deferred eligibility
20 date described above prior to the effective date of this
21 section, election to participate shall be made within 12
22 months after the effective date of this section. A member who
23 fails to make an election within such 12-month limitation
24 period shall forfeit all rights to participate in the DROP.
25 The member shall advise his or her employer and the division
26 in writing of the date on which the DROP shall begin. Such
27 beginning date may be subsequent to the 12-month election
28 period, but must be within the 60-month limitation period as
29 provided in subparagraph (b)1. When establishing eligibility
30 of the member to participate in the DROP or the 60-month
31 maximum participation period, the member may elect to include

1 or exclude any optional service credit purchased by the member
2 from the total service used to establish the normal retirement
3 date. A member with dual normal retirement dates shall be
4 eligible to elect to participate in DROP within 12 months
5 after attaining normal retirement date in either class.

6 3. The employer of a member electing to participate in
7 the DROP, or employers if dually employed, shall acknowledge
8 in writing to the division the date the member's participation
9 in the DROP begins and the date the member's employment and
10 DROP participation will terminate.

11 4. Simultaneous employment of a participant by
12 additional Florida Retirement System employers subsequent to
13 the commencement of participation in the DROP shall be
14 permissible provided such employers acknowledge in writing a
15 DROP termination date no later than the participant's existing
16 termination date or the 60-month limitation period as provided
17 in subparagraph (b)1.

18 5. A DROP participant may change employers while
19 participating in the DROP, subject to the following:

20 a. A change of employment must take place without a
21 break in service so that the member receives salary for each
22 month of continuous DROP participation. If a member receives
23 no salary during a month, DROP participation shall cease
24 unless the employer verifies a continuation of the employment
25 relationship for such participant pursuant to s.
26 121.021(39)(b).

27 b. Such participant and new employer shall notify the
28 division on forms required by the division as to the identity
29 of the new employer.

30 c. The new employer shall acknowledge, in writing, the
31 participant's DROP termination date, which may be extended but

1 not beyond the original 60-month period provided in
2 subparagraph (b)1., shall acknowledge liability for any
3 additional retirement contributions and interest required if
4 the participant fails to timely terminate employment, and
5 shall be subject to the adjustment required in
6 sub-subparagraph(c)5.d.~~(c)4.d.~~

7 (i) Contributions.--

8 1. All employers paying the salary of a DROP
9 participant filling a regularly established position shall
10 contribute 11.56 percent of such participant's gross
11 compensation, which shall constitute the entire employer DROP
12 contribution with respect to such participant. Such
13 contributions, payable to the System Trust Fund in the same
14 manner as required in s. 121.071, shall be made as appropriate
15 for each pay period and are in addition to contributions
16 required for social security and the Retiree Health Insurance
17 Subsidy Trust Fund. Such employer, social security, and
18 health insurance subsidy contributions are not included in the
19 DROP.

20 2. The employer shall, in addition to subparagraph 1.,
21 also withhold one-half of the entire social security
22 contribution required for the participant. Contributions for
23 social security by each participant and each employer, in the
24 amount required for social security coverage as now or
25 hereafter provided by the federal Social Security Act, shall
26 be in addition to contributions specified in subparagraph 1.

27 3. All employers paying the salary of a DROP
28 participant filling a regularly established position shall
29 contribute the ~~0.66~~ percent of such participant's gross
30 compensation required in s. 121.071(4), which shall constitute
31 the employer's health insurance subsidy contribution with

1 respect to such participant. Such contributions shall be
2 deposited by the administrator in the Retiree Health Insurance
3 Subsidy Trust Fund.

4 Section 12. Subsection (3) of section 121.122, Florida
5 Statutes, 1998 Supplement, is amended to read:

6 121.122 Renewed membership in system.--Except as
7 provided in s. 121.053, effective July 1, 1991, any retiree of
8 a state-administered retirement system who is employed in a
9 regularly established position with a covered employer shall
10 be enrolled as a compulsory member of the Regular Class of the
11 Florida Retirement System or, effective July 1, 1997, any
12 retiree of a state-administered retirement system who is
13 employed in a position included in the Senior Management
14 Service Class shall be enrolled as a compulsory member of the
15 Senior Management Service Class of the Florida Retirement
16 System as provided in s. 121.055, and shall be entitled to
17 receive an additional retirement benefit, subject to the
18 following conditions:

19 (3) Such member shall be entitled to purchase
20 additional retirement credit in the Regular Class or the
21 Senior Management Service Class, as applicable, for any
22 postretirement service performed in a regularly established
23 position as follows:

24 (a) For regular class service prior to July 1, 1991,
25 by paying the Regular Class applicable employee and employer
26 contributions for the period being claimed, plus 4 percent
27 interest compounded annually from first year of service
28 claimed until July 1, 1975, and 6.5 percent interest
29 compounded thereafter, until full payment is made to the
30 Florida Retirement System Trust Fund; or

31

1 (b) For Senior Management Service Class prior to June
2 1, 1997, as provided in s. 121.055(1)(i)~~(h)~~.

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

13 Section 13. Subsection (5) of section 121.24, Florida
14 Statutes, is renumbered as subsection (6), and a new
15 subsection (5) is added to said section, to read:

16 121.24 Conduct of commission business; legal and other
17 assistance; compensation.--

18 (5) The State Retirement Commission has the authority
19 to adopt rules pursuant to ss. 120.54 and 120.536(1) to
20 implement the provisions of law conferring duties upon the
21 commission.

22 Section 14. Paragraph (a) of subsection (5) of section
23 121.35, Florida Statutes, 1998 Supplement, is amended to read:

24 121.35 Optional retirement program for the State
25 University System.--

26 (5) BENEFITS.--

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

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

8 1. A lump-sum payment to the beneficiary upon the
9 death of the participant; or

10 2. A cash-out of a de minimis account upon the request
11 of a former participant who has been terminated for a minimum
12 of 6 months from the employment that entitled him to optional
13 retirement program participation. A de minimis account is an
14 account with a provider company containing employer
15 contributions and accumulated earnings of not more than \$5,000
16 ~~\$3,500~~ made under the provisions of this chapter. Such
17 cash-out must be a complete liquidation of the account balance
18 with that company and is subject to the provisions of the
19 Internal Revenue Code.

20 Section 15. Subsection (11) of section 121.40, Florida
21 Statutes, 1998 Supplement, is amended, and subsection (12) of
22 said section, as amended by chapters 96-423 and 98-413, Laws
23 of Florida, is reenacted to read:

24 121.40 Cooperative extension personnel at the
25 Institute of Food and Agricultural Sciences; supplemental
26 retirement benefits.--

27 (4) ELIGIBILITY FOR SUPPLEMENT.--To be eligible for a
28 benefit pursuant to the provisions of this section, a person
29 must meet all of the following eligibility criteria:

30 (e) The person must not be entitled to any benefit
31 from a state-supported retirement system or from social

1 security based upon service as a cooperative extension
 2 employee of the institute. Participation in the Institute of
 3 Food and Agricultural Sciences Supplemental Retirement Program
 4 shall not constitute membership in the Florida Retirement
 5 System.

6 (11) EMPLOYMENT AFTER RETIREMENT: LIMITATION.--

7 ~~(a)~~ Any person who is receiving a supplemental
 8 retirement benefit under this section may be reemployed by any
 9 private or public employer after retirement and receive
 10 supplemental retirement benefits pursuant to this section and
 11 compensation from his or her employer, without any
 12 limitations. However, if a retired participant who is
 13 receiving a supplemental retirement benefit under this section
 14 is reemployed at the institute in a position as a cooperative
 15 extension employee of the institute, he or she shall forfeit
 16 all rights to supplemental retirement benefits in accordance
 17 with the eligibility provisions of subsection (4)(e)., except
 18 that no person may receive both a salary from reemployment
 19 with any agency participating in the Florida Retirement System
 20 and supplemental retirement benefits under this section for a
 21 period of 12 months immediately subsequent to the date of
 22 retirement.

23 (b) ~~Each person to whom the limitation in paragraph~~
 24 ~~(a) applies who violates such reemployment limitation and who~~
 25 ~~is reemployed with any agency participating in the Florida~~
 26 ~~Retirement System prior to completion of the 12-month~~
 27 ~~limitation period shall give timely notice of this fact in~~
 28 ~~writing to the employer and to the division and shall have his~~
 29 ~~or her supplemental retirement benefits suspended for the~~
 30 ~~balance of the 12-month limitation period. Any person~~
 31 ~~employed in violation of this subsection and any employing~~

1 ~~agency which knowingly employs or appoints such person without~~
2 ~~notifying the Division of Retirement to suspend retirement~~
3 ~~benefits shall be jointly and severally liable for~~
4 ~~reimbursement to the retirement trust fund of any benefits~~
5 ~~paid during the reemployment limitation period. To avoid~~
6 ~~liability, such employing agency shall have a written~~
7 ~~statement from the retiree that he or she is not retired from~~
8 ~~a state-administered retirement system. Any supplemental~~
9 ~~retirement benefits received while reemployed during this~~
10 ~~reemployment limitation period shall be repaid to the trust~~
11 ~~fund, and supplemental retirement benefits shall remain~~
12 ~~suspended until such repayment has been made. Supplemental~~
13 ~~benefits suspended beyond the reemployment limitation shall~~
14 ~~apply toward repayment of supplemental benefits received in~~
15 ~~violation of the reemployment limitation.~~

16 ~~(c) The reemployment by an employer participating in~~
17 ~~the Florida Retirement System of any person receiving~~
18 ~~supplemental retirement benefits under this section shall have~~
19 ~~no effect on the amount of the supplemental benefit of that~~
20 ~~person. Prior to July 1, 1991, upon employment of any person,~~
21 ~~other than an elected officer as provided in s. 121.053, who~~
22 ~~is receiving supplemental retirement benefits under this~~
23 ~~section, the employer shall pay retirement contributions in an~~
24 ~~amount equal to the unfunded actuarial accrued liability~~
25 ~~portion of the employer contribution which would be required~~
26 ~~for regular members of the Florida Retirement System.~~
27 ~~Effective July 1, 1991, contributions shall be made as~~
28 ~~provided in s. 121.122 for renewed membership.~~

29 ~~(d) The limitations of this subsection apply to~~
30 ~~reemployment in any capacity with an "employer" as defined in~~
31

1 ~~s. 121.021(10), irrespective of the category of funds from~~
2 ~~which the person is compensated.~~

3 (12) CONTRIBUTIONS.--

4 (a) For the purposes of funding the supplemental
5 benefits provided by this section, the institute is authorized
6 and required to pay, commencing July 1, 1985, the necessary
7 monthly contributions from its appropriated budget. These
8 amounts shall be paid into the Institute of Food and
9 Agricultural Sciences Supplemental Retirement Trust Fund,
10 which is hereby created.

11 (b) The monthly contributions required to be paid
12 pursuant to paragraph (a) on the gross monthly salaries, from
13 all sources with respect to such employment, paid to those
14 employees of the institute who hold both state and federal
15 appointments and who participate in the federal Civil Service
16 Retirement System shall be as follows:

18 Dates of Contribution	Percentage
19 Rate Changes	Due
21 July 1, 1985, through December 31, 1988	6.68%
22 January 1, 1989, through December 31, 1993	6.35%
23 January 1, 1994, through December 31, 1994	6.69%
24 January 1, 1995, through June 30, 1996	6.82%
25 July 1, 1996, through June 30, 1998	5.64%
26 Effective July 1, 1998	7.17%

27
28 Section 16. Subsection (11) of section 413.051,
29 Florida Statutes, 1998 Supplement, as amended by chapter
30 96-423 and subsection (12) of said section, as amended by
31

1 chapters 96-423 and 98-149, Laws of Florida, are reenacted to
2 read:

3 413.051 Eligible blind persons; operation of vending
4 stands.--

5 (11) Effective July 1, 1996, blind licensees who
6 remain members of the Florida Retirement System pursuant to s.
7 121.051(6)(b)1. shall pay any unappropriated retirement costs
8 from their net profits or from program income. Within 30 days
9 after the effective date of this act, each blind licensee who
10 is eligible to maintain membership in the Florida Retirement
11 System under s. 121.051(6)(b)1., but who elects to withdraw
12 from the system as provided in s. 121.051(6)(b)3., must, on or
13 before July 31, 1996, notify the Division of Blind Services
14 and the Division of Retirement in writing of his or her
15 election to withdraw. Failure to timely notify the divisions
16 shall be deemed a decision to remain a compulsory member of
17 the Florida Retirement System. However, if, at any time after
18 July 1, 1996, sufficient funds are not paid by a blind
19 licensee to cover the required contribution to the Florida
20 Retirement System, that blind licensee shall become ineligible
21 to participate in the Florida Retirement System on the last
22 day of the first month for which no contribution is made or
23 the amount contributed is insufficient to cover the required
24 contribution. For any blind licensee who becomes ineligible
25 to participate in the Florida Retirement System as described
26 in this subsection, no creditable service shall be earned
27 under the Florida Retirement System for any period following
28 the month that retirement contributions ceased to be reported.
29 However, any such person may participate in the Florida
30 Retirement System in the future if employed by a participating
31 employer in a covered position.

1 (12) The Division of Blind Services may adopt rules to
2 permit the division to establish and maintain vending
3 facilities, issue licenses, establish and maintain a vending
4 facility training program, provide vendors access to financial
5 data of the program, set aside funds from net proceeds of the
6 vending facility, provide for the transfer and promotion of
7 vendors, establish a vendors committee, provide for an
8 operation agreement, provide duties and responsibilities of
9 the division with respect to the vending facility program, and
10 provide procedures for newspaper vending sales.

11 Section 17. Paragraph (b) of subsection (1) of section
12 175.071, Florida Statutes, 1998 Supplement, is amended to
13 read:

14 175.071 General powers and duties of board of
15 trustees.--For any municipality, special fire control
16 district, chapter plan, local law municipality, local law
17 special fire control district, or local law plan under this
18 chapter:

19 (1) The board of trustees may:

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

22 1. Time or savings accounts of a national bank, a
23 state bank insured by the Bank Insurance Fund, or a savings,
24 building, and loan association insured by the Savings
25 Association Insurance Fund which is administered by the
26 Federal Deposit Insurance Corporation or a state or federal
27 chartered credit union whose share accounts are insured by the
28 National Credit Union Share Insurance Fund.

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

1 3. Bonds issued by the State of Israel.

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

6 a. The corporation is listed on any one or more of the
7 recognized national stock exchanges or on the National Market
8 System of the Nasdaq Stock Market and, in the case of bonds
9 only, holds a rating in one of the three highest
10 classifications by a major rating service; and

11 b. The board of trustees shall not invest more than 5
12 percent of its assets in the common stock or capital stock of
13 any one issuing company, nor shall the aggregate investment in
14 any one issuing company exceed 5 percent of the outstanding
15 capital stock of that company or the aggregate of its
16 investments under this subparagraph at cost exceed 50 percent
17 of the assets of the fund.

18
19 This paragraph shall apply to all boards of trustees and
20 participants. However, in the event that a municipality or
21 special fire control district has a duly enacted pension plan
22 pursuant to, and in compliance with, s. 175.351, and the
23 trustees thereof desire to vary the investment procedures
24 herein, the trustees of such plan shall request a variance of
25 the investment procedures as outlined herein only through a
26 municipal ordinance, special act of the Legislature, or
27 resolution by the governing body of the special fire control
28 district; where a special act, or a municipality by ordinance
29 adopted prior to July 1, 1998, permits a greater than
30 50-percent equity investment, such municipality shall not be
31 required to comply with the aggregate equity investment

1 provisions of this paragraph. Notwithstanding any other
2 provision of law to the contrary, nothing in this section may
3 be construed to take away any preexisting legal authority to
4 make equity investments that exceed the requirements of this
5 paragraph. The board of trustees may invest up to 10 percent
6 of plan assets in foreign securities.

7 Section 18. Paragraph (b) of subsection (1) of section
8 185.06, Florida Statutes, 1998 Supplement, is 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 (b) Invest and reinvest the assets of the retirement
14 trust fund in:

15 1. Time or savings accounts of a national bank, a
16 state bank insured by the Bank Insurance Fund, or a savings
17 and loan association insured by the Savings Association
18 Insurance Fund which is administered by the Federal Deposit
19 Insurance Corporation or a state or federal chartered credit
20 union whose share accounts are insured by the National Credit
21 Union Share Insurance Fund.

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

24 3. Bonds issued by the State of Israel.

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

29 a. The corporation is listed on any one or more of the
30 recognized national stock exchanges or on the National Market
31 System of the Nasdaq Stock Market and, in the case of bonds

1 only, holds a rating in one of the three highest
2 classifications by a major rating service; and

3 b. The board of trustees shall not invest more than 5
4 percent of its assets in the common stock or capital stock of
5 any one issuing company, nor shall the aggregate investment in
6 any one issuing company exceed 5 percent of the outstanding
7 capital stock of the company or the aggregate of its
8 investments under this subparagraph at cost exceed 50 percent
9 of the fund's assets.

10

11 This paragraph shall apply to all boards of trustees and
12 participants. However, in the event that a municipality has a
13 duly enacted pension plan pursuant to, and in compliance with,
14 s. 185.35 and the trustees thereof desire to vary the
15 investment procedures herein, the trustees of such plan shall
16 request a variance of the investment procedures as outlined
17 herein only through a municipal ordinance or special act of
18 the Legislature; where a special act, or a municipality by
19 ordinance adopted prior to July 1, 1998, permits a greater
20 than 50-percent equity investment, such municipality shall not
21 be required to comply with the aggregate equity investment
22 provisions of this paragraph. Notwithstanding any other
23 provision of law to the contrary, nothing in this section may
24 be construed to take away any preexisting legal authority to
25 make equity investments that exceed the requirements of this
26 paragraph. The board of trustees may invest up to 10 percent
27 of plan assets in foreign securities.

28 Section 19. Section 121.027, Florida Statutes, is
29 repealed.

30 Section 20. The Governor, Comptroller, and Treasurer,
31 sitting as the Board of Trustees of the State Board of

1 Administration, shall review the actuarial valuation report
2 prepared in accordance with the provisions of chapter 121,
3 Florida Statutes. The Board shall review the process by which
4 Florida Retirement System contribution rates are determined
5 and recommend and submit any comments regarding the process to
6 the Legislature.

7 Section 21. Section 112.18, Florida Statutes, is
8 amended to read:

9 112.18 Firefighters and state law enforcement
10 officers; special provisions relative to disability.--

11 (1) Any condition or impairment of health of any
12 Florida state, municipal, county, port authority, special tax
13 district, or fire control district firefighter or state law
14 enforcement officer caused by tuberculosis, heart disease, or
15 hypertension resulting in total or partial disability or death
16 shall be presumed to have been accidental and to have been
17 suffered in the line of duty unless the contrary be shown by
18 competent evidence. However, any such firefighter or state law
19 enforcement officer shall have successfully passed a physical
20 examination upon entering into any such service as a
21 firefighter or state law enforcement officer, which
22 examination failed to reveal any evidence of any such
23 condition. Such presumption shall not apply to benefits
24 payable under or granted in a policy of life insurance or
25 disability insurance, unless the insurer and insured have
26 negotiated for such additional benefits to be included in the
27 policy contract.

28 (2) This section shall be construed to authorize the
29 above governmental entities to negotiate policy contracts for
30 life and disability insurance to include accidental death
31 benefits or double indemnity coverage which shall include the

1 presumption that any condition or impairment of health of any
2 firefighter caused by tuberculosis, heart disease, or
3 hypertension resulting in total or partial disability or death
4 was accidental and suffered in the line of duty, unless the
5 contrary be shown by competent evidence.

6 Section 22. This act shall take effect upon becoming
7 law, except that the reenactment of subsection (6) of section
8 121.051, paragraph (a) of subsection (7) of section 121.052,
9 paragraph (a) of subsection (3) of section 121.055, subsection
10 (1) of section 121.071, subsection (12) of section 121.40, and
11 subsections (11) and (12) of section 413.051, Florida
12 Statutes, shall operate retroactively to June 7, 1996.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31