

By the Committee on Governmental Oversight and Productivity

302-574-99

1                                   A bill to be entitled  
 2           An act relating to public employees; creating  
 3           s. 110.1315, F.S.; requiring that the  
 4           Department of Management Services contract with  
 5           a private vendor for an alternative retirement  
 6           program for temporary and seasonal state  
 7           employees; providing contract requirements;  
 8           providing for the use of unobligated payroll  
 9           contributions by state agencies; providing for  
 10          oversight of the program; requiring the private  
 11          vendor to indemnify the state and participating  
 12          employees from certain adverse tax  
 13          consequences; providing an effective date.

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

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 17           Section 1. Section 110.1315, Florida Statutes, is  
 18 created to read:

19           110.1315 Alternative benefits; other-personal-services  
 20 employees.--The Department of Management Services shall  
 21 contract for the implementation of an alternative retirement  
 22 income security program for eligible part-time and seasonal  
 23 employees of the state which is funded from appropriations for  
 24 other personal services. The contract must provide for a  
 25 private vendor to administer the program and the program must  
 26 provide retirement benefits that are equivalent to or better  
 27 than the retirement benefits provided under federal law.  
 28 Subject to annual legislative appropriation, unobligated  
 29 employer payroll contributions may be retained by the  
 30 employing agency and used for performance or productivity  
 31 improvements in fulfilling its approved strategic plan or

1 performance budget, for supplemental contributions or  
2 enhancements to the program, or for improvements to the agency  
3 or its workforce which have been collectively bargained. The  
4 department shall develop a request for proposals and solicit  
5 qualified vendors to compete for the award of the contract.  
6 The proposal may require that the vendor provide market risk  
7 or volatility ratings from recognized rating agencies for each  
8 of its investment products. The department shall provide for a  
9 system of continuous quality assurance oversight to ensure  
10 that program objectives are achieved and that the program is  
11 prudently managed. The successful vendor shall indemnify the  
12 state, its agencies, and participating employees from any  
13 adverse tax consequences if the program is in violation of the  
14 Social Security Act or the Internal Revenue Code.

15 Section 2. This act shall take effect July 1, 1999.

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18 SENATE SUMMARY

19 Requires the Department of Management Services to develop  
20 a request for proposals and contract with a private  
21 vendor for an alternative retirement program for  
22 temporary and seasonal state employees. Requires that the  
23 program benefits equal or exceed the benefits provided  
24 under federal law. Provides requirements for oversight of  
25 the retirement program. Requires that the private vendor  
26 indemnify the state, its agencies, and participating  
27 employees from adverse tax consequences if the program  
28 violates federal law.  
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