

STORAGE NAME: h1091a.go
DATE: March 23, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GOVERNMENTAL OPERATIONS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1091
RELATING TO: West Palm Beach/Police Pension Fund
SPONSOR(S): Representative Frankel
TIED BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) GOVERNMENTAL OPERATIONS YEAS 5 NAYS 0
 - (2) CRIME & PUNISHMENT
 - (3) COMMUNITY AFFAIRS
 - (4)
 - (5)
-

I. SUMMARY:

Chapter 24981, Laws of Florida, 1947, created a special fund for the Police Department of the City of West Palm Beach to be known as the West Palm Beach Police Pension Fund. This chapter has been subsequently amended, by local bill, as necessary, to update the pension fund.

This bill amends chapter 24981, Laws of Florida, 1947, as amended to:

- Deletes the requirement for the City's consent for early retirement;
- Permits disability retirees to select the optional forms of benefits,(i.e., life and joint and survivor options);
- Adds a joint and survivor benefit option of 75 percent to the existing options of 100 percent, 66 2/3 percent, and 50 percent of such monthly amounts;
- Removes reference to death benefits being paid in accordance with subsection (11) (g), and provides that death benefits may be paid, in the discretion of the board, to: the spouse or dependent child or children of the member; the dependent living parent or parents of the member; or the estate of the member.
- Allows Deferred Retirement Option Program (DROP) participants to continue to receive share distributions from the Chapter 185, F.S., moneys, effective for the Chapter 185, F.S., moneys received in calendar year 1999;
- Adds penalty provisions for making a false or misleading statement to obtain a pension benefit;
- Provides that all special laws and parts of special laws, ordinances, or regulations, insofar as they are in conflict or inconsistent with the provisions of this act, are repealed; and
- Provides an effective date of upon becoming a law.

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II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Chapter 24981, Laws of Florida, 1947, created a special fund for the Police Department of the City of West Palm Beach, Palm Beach County, to be known as the West Palm Beach Police Pension Fund. This chapter has been subsequently amended, by local bill, as needed, to keep the act relating to the fund current.

C. EFFECT OF PROPOSED CHANGES:

- Section 1. Amends s. 16(8)(c) of chapter 24981, L.O.F., 1947, as amended, deleting the requirement for the City's consent for early retirement.
- Section 2. Amends s. 16(9)(e)(1.a) of chapter 24981, L.O.F., 1947, as amended by chapter 93-373, L.O.F., permitting disability retirees to select optional forms of benefits, (i.e., life and joint and survivor options); deleting language requiring submission of evidence of good health; adding an optional joint and survivor benefit of 75 percent; and adding the estate of the member as a potential beneficiary in the absence of an eligible beneficiary.
- Section 3. Amends s. 16(13)(a) of chapter 24981, L.O.F., 1947, as amended by chapter 99-483, L.O.F., deleting language that participation in the first years of enactment of DROP will be extended to those members with 28 years of service in 1992; and providing that a DROP participant shall continue to receive shares of chapter moneys in accordance with subsection (11), Chapter 185, F.S., share accounts.
- Section 4. Amends s. 16(16)(d)(1), of chapter 24981, L.O.F., 1947, as amended by chapter 93-373, L.O.F., providing that a disability retiree may select optional forms of benefits in accordance with paragraph (9)(d); and providing that in the absence of a designated beneficiary, the benefits will be paid to the estate of the retiree.
- Section 5. Adds s. 16(33)(d) of chapter 24981, L.O.F., 1947, as renumbered by chapters 95-478 and 99-483, L.O.F., prohibiting the making of false or misleading statements to obtain retirement benefits; providing it is unlawful for a person to willfully and knowingly make, or cause to be made, or to assist, conspire with, or urge another to make, or cause to be made, any false, fraudulent, or

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misleading oral or written statement or to withhold or conceal material information to obtain any benefit under this plan; providing that a person who violates this prohibition commits a misdemeanor of the first degree, punishable as provided in s. 775.082, or s. 775.083, F.S.; providing that in addition to any criminal penalty, upon conviction for a violation as described, a participant or beneficiary of this plan may, in the discretion of the board of trustees, be required to forfeit the right to receive any or all benefits to which the person would otherwise be entitled under this plan; and providing that "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

Section 6. Provides that all special laws and parts of special laws, ordinances, or regulations, insofar as they are in conflict or inconsistent with the provisions of this act, are repealed.

Section 7. Provides an effective date of upon becoming a law.

D. SECTION-BY-SECTION ANALYSIS:

Please see Section II. C. above, Effect of Proposed Changes.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 3, 2000

WHERE? The Palm Beach Post

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

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C. OTHER COMMENTS:

N/A

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON GOVERNMENTAL OPERATIONS:

Prepared by:

Staff Director:

Jimmy O. Helms

Jimmy O. Helms