

By Senator Rossin

35-1182-00

See HB 1091

1 A bill to be entitled
2 An act relating to the City of West Palm Beach,
3 Palm Beach County; revising provisions relating
4 to the West Palm Beach Police Pension Fund;
5 revising provisions relating to early
6 retirement; revising the provisions relating to
7 optional forms of retirement income; revising
8 the beneficiary provisions; revising the
9 disability provisions; imposing penalties for
10 false or misleading statements to obtain
11 benefits; providing an effective date.

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

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15 Section 1. Paragraph (c) of subsection (8) of section
16 16 of chapter 24981, Laws of Florida, 1947, as amended by
17 chapter 93-373, Laws of Florida, is amended to read:

18 Section 16. West Palm Beach Police Pension Fund.--

19 (8) Age and service requirements for retirement.--

20 (c) Early retirement.--Any member may retire from the
21 service of the department, ~~with the consent of the city,~~ as of
22 the first day of any calendar month which is prior to the
23 member's normal retirement date but subsequent to the date as
24 of which he or she has both attained the age of 50 and
25 completed 10 years of credited service. In the event of early
26 retirement, the monthly amount of retirement income payable
27 shall be computed as described in paragraph (9)(a), taking
28 into account his or her credited service to his or her date of
29 actual retirement and his or her final average salary as of
30 such date. The amount of retirement income shall be
31 actuarially reduced to take into account the member's younger

1 age and earlier commencement of retirement income benefits.
2 In no event shall the early retirement reduction exceed 3
3 percent for each year by which the member's age at retirement
4 preceded the member's normal retirement age.

5 Section 2. Paragraphs (d) and (e) of subsection (9) of
6 section 16 of chapter 24981, Laws of Florida, 1947, as amended
7 by chapter 93-373, Laws of Florida, are amended to read:

8 Section 16. West Palm Beach Police Pension Fund.--

9 (9) Retirement pension calculation.--

10 (d) Optional forms of retirement income.--

11 1.a. In the event of normal, or early, or disability
12 retirement, in lieu of the normal form of retirement income
13 payable as specified in paragraph (c), and in lieu of the
14 death benefits as specified in subsection (17), a member, upon
15 written request to the board ~~and submission of evidence of~~
16 ~~good health (except that such evidence shall not be required~~
17 ~~if such request is made at least 3 years prior to the date of~~
18 ~~commencement of retirement income)~~ and subject to the approval
19 of the board, may elect to receive a retirement income of
20 equivalent actuarial value payable in accordance with one of
21 the following options:

22 (I) Lifetime option.--A retirement income of a larger
23 monthly amount, payable to the member for his or her lifetime
24 only.

25 (II) Joint and survivor option.--A retirement income
26 of a modified monthly amount, payable to the member during the
27 joint lifetime of the member and a dependent joint pensioner
28 designated by the member, and following the death of either of
29 them, 100 percent, 75 percent, ~~66 2/3 percent~~, or 50 percent
30 of such monthly amounts, payable to the survivor for the
31 lifetime of the survivor.

1 b. The member, upon electing any option of this
2 paragraph, shall designate the joint pensioner or beneficiary
3 (or beneficiaries) to receive the benefit, if any, payable in
4 the event of his or her death, and will have the power to
5 change such designation from time to time; but any such change
6 shall be deemed a new election and shall be subject to
7 approval by the board. Such designation shall name a joint
8 pensioner or one or more primary beneficiaries where
9 applicable. If a member has elected an option with a joint
10 pensioner or beneficiary and his or her retirement income
11 benefits have commenced, he or she may thereafter change the
12 designated joint pensioner or beneficiary only twice.

13 c. The consent of a member's joint pensioner or
14 beneficiary to any such change shall not be required. However,
15 the spouse of a married member must consent to any election to
16 waive a joint and survivor benefit by signing the election
17 before a Notary Public. The spouse's written consent must
18 acknowledge the effect of such a waiver. Consent of the spouse
19 shall not be required if the spouse cannot be located, or for
20 such other circumstances as may be prescribed by regulations
21 of the Secretary or the Treasurer. Any consent by a spouse
22 shall be effective only with respect to such spouse.

23 d. The board may request such evidence of the good
24 health of the joint pensioner who is being removed as it may
25 require; and the amount of the retirement income payable to
26 the member upon the designation of a new joint pensioner shall
27 be actuarially redetermined, taking into account the ages and
28 sex of the former joint pensioner, the new joint pensioner,
29 and the member. Each such designation shall be made in
30 writing on a form prepared by the board and, on completion,
31 shall be filed with the board. In the event that no

1 designated beneficiary survives the member, such benefits as
2 are payable in the event of the death of the member subsequent
3 to his or her retirement shall be paid as provided in
4 paragraph (e)2.

5 2. Retirement income payments shall be made under the
6 option elected in accordance with the provisions of this
7 paragraph and shall be subject to the following limitations:

8 a. If a member dies prior to his or her normal
9 retirement date or early retirement date, whichever first
10 occurs, retirement benefits shall be paid in accordance with
11 subsection (17).

12 b. If the designated beneficiary (or beneficiaries) or
13 joint pensioner dies before the member's retirement, the
14 option elected shall be canceled automatically and a
15 retirement income of the normal form and amount shall be
16 payable to the member upon his or her retirement as if the
17 election had not been made, unless a new election is made in
18 accordance with the provisions of this paragraph or a new
19 beneficiary is designated by the member prior to his or her
20 retirement.

21 c. If a member continues in the employ of the
22 department after meeting the age and service requirements set
23 forth in paragraph (8)(a) and dies prior to retirement and
24 while an option provided for in this paragraph is in effect,
25 monthly retirement income payments shall be paid, under the
26 option, to a beneficiary (or beneficiaries) designated by the
27 member in the amount or amounts computed as if the member had
28 retired under the option on the date on which his or her death
29 occurred.

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1 3. No member may make any change in his or her
2 retirement option after the date of cashing or depositing the
3 first retirement check.

4 (e) Designation of beneficiary.--

5 1. Each member may, on a form provided for that
6 purpose, signed and filed with the board, designate a
7 beneficiary (or beneficiaries) to receive the benefit, if any,
8 which may be payable in the event of the member's death; and
9 each designation may be revoked by such member by signing and
10 filing with the board a new designation of beneficiary form.
11 However, after the benefits have commenced, a retirant may
12 change his or her designation of a joint annuitant or
13 beneficiary only twice. If the retirant desires to change his
14 or her joint annuitant or beneficiary, he or she shall file
15 with the board a notarized notice of such change either by
16 registered letter or on a form as provided by the board. Upon
17 receipt of a completed change of joint annuitant form or such
18 other notice, the board shall adjust the member's monthly
19 benefit by the application of actuarial tables and
20 calculations developed to ensure that the benefit paid is the
21 actuarial equivalent of the present value of the member's
22 current benefit.

23 2. Absence or death of beneficiary.--If a deceased
24 member failed to name a beneficiary in the manner prescribed
25 in subparagraph 1., or if the beneficiary (or beneficiaries)
26 named by a deceased member predeceases the member, death
27 benefits, if any, which may be payable under this act on
28 behalf of such deceased member may be paid, in the discretion
29 of the board, ~~to:in accordance with subsection (11)(g).~~

30 a. The spouse or dependent child or children of the
31 member;

1 b. The dependent living parent or parents of the
2 member; or

3 c. The estate of the member.

4 Section 3. Effective for share account distributions
5 made for calendar year 1998 from chapter moneys received in
6 July 1999, paragraph (a) of subsection (13) of section 16 of
7 chapter 24981, Laws of Florida, 1947, as amended by chapter
8 99-483, Laws of Florida, is amended to read:

9 Section 16. West Palm Beach Police Pension Fund.--

10 (13) Deferred Retirement Option Plan (DROP).--

11 (a) Eligibility to participate in the DROP.--

12 1. Any member who is eligible to receive an early or
13 normal retirement pension and who has either attained age 50,
14 regardless of credited service, or completed between 25 and 30
15 years of credited service, may participate in the DROP.
16 Members shall elect to participate by applying to the board of
17 trustees on a form provided for that purpose.

18 2. Election to participate shall be forfeited if not
19 exercised within the first 27 years of combined credited
20 service. ~~However, participation in the first years of~~
21 ~~enactment will be extended to those members with 28 years of~~
22 ~~service in 1992.~~

23 3. A member shall not participate in the DROP beyond
24 the time of attaining 30 years of service and the total years
25 of participation in the DROP shall not exceed 5 years. For
26 example:

27 a. Members with 25 years of credited service at time
28 of entry shall participate for only 5 years.

29 b. Members with 26 years of credited service at time
30 of entry shall participate for only 4 years.

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1 c. Members with 27 years of credited service at time
2 of entry shall participate for only 3 years.

3 4. Upon a member's election to participate in the
4 DROP, he or she shall cease to be a member and shall no longer
5 accrue any benefits under the pension fund, except for the
6 benefits provided under subsection (11), Chapter 185 share
7 accounts. For all fund purposes, the member becomes a
8 retirant, except that a DROP participant shall continue to
9 receive shares of the chapter moneys in accordance with
10 subsection (11), Chapter 185 share accounts. The amount of
11 credited service and final average salary shall freeze as of
12 the date of entry into the DROP.

13 5. Notwithstanding any provision of this section to
14 the contrary, the police chief of the department may, at his
15 or her option, extend his or her participation in the DROP
16 beyond 5 years or 30 years of total service. For purposes of
17 this subsection, "police chief" means a member who has been
18 promoted from police officer through the ranks of the
19 department to the position of police chief. Any such police
20 chief shall not participate in the DROP beyond the attainment
21 of 33 years of service, and the total years of participation
22 in the DROP shall not exceed 8 years.

23 Section 4. Paragraph (d) of subsection (16) of section
24 16 of chapter 24981, Laws of Florida, 1947, as amended by
25 chapter 93-373, Laws of Florida, is amended to read:

26 Section 16. West Palm Beach Police Pension Fund.--

27 (16) Conditions applicable to all disability
28 retirants.--

29 (d) Normal form of disability retirement income.--

30 1. Duty or nonduty disability with 10 years of
31 service.

1 a. Married member.--The standard form of disability
2 retirement benefit for a married member or for a member with
3 dependent children or parents shall be a disability pension
4 and death benefit. This form of benefit shall provide monthly
5 payments for the life of the member as set forth in subsection
6 (14) or subsection (15), as applicable, or the disability
7 retiree may select optional forms of benefits in accordance
8 with paragraph (9)(d). Thereafter, death benefits shall be
9 paid as provided in subsection (17).

10 b. Nonmarried member.--The standard form of disability
11 retirement benefit for a member who is not married or who does
12 not have dependent children or parents shall be a 10-year
13 certain benefit. This benefit shall pay monthly benefits for
14 the member's lifetime. In the event the member dies after his
15 or her retirement but before he or she has received disability
16 retirement benefits for a period of 10 years, the same monthly
17 benefit shall be paid to the beneficiary (or beneficiaries) as
18 designated by the member for the balance of such 10-year
19 period. In the absence of a designated beneficiary, then the
20 benefits will be paid to the estate of the retiree.

21 2. Duty or nonduty disability with less than 10 years
22 of service.--The standard form of disability retirement
23 benefit shall provide monthly payments for the life of a
24 member as set forth in subsection (14) or subsection (15), as
25 applicable. Thereafter, beneficiary benefits shall be paid as
26 provided in subsection (17), as applicable.

27 Section 5. Paragraph (d) is added to subsection (33)
28 of section 16 of chapter 24981, Laws of Florida, 1947, as
29 renumbered by chapters 95-478 and 99-483, Laws of Florida, to
30 read:

31 Section 16. West Palm Beach Pension Fund.--

1 (33) Miscellaneous Requirements.--

2 (d) False or misleading statements made to obtain
3 retirement benefits prohibited.--

4 1. It is unlawful for a person to willfully and
5 knowingly make, or cause to be made, or to assist, conspire
6 with, or urge another to make, or cause to be made, any false,
7 fraudulent, or misleading oral or written statement or to
8 withhold or conceal material information to obtain any benefit
9 under this plan.

10 2.a. A person who violates subparagraph 1. commits a
11 misdemeanor of the first degree, punishable as provided in
12 section 775.082 or section 775.083, Florida Statutes.

13 b. In addition to any applicable criminal penalty,
14 upon conviction for a violation described in subparagraph 1.,
15 a participant or beneficiary of this plan may, in the
16 discretion of the board of trustees, be required to forfeit
17 the right to receive any or all benefits to which the person
18 would otherwise be entitled under this plan. For purposes of
19 this sub-subparagraph, "conviction" means a determination of
20 guilt that is the result of a plea or trial, regardless of
21 whether adjudication is withheld.

22 Section 6. All special laws and parts of special laws,
23 ordinances, or regulations, insofar as they are in conflict or
24 inconsistent with the provisions of this act, are repealed.

25 Section 7. This act shall take effect upon becoming a
26 law.

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