

By Representatives Posey, Constantine, Reddick, Sublette,
Johnson, Trovillion and Brummer

1 A bill to be entitled
2 An act relating to the City of Orlando, Orange
3 County, revising language with respect to the
4 pension fund of the fire department of the
5 city; amending chapter 23444, Laws of Florida,
6 1945, as amended; providing that DROP
7 participants shall not participate in the fund;
8 amending the cost-of-living increase for
9 members and beneficiaries, with the actuarial
10 cost thereof being borne by the members;
11 providing an effective date for all
12 retirements; providing for a deferred
13 retirement option plan as an improvement to
14 present pension benefits with the additional
15 cost thereof being borne by the members;
16 providing for employer pick up of member
17 contributions; providing an additional optional
18 retirement benefit necessary to meet certain
19 statutory requirements; providing for changes
20 necessary to obtain tax qualification;
21 providing an effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Section 2 of chapter 23444, Laws of
26 Florida, 1945, as amended by chapter 73-573, Laws of Florida,
27 is amended to read:

28 Section 2. Members of said Fire Department shall be
29 construed as including all officers and firefighters ~~firemen~~
30 ~~and firewomen~~ regularly employed in said department, and whose
31 employment shall be regular and continuous and not of a

1 temporary character, provided, however, the secretaries,
2 stenographers and switchboard operators shall not be covered
3 by the provisions of this Act. For the purposes of this Act
4 the term widow shall include widower; reference to the
5 masculine pronoun shall include the feminine and vice-versa;
6 the term "issue" shall include a member's natural and adopted
7 children as well as those in gestation. Further provided that
8 members who are DROP participants will no longer be
9 participants in this fund, nor eligible for any benefits
10 hereunder.

11 Section 2. Section 19 of chapter 23444, Laws of
12 Florida, 1945, as created by chapter 88-518, Laws of Florida,
13 is amended to read:

14 Section 19. Cost of Living Increase.

15 (1) After the effective date of this act, any member
16 of the Orlando Fire Department who retires ~~prior to age 62~~
17 with 20 ~~25~~ or more years of actual ~~credited~~ service shall
18 receive a triennial cost-of-living increase of 5 percent
19 ~~compound~~ starting 3 years after retirement, or, in the case of
20 a DROP participant, 3 years after termination of employment
21 ~~,and ending with the last triennial anniversary of retirement~~
22 ~~prior to age 65~~. Any actuarially-determined additional cost
23 resulting from this additional benefit shall be borne by the
24 members of the firefighters pension plan. Members who
25 terminate employment without being eligible for a
26 cost-of-living increase under this section will not be
27 entitled to any refund of the contribution they made to fund
28 this benefit.

29 ~~(2) The benefit provided for in subsection (1), with~~
30 ~~the additional cost thereof being borne by the members, shall~~
31 ~~not become effective and shall be of no force and effect~~

1 ~~unless and until approved by a majority of the members of the~~
2 ~~firefighters pension plan at an election conducted by the~~
3 ~~Orlando Firefighters Pension Board within 90 days after the~~
4 ~~effective date of this act.~~

5 Section 3. A new section 17 is added to chapter 23444,
6 Laws of Florida, 1945, as amended, to read:

7 Section 17. Effective Date of Retirement.

8 Any retirement under this plan, whether for service or
9 disability, will be effective the first day of the month
10 following the last day the member works prior to retiring or
11 becoming a DROP participant.

12 Section 4. A new section 21 is added to chapter 23444,
13 Laws of Florida, 1945, as amended, to read:

14 Section 21. Deferred Retirement Option Plan.

15 (1) Deferred Retirement Option Plan--The Deferred
16 Retirement Option Plan, hereinafter referred to as the "DROP,"
17 allows any member who has elected to participate in the DROP,
18 hereinafter referred to as a "DROP participant," to receive a
19 lump-sum payment, or other payment, in addition to a monthly
20 pension, upon termination of employment. No benefits shall be
21 paid under this section unless the DROP participant has
22 terminated employment.

23 (2) DROP Eligibility--Any member may elect to
24 participate in the DROP following the date upon which the
25 member completes 20 years of active service as a firefighter
26 with the City of Orlando and is eligible for a service
27 retirement pension. A member may participate in the DROP only
28 once.

29 (3) DROP Participation--

30 (a) An eligible member may participate in the Forward
31 DROP for a period not to exceed a maximum of 60 months or, in

1 the alternative, may participate in the Back DROP for a period
2 not to exceed 36 months. Notwithstanding, DROP participation
3 may not continue beyond the date when the member's combined
4 years of credited service and time in the DROP equals 360
5 months.

6 (b) A member may apply to participate in the DROP by
7 submitting an application to the Board of Trustees, which
8 shall include the following:

9 1. A written election to participate in the DROP. Once
10 submitted to the Board of Trustees, this election will be
11 irrevocable.

12 2. Selection of the DROP participation and termination
13 dates that satisfy the limitation stated in subsection (2) and
14 paragraph (a). Such termination date shall be in a binding
15 letter of resignation, establishing a deferred termination
16 date.

17 3. A properly completed DROP application for a service
18 retirement pension.

19 4. A properly completed designation of named
20 beneficiaries in the event the member dies while participating
21 in the DROP.

22 5. Any other information as may be required by the
23 Board of Trustees.

24 (c) The DROP participant shall be a retiree under the
25 provisions of the pension plan. However, participation in the
26 DROP does not alter the DROP participant's employment status,
27 nor does it constitute a contract or guarantee of continued
28 employment.

29 (d) A DROP participant shall not accrue additional
30 credited service under the pension plan after the effective
31 date of DROP participation.

1 (4) Benefits Payable Under the DROP--
2 (a) Effective with the date of DROP participation, the
3 DROP participant's initial monthly service retirement pension,
4 including credited service and average monthly salary, shall
5 be determined and fixed. Such service retirement pension and
6 earnings shall be credited to the DROP participant's DROP
7 account no less than monthly. Such earnings shall be credited
8 as provided in subsection (7).
9 (b) The effective date of DROP participation for a
10 participant who has elected to receive benefits under the
11 pension plan shall be the first day of the month selected by
12 the member to begin retirement under the pension plan and
13 participation in the DROP.
14 (c) The service retirement pension and earnings
15 thereon shall be credited to the DROP participant's DROP
16 account periodically, as pension benefit payments would have
17 otherwise been made.
18 (5) DROP Types--A member eligible for a service
19 retirement pension may elect a Forward DROP or a Back DROP,
20 but not both.
21 (a) Forward DROP--Under a Forward DROP, a member may
22 retire, deferring receipt of the service retirement pension
23 while continuing employment with the city. In that case, the
24 deferred monthly service retirement pension shall be credited
25 to the DROP participant's DROP account on behalf of the DROP
26 participant, as provided in subsection (4), for the specified
27 period of the DROP participation, as provided in subsection
28 (3). Upon termination of employment, the DROP participant
29 shall receive the balance of his or her DROP account and begin
30 to receive the monthly service retirement pension.
31

1 1. A DROP participant remains an employee and receives
2 all the benefits of being an employee during the DROP
3 participation period; provided, however, the DROP participant
4 is not eligible to participate in any other city provided
5 pension or long term disability plan. A DROP participant shall
6 be subject to termination of employment during the DROP
7 participation period to the same extent as he or she was prior
8 to participating in the DROP.

9 2. Effective with the start date of a DROP
10 participant's Forward DROP participation, a member's
11 contribution and the normal cost contribution to the pension
12 fund by the city, on behalf of the member, shall cease.

13 (b) Back DROP--Under a Back DROP, a member may retire
14 with a retroactive date of retirement. A member may not select
15 a retroactive retirement date earlier than the date upon which
16 the member first became eligible for a service retirement
17 pension, and in no event shall the retroactive date of
18 retirement be more than 36 months prior to the date of Back
19 DROP election. The monthly service retirement pension shall be
20 determined as of the retroactive retirement date. The member
21 shall then be credited with an account balance in his or her
22 DROP account that is equal to the account balance he or she
23 would have had if he or she had timely elected a Forward DROP
24 under paragraph (a) on the retroactive retirement date. Upon
25 termination of employment, the Back DROP participant shall
26 receive or transfer the balance of this DROP account, pursuant
27 to subsection (10), and shall begin to receive the monthly
28 service retirement pension adjusted to reflect the retroactive
29 retirement date.

30 (c) Eligibility exception--Notwithstanding the
31 provisions of subsection 3(a), for 60 days after the effective

1 date of this act, a member with more than 324 months of
2 credited service may elect the Back DROP option and will not
3 be subject to the combined years of credited service and DROP
4 participation limitation of 360 months. Said member is subject
5 to the maximum Back DROP participation period of 36 months. A
6 member with more than 324 months of credited service as of the
7 effective date of DROP who does not elect to participate in
8 the DROP, as set forth herein, during this one-time window
9 period shall forfeit the right to deviate from the conditions
10 for participation in the DROP set forth in subsection (3).

11 (6) DROP Accounts--Individual DROP accounts shall be
12 established to account for each DROP participant's accrued
13 DROP benefits, but there shall be no requirement that funds be
14 segregated for any DROP participant. In the case of a member
15 who selects the Back DROP option, the amount of that member's
16 contributions made during the Back DROP period shall not be
17 refunded or credited to the member.

18 (7) DROP Benefits Earnings and Reporting--

19 (a) A DROP participant's DROP account shall accrue
20 earnings at 8% (eight percent) simple interest compounded
21 annually, unless the parties otherwise agree.

22 (b) A DROP account shall be adjusted to reflect
23 earnings until such time as the DROP account is distributed in
24 full to the DROP participant or his or her beneficiaries.

25 (c) The Board of Trustees shall report to each DROP
26 participant at least annually accrued DROP benefits in the
27 participant's DROP account.

28 (8) Cost-of-Living Increase--A DROP participant will
29 not be eligible to participate in cost-of-living increases
30 during the DROP period. Cost-of-living increases will be made
31

1 pursuant to section 19, starting 3 years after the DROP
2 participant's termination of employment.

3 (9) Benefits Payable upon Termination of DROP--Upon
4 the DROP participant's termination of employment, for any
5 reason, whether by resignation, discharge, disability, or
6 death, the monthly service retirement pension will be
7 distributed according to the provisions of this plan and the
8 balance of the DROP account shall be distributed to the DROP
9 participant or, if deceased, the DROP participant's
10 beneficiaries, as provided herein.

11 (10) Payment Conditions and Options--Upon the DROP
12 participant's termination of employment, for any reason,
13 whether by resignation, discharge, disability, or death, the
14 Board of Trustees shall distribute the balance of the DROP
15 participant's DROP account, subject to the following
16 provisions:

17 (a) The Board of Trustees shall receive verification
18 from the city that such DROP participant has terminated
19 employment.

20 (b) Following the termination of employment, the DROP
21 participant or, if deceased, such DROP participant's
22 beneficiaries shall elect on forms provided by the Board of
23 Trustees to receive payment of the balance of the DROP account
24 in accordance with one of the options listed below. For a DROP
25 participant or beneficiaries who fail to elect a method of
26 payment within 60 days of termination of employment, the Board
27 of Trustees shall pay the balance of the DROP account in one
28 lump sum as provided in subparagraph 1.

29 1. Lump sum--The balance of the DROP account, less
30 taxes remitted to the Internal Revenue Service, if any, shall
31 be paid to the DROP participant or beneficiaries.

1 2. Direct rollover--The balance of the DROP account
2 shall be paid directly to the custodian of an eligible
3 retirement plan as defined in s. 402(c)(8)(B) of the Internal
4 Revenue Code. However, in the case of an eligible rollover
5 distribution to the widow or widower as a beneficiary, an
6 eligible retirement plan is an individual retirement account
7 or an individual retirement annuity as described in s.
8 402(c)(9) of the Internal Revenue Code.

9 3. Partial lump sum--A portion of the balance of the
10 DROP account shall be paid to the DROP participant or
11 beneficiaries, less taxes remitted to the Internal Revenue
12 Service, if any, and the remaining balance of the DROP account
13 shall be transferred directly to the custodian of an eligible
14 retirement plan as defined in s. 402(c)(8)(B) of the Internal
15 Revenue Code. However, in the case of an eligible rollover
16 distribution to the widow or widower as a beneficiary, an
17 eligible retirement plan is an individual retirement account
18 or an individual retirement annuity as described in s.
19 402(c)(9) of the Internal Revenue Code. The proportions shall
20 be specified by the DROP participant or beneficiaries.

21 4. Other methods--The balance of the DROP account
22 shall be paid by a method that is in compliance with the
23 Internal Revenue Code and as adopted by the Board of Trustees.

24 (c) The form of payment selected by the DROP
25 participant or beneficiaries complies with the minimum
26 distribution requirements of the Internal Revenue Code.

27 (11) Disability--A DROP participant is not eligible to
28 apply for a disability pension under this pension plan.

29 (12) Death of a DROP Participant--

30 (a) Upon the death of a DROP participant, the named
31 DROP beneficiaries shall be entitled to apply for and receive

1 the balance of the DROP participant's DROP account as provided
2 in subsections (9) and (10). DROP payments to a beneficiary
3 shall be in addition to any other retirement benefits
4 payable to the beneficiary.

5 (b) The monthly service retirement pension accrued to
6 the DROP account during the month of the DROP participant's
7 death shall be the final monthly service retirement pension
8 benefit credited for such DROP participant.

9 (c) Eligibility to participate in the DROP terminates
10 upon the death of the DROP participant. If the DROP
11 participant dies on or after the effective date of enrollment
12 in the DROP, but prior to the first monthly service retirement
13 pension benefit being credited to the DROP, pension plan
14 benefits shall be paid in accordance with applicable
15 provisions of this pension plan.

16 (d) A DROP participant's beneficiaries shall not be
17 eligible to receive survivor benefits as provided in sections
18 8 and 10.

19 (13) A DROP participant shall not be deemed to have
20 been reemployed after retirement as that term is used
21 elsewhere in the plan.

22 (14) Any actuarially-determined additional cost
23 resulting from the benefits in this section shall be borne by
24 the members of the pension plan.

25 Section 5. A new section 24 is added to chapter 23444,
26 Laws of Florida, 1945, as amended, to read:

27 Section 24.

28 (1) Upon implementation, the city shall solely for the
29 purpose of compliance with s. 414(h) of the Internal Revenue
30 Code, pick up, for the purpose specified in that section,
31 member contributions required by the act for all salary earned

1 by the member after implementation. Member contributions
2 picked up under the provisions of this section shall be
3 treated as city contributions for purposes of determining
4 income tax obligations under the Internal Revenue Code;
5 however, such picked up member contributions shall be included
6 in the determination of the member's gross annual salary for
7 all other purposes under federal and state laws.

8 (2) Members' contributions picked up under this
9 section shall continue to be designated member contributions
10 for all purposes of the act and shall be considered as part of
11 the member's salary for purposes of determining the amount of
12 the member's contributions. The provisions of this section are
13 mandatory, and the member shall have no option concerning the
14 pick up or to receive the contributed amounts directly instead
15 of having them paid by the city to the pension fund.

16 (3) Implementation occurs upon authorization by the
17 Board of Trustees following receipt of a favorable letter of
18 determination as to the qualified plan status of the fund. In
19 no event may implementation occur other than at the beginning
20 of a pay period.

21 Section 6. A new section 26 is added to chapter 23444,
22 Laws of Florida, 1945, as amended, to read:

23 Section 26--Firefighter Pension Fund Optional
24 Retirement Benefit Plan.

25 (A) Creation of Optional Retirement Benefit Plan for
26 Firefighters--

27 (1) There is hereby created an alternative pension
28 benefit plan for City of Orlando Firefighters, to be known as
29 the "Optional Retirement Benefit Plan."

30 (2) Any member of the Fire Department of the City of
31 Orlando who is otherwise entitled to participate in the

1 pension benefits as described in sections 1-25 above may
2 elect, in lieu of the pension benefits as provided in sections
3 7-25, instead to participate in the Optional Retirement
4 Benefit Plan as provided in this section. This election must
5 be exercised by written instrument delivered to the Orlando
6 Firefighters Pension Board and may be exercised at any time
7 prior to the member's retirement. Once exercised, the election
8 is irrevocable. The employee contribution rate will be the
9 same regardless of the retirement option chosen by the
10 employee.

11 (3) Each firefighter who has elected to participate in
12 the Optional Retirement Benefit Plan may, on a form provided
13 for that purpose, signed and filed with the Board of Trustees,
14 designate a choice of one or more persons, named sequentially
15 or jointly, as his or her beneficiary (or beneficiaries) to
16 receive the benefit, if any, which may be payable under the
17 Optional Retirement Benefit Plan in the event of his or her
18 death; and each designation may be revoked by such firefighter
19 by signing and filing with the Board of Trustees a new
20 designation-of-beneficiary form. If no beneficiary is named in
21 the manner provided by this subsection, or if no beneficiary
22 designated by the member survives him or her, the death
23 benefit, if any, which may be payable under the plan with
24 respect to such deceased firefighter shall be paid by the
25 Board of Trustees to the estate of such deceased firefighter,
26 provided that the Board of Trustees, in its discretion, may
27 direct that the commuted value of the remaining monthly income
28 payments be paid in a lump sum. Any payment made to any person
29 pursuant to this subsection shall operate as a complete
30 discharge of all obligations under the plan with regard to the
31 deceased firefighter and any other persons with rights under

1 the plan and shall not be subject to review by anyone but
2 shall be final, binding, and conclusive on all persons ever
3 interested hereunder. Notwithstanding any other provision of
4 law to the contrary, the surviving spouse of any Optional
5 Retirement Benefit Plan pension participant member killed in
6 the line of duty shall not lose survivor retirement benefits
7 if the spouse remarries.

8 (4) Any member retired under this section who desires
9 to change his or her joint petitioner or beneficiary shall
10 file with the Board of Trustees of his or her plan a notarized
11 notice of such change either by registered letter or on such
12 form as is provided by the administrator of the plan. Upon
13 receipt of a completed change of joint pensioner or
14 beneficiary form or such other notice, the Board of Trustees
15 shall adjust the member's monthly benefit by the application
16 of actuarial tables and calculations developed to ensure that
17 the benefit paid is the actuarial equivalent of the present
18 value of the member's current benefit. Nothing herein shall
19 preclude a plan from actuarially adjusting benefits or
20 offering options based upon age, early retirement, or
21 disability.

22 (5) If a firefighter having at least 10 years of
23 credited service dies prior to retirement, his or her
24 beneficiary is entitled to the benefits otherwise payable to
25 the firefighter at early or normal retirement age.

26 (B) Definitions--The following words and phrases, as
27 used in this section, have the following meanings:

28 (1) "Average final compensation" for a full-time
29 firefighter means one-twelfth of the average annual
30 compensation of the 5 best years of the last 10 years of
31 creditable service prior to retirement, termination, or death,

1 or the career average as a full-time firefighter since July 1,
2 1953, whichever is greater. A year shall be 12 consecutive
3 months.

4 (2) "Compensation" or "salary means the fixed monthly
5 remuneration paid a firefighter.

6 (a) The member's compensation or salary contributed as
7 employee-elective salary reductions or deferrals to any salary
8 reduction, deferred compensation, or tax-sheltered annuity
9 program authorized under the Internal Revenue Code shall be
10 deemed to be the compensation or salary the member would
11 receive if he or she were not participating in such program
12 and shall be treated as compensation for retirement purposes
13 under this section.

14 (b) For any person who first becomes a member in any
15 plan year beginning on or after January 1, 1996, compensation
16 for any plan year shall not include any amounts in excess of
17 the Internal Revenue Code s. 401(a)(17) limitation (as amended
18 by the Omnibus Budget Reconciliation Act of 1993), which
19 limitation of \$150,000 shall be adjusted as required by
20 federal law for qualified government plans and shall be
21 further adjusted for changes in the cost of living in the
22 manner provided by Internal Revenue Code s. 401(a)(17)(B). For
23 any person who first became a member prior to the first plan
24 year beginning on or after January 1, 1996, the limitation on
25 compensation shall be not less than the maximum compensation
26 amount that was allowed to be taken into account under the
27 plan as in effect on July 1, 1993, which limitation shall be
28 adjusted for changes in the cost of living since 1989 in the
29 manner provided by Internal Revenue Code s. 401(a)(17)(1991).

30 (3) "Creditable service" or "credited service" means
31 the aggregate number of years of service, and fractional parts

1 of years of service, of any firefighter, omitting intervening
2 years and fractional parts of years when such firefighter may
3 not have been employed by the municipality, subject to the
4 following conditions:

5 (a) No firefighter will receive credit for years or
6 fractional parts of years of service if he or she has
7 withdrawn his or her contributions to the fund for those years
8 or fractional parts of years of service, unless the
9 firefighter repays into the fund the amount he or she has
10 withdrawn, plus interest determined by the Board. The member
11 shall have at least 90 days after his or her reemployment to
12 make repayment.

13 (b) A firefighter may voluntarily leave his or her
14 contributions in the fund for a period of 5 years after
15 leaving the employ of the fire department, pending the
16 possibility of being rehired by the same department, without
17 losing credit for the time he or she has participated actively
18 as a firefighter. If the firefighter is not reemployed as a
19 firefighter, with the same department, within 5 years, his or
20 her contributions shall be returned without interest.

21 (C) Requirements for retirement--

22 Any firefighter who completes 10 or more years of
23 creditable service as a firefighter and attains age 55, or
24 completes 25 years of creditable service as a firefighter and
25 attains age 52, and who for such minimum period has been a
26 member of the firefighter's pension trust fund, is eligible
27 for normal retirement benefits. Normal retirement under the
28 plan is retirement from the service of the municipality on or
29 after the normal retirement date. In such event, payment of
30 retirement income will be governed by the following provisions
31 of this section:

1 (1) The normal retirement date of each firefighter
2 will be the first day of the month coincident with or next
3 following the date on which he or she has completed 10 or more
4 years of creditable service and attained age 55 or completed
5 25 years of creditable service and attained age 52.

6 (2) The amount of monthly retirement income payable to
7 a full-time firefighter who retires on or after his or her
8 normal retirement date shall be an amount equal to the number
9 of his or her years of credited service multiplied by 2
10 percent of his or her average final compensation as a
11 full-time firefighter.

12 (3) The monthly retirement income payable in the event
13 of normal retirement will be payable on the first day of each
14 month. The first payment will be made on the firefighter's
15 normal retirement date, or on the first day of the month
16 coincident with or next following his or her actual
17 retirement, if later, and the last payment will be the payment
18 due next preceding the firefighter's death; except that, in
19 the event the firefighter dies after retirement but before he
20 or she has received retirement benefits for a period of 10
21 years, the same monthly benefit will be paid to the
22 beneficiary (or beneficiaries) as designated by the
23 firefighter for the balance of such 10-year period. If a
24 firefighter continues in the service of the municipality
25 beyond his or her normal retirement date and dies prior to his
26 or her date of actual retirement, without an option made
27 pursuant to part (D) of this section being in effect, monthly
28 retirement income payments will be made for a period of 10
29 years to a beneficiary (or beneficiaries) designated by the
30 firefighter as if the firefighter had retired on the date on
31 which his or her death occurred.

1 (4) Early retirement under the plan is retirement from
2 the service of the municipality, with the consent of the
3 municipality, as of the first day of any calendar month which
4 is prior to the firefighter's normal retirement date but
5 subsequent to the date as of which he or she has both attained
6 the age of 50 years and has been a member of this fund for 10
7 continuous years. In the event of early retirement, payment of
8 retirement income shall be governed as follows: the monthly
9 amount of retirement income payable to a firefighter who
10 retires prior to his or her normal retirement date shall be in
11 the amount computed as described in subsection (2), taking
12 into account the firefighter's credited service to his or her
13 date of actual retirement and final monthly compensation as of
14 such date, such amount of retirement income to be actuarially
15 reduced to take into account the firefighter's younger age and
16 the earlier commencement of retirement income benefits. The
17 amount of monthly income payable in the event of early
18 retirement will be paid in the same manner as in subsection
19 (3). In no event shall the early retirement reduction exceed 3
20 percent for each year by which the member's age at retirement
21 preceded the member's normal retirement age, as provided in
22 subsection (1).

23 (D) Optional forms of retirement income--
24 (1) In lieu of the amount and form of retirement
25 income payable in the event of normal or early retirement as
26 specified in part (C) of this section, a firefighter, upon
27 written request to the Board of Trustees and subject to the
28 approval of the Board of Trustees, may elect to receive a
29 retirement income or benefit of equivalent actuarial value
30 payable in accordance with one of the following options:
31

1 (a) A retirement income of larger monthly amount,
2 payable to the firefighter for his or her lifetime only.

3 (b) A retirement income of a modified monthly amount,
4 payable to the firefighter during the joint lifetime of the
5 firefighter and a joint pensioner designated by the
6 firefighter, and following the death of either of them, 100
7 percent, 75 percent, 66 2/3 percent, or 50 percent of such
8 monthly amounts payable to the survivor for the lifetime of
9 the survivor.

10 1. The firefighter, upon electing any option of this
11 section, will designate the joint pensioner or beneficiary (or
12 beneficiaries) to receive the benefit, if any, payable under
13 the plan in the event of his or her death, and will have the
14 power to change such designation from time to time, but any
15 such change shall be deemed a new election and will be subject
16 to approval by the Board of Trustees. Such designation will
17 name a joint pensioner or one or more primary beneficiaries
18 where applicable. If a firefighter has elected an option with
19 a joint pensioner or beneficiary and his or her retirement
20 income benefits have commenced, the firefighter may thereafter
21 change the designated joint pensioner or beneficiary, but only
22 if the Board of Trustees consents to such change and if the
23 joint pensioner last previously designated by the firefighter
24 is alive when the firefighter files with the Board of Trustees
25 a request for such change.

26 2. The consent of a firefighter's joint pensioner or
27 beneficiary to any such change shall not be required.

28 3. The Board of Trustees may request such evidence of
29 the good health of the joint pensioner that is being removed
30 as it may require and the amount of the retirement income
31 payable to the firefighter upon designation of a new joint

1 pensioner shall be actuarially redetermined taking into
2 account the age of the former joint pensioner, the new joint
3 pensioner, and the firefighter. Each such designation will be
4 made in writing on a form prepared by the Board of Trustees
5 and on completion will be filed with the Board of Trustees. In
6 the event that no designated beneficiary survives the
7 firefighter, such benefits as are payable in the event of the
8 death of the firefighter subsequent to his or her retirement
9 shall be paid as provided in subsection (A)(3) of this
10 section.

11 (2) Retirement income payments shall be made under the
12 option elected in accordance with the provisions of this
13 section and shall be subject to the following limitations:

14 (a) If a firefighter dies prior to his or her normal
15 retirement date or early retirement date, whichever first
16 occurs, no retirement benefit will be payable under the option
17 to any person, but the benefits, if any, will be determined
18 under subsection (A)(5) of this section.

19 (b) If the designated beneficiary (or beneficiaries)
20 or joint pensioner dies before the firefighter's retirement
21 under the plan, the option elected will be canceled
22 automatically and a retirement income of the normal form and
23 amount will be payable to the firefighter upon retirement as
24 if the election had not been made, unless a new election is
25 made in accordance with the provisions of this section or a
26 new beneficiary is designated by the firefighter prior to
27 retirement and within 90 days after the death of the
28 beneficiary.

29 (c) If both the retired firefighter and the
30 beneficiary (or beneficiaries) designated by him or her die
31 before the full payment has been effected under any option

1 providing for payments for a period certain and life
2 thereafter, made pursuant to the provisions of paragraph
3 (1)(c), the Board of Trustees may, in its discretion, direct
4 that the commuted value of the remaining payments be paid in a
5 lump sum and in accordance with subsection (A)(3) of this
6 section.

7 (3) No firefighter may make any change in his or her
8 retirement option after the date of cashing or depositing the
9 first retirement check.

10 (E) Disability retirement--

11 (1) A firefighter having 10 or more years of credited
12 service or a firefighter who becomes totally and permanently
13 disabled in the line of duty, regardless of length of service,
14 may retire from the service of the municipality under the plan
15 if the firefighter becomes totally and permanently disabled as
16 defined in subsection (2) by reason of any cause other than a
17 cause set out in subsection (3) on or after the effective date
18 of the plan. Such retirement shall herein be referred to as
19 "disability retirement."

20 (2) A firefighter will be considered totally disabled
21 if, in the opinion of the Board of Trustees, he or she is
22 wholly prevented from rendering useful and efficient service
23 as a firefighter; and a firefighter will be considered
24 permanently disabled if, in the opinion of the Board of
25 Trustees, he or she is likely to remain so disabled
26 continuously and permanently from a cause other than is
27 specified in subsection (3).

28 (3) A firefighter will not be entitled to receive any
29 disability retirement income if the disability is a result of:

30 (a) Excessive and habitual use by the firefighter of
31 drugs, intoxicants, or narcotics;

1 (b) Injury or disease sustained by the firefighter
2 while willfully and illegally participating in fights, riots,
3 or civil insurrections or while committing a crime;

4 (c) Injury or disease sustained by the firefighter
5 while serving in any armed forces; or

6 (d) Injury or disease sustained by the firefighter
7 after his or her employment has terminated.

8 (4) No firefighter shall be permitted to retire under
9 the provisions of this section until he or she is examined by
10 a duly qualified physician or surgeon, to be selected by the
11 Board of Trustees for that purpose, and is found to be
12 disabled in the degree and in the manner specified in this
13 section. Any firefighter retiring under this section may be
14 examined periodically by a duly qualified physician or surgeon
15 or board of physicians and surgeons, to be selected by the
16 Board of Trustees for that purpose, to determine if such
17 disability has ceased to exist.

18 (5) The benefit payable to a firefighter who retires
19 from the service of a municipality due to total and permanent
20 disability as a direct result of a disability is the monthly
21 income payable for 10 years certain and life for which, if the
22 firefighter's disability occurred in the line of duty, his or
23 her monthly benefit shall be the accrued retirement benefit,
24 but shall not be less than 42 percent of his or her average
25 monthly salary at the time of disability. If, after 10 years
26 of service, the disability is other than in the line of duty,
27 the firefighter's monthly benefit shall be the accrued normal
28 retirement benefit, but shall not be less than 25 percent of
29 his or her average monthly salary at the time of disability.

30 (6) The monthly retirement income to which a
31 firefighter is entitled in the event of his or her disability

1 retirement shall be payable on the first date of the first
2 month after the Board of Trustees determines such entitlement.
3 However, the monthly retirement income shall be payable as of
4 the date the Board determines such entitlement, and any
5 portion due for a partial month shall be paid together with
6 the first payment. The last payment will be, if the
7 firefighter recovers from the disability, the payment due next
8 preceding the date of such recovery or, if the firefighter
9 dies without recovering from the disability, the payment due
10 next preceding his or her death or the 120th monthly payment,
11 whichever is later. In lieu of the benefit payment as provided
12 in this paragraph, a firefighter may select an optional form
13 as provided in part (D) of this section. Any monthly
14 retirement income payments due after the death of a disabled
15 firefighter shall be paid to the firefighter's designated
16 beneficiary (or beneficiaries) as provided in subsection
17 (A)(3) of this section and subsection (A)(5) of this section.

18 (7) If the Board of Trustees finds that a firefighter
19 who is receiving a disability retirement income is no longer
20 disabled as provided herein, the Board of Trustees shall
21 direct that the disability retirement income be discontinued.
22 "Recovery from disability" as used herein means the ability of
23 the firefighter to render useful and efficient service as a
24 firefighter.

25 (8) If the firefighter recovers from disability and
26 reenters the service as a firefighter, active service prior to
27 and following the period of disability will be deemed to have
28 been continuous, but the period beginning with the first month
29 for which he or she received a disability retirement income
30 payment and ending with the date he or she reentered the
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1 service may not be considered as credited service for the
2 purpose of this plan.

3 (F) Lump-sum payment of small retirement income--
4 If the monthly retirement income payable to any person
5 entitled to benefits hereunder is less than \$100, or if the
6 single-sum value of the accrued retirement income is less than
7 \$5,000, as of the date of retirement or termination of
8 service, whichever is applicable, the Board of Trustees, in
9 the exercise of its discretion, may specify that the actuarial
10 equivalent of such retirement income be paid in a lump sum.

11 (G) Diseases of firefighters suffered in line of duty;
12 presumption--

13 Any condition or impairment of health of a firefighter
14 caused by tuberculosis, hypertension, or heart disease
15 resulting in total or partial disability or death shall be
16 presumed to have been accidental and suffered in the line of
17 duty unless the contrary is shown by competent evidence,
18 provided that such firefighter shall have successfully passed
19 a physical examination before entering into such service,
20 which examination failed to reveal any evidence of such
21 condition. This section shall be applicable to all
22 firefighters only with reference to pension and retirement
23 benefits under this section.

24 (H) Conformance with the law--
25 The provisions of this section are intended to provide
26 firefighters with a pension plan that clearly provides the
27 minimum benefits and standards required by state law under
28 chapter 175, Florida Statutes, 1999, in order to allow the
29 city to continue to receive funds from the Police and
30 Firefighters' Premium Tax Trust Fund. With the addition of
31 this section, this plan is hereby deemed to be in compliance

1 with the minimum standards and minimum benefits level required
2 by chapter 175, Florida Statutes, 1999, and hence eligible to
3 participate in premium tax fund distribution under that
4 chapter. Should the provisions of chapter 175, Florida
5 Statutes, 1999, be amended in the future, the legislative body
6 of the City of Orlando may amend section 26 by providing such
7 additional benefits to firefighters participating in the
8 Optional Retirement Benefit Plan as may be necessary to meet
9 the minimum state standards prerequisite to the receipt of
10 Police and Firefighters' Premium Tax Trust Fund moneys.

11 Section 7. A new section 27 is added to chapter 23444,
12 Laws of Florida, 1945, as amended, to read:

13 Section 27. Tax Qualification--

14 The legislative body of the City of Orlando may amend
15 the pension plan to the limited extent necessary to obtain tax
16 qualification of the plan under the Internal Revenue Code, but
17 must obtain prior agreement of the members and their
18 collective bargaining agent, if any, should such required
19 amendments change any plan benefits.

20 Section 8. This act shall take effect October 1, 2000.

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