

the Committee on Fiscal Policy and Senators Thomas, Silver,

309-2191-00

2 An act relating to state employees; authorizing

4 Board of Regents to adopt tax-sheltered plans

6 payment for accumulated leave upon termination

8 for funding; providing for review of proposed

10 providing for continuous departmental

12 such funds upon termination of employment;

14 harmless by the state for early withdrawal

16 Service; providing for participation in the

18 Retirement Option Program; authorizing the

20 determine the design of the plans and the

22 date.

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

26 Section 1. _____

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2 payment for accumulated leave. The department and the Board of
3 private vendor or vendors to administer the plans. The plans
4 must provide retirement benefits in a manner that minimizes
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6 must be funded by employer contributions of payments for
7 accumulated leave as specified by the department and the Board
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9 and state approval as required by law, must not adversely
10 impact the qualified status of the Florida Retirement System
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12 benefits program, and must comply with the provisions of s.
13 112.65, Florida Statutes. Adoption of the plans is contingent
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15 determination letters and favorable private letters rulings
16 from the Internal Revenue Service, and being negotiated under
17 _____
18 applicable. The plans shall also be contingent upon
19 appropriate resources to modify the state payroll system
20 _____
21 Board of Regent's request for proposals by vendors for such
22 plans may require that the vendors provide market-risk or
23 _____
24 their investment products. The proposals must be reviewed by
25 the State Board of Administration, which shall advise the
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27 findings of that review. The department and the Board of
28 Regents shall provide for a system of continuous
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30 objectives are achieved and that the program is prudently

1 managed. These plans, if implemented, shall be administered by
2 the Division of Treasury of the Department of Insurance.

3 (2) Within 30 days after termination of employment, an
4 employee may elect to withdraw the moneys without penalty by
5 the plan administrator. If any employee is adversely affected
6 financially by a plan, the plan shall include a provision
7 which will make the employee financially whole.

8 (3) These contracts may be used by any other pay plans
9 or personnel systems in the executive, legislative, or
10 judicial branches of government upon approval of the
11 appropriate administrative authority.

12 (4) Notwithstanding the terminal-pay provisions of s.
13 110.122, Florida Statutes, the department and the Board of
14 Regents are authorized to develop and contract for
15 tax-sheltered plans for leave payments for employees
16 participating in the Deferred Retirement Option Program.

17 (5) The department and the Board of Regents shall
18 determine by rule the design of the plans and the eligibility
19 of participants.

20 (6) Nothing in this act shall be construed to remove
21 plan participants from the scope of s. 110.122(5), Florida
22 Statutes.

23 Section 2. This act shall take effect July 1, 2000.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
SB 820

The Department of Management Services and the Board of Regents are authorized to adopt tax-sheltered plans under s. 401 (a) of the Internal Revenue Code for payment of accumulated leave.

Makes adoption of the plans contingent upon the Department of Banking and Finance receiving resources to make the necessary changes in its computer system.

Requires that adopted plans be administered by the Department of Insurance.