

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
1		.	
2		.	
3		.	
4		.	

ORIGINAL STAMP BELOW

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

The Committee on Governmental Operations offered the following:

Amendment (with title amendment)

Remove from the bill: Everything after the enacting clause and insert in lieu thereof:

Section 1. Alternative benefits; tax-sheltered annual-leave and sick-leave payments.--

(1) The Department of Management Services and the Board of Regents on behalf of the State University System have authority to adopt tax-sheltered plans under s. 401(a) of the Internal Revenue Code for state employees who are eligible for payment for accumulated leave. The department and the Board of Regents, upon adoption of the plans, shall contract for a private vendor or vendors to administer the plans. The plans must provide retirement benefits in a manner that minimizes the tax liability of the state and participants. The plans must be funded by employer contributions of payments for accumulated leave as specified by the department and the Board of Regents. The plans must have received all necessary federal

Amendment No. ____ (for drafter's use only)

1 and state approval as required by law, must not adversely
2 impact the qualified status of the Florida Retirement System
3 defined benefit or defined contribution plans or the pretax
4 benefits program, and must comply with the provisions of s.
5 112.65, Florida Statutes. Adoption of the plans is contingent
6 on the department and the Board of Regents receiving favorable
7 determination letters and favorable private letters rulings
8 from the Internal Revenue Service, and being negotiated under
9 the provisions of chapter 447, Florida Statutes, where
10 applicable. The plans shall also be contingent upon
11 appropriate resources to modify the state payroll system
12 within the office of Comptroller. The department's and the
13 Board of Regent's request for proposals by vendors for such
14 plans may require that the vendors provide market-risk or
15 volatility ratings from recognized rating agencies for each of
16 their investment products. The proposals must be reviewed by
17 the State Board of Administration, which shall advise the
18 department and the Board of Regents with respect to the
19 findings of that review. The department and the Board of
20 Regents shall provide for a system of continuous
21 quality-assurance oversight to ensure that the program
22 objectives are achieved and that the program is prudently
23 managed.

24 (2) Within 30 days after termination of employment, an
25 employee may elect to withdraw the moneys without penalty by
26 the plan administrator. If any employee is adversely affected
27 financially by a plan, the plan shall include a provision
28 which will make the employee financially whole.

29 (3) These contracts may be used by any other pay plans
30 or personnel systems in the executive, legislative, or
31 judicial branches of government upon approval of the

Amendment No. ____ (for drafter's use only)

1 appropriate administrative authority.

2 (4) Notwithstanding the terminal-pay provisions of s.
3 110.122, Florida Statutes, the department and the Board of
4 Regents are authorized to develop and contract for
5 tax-sheltered plans for leave payments for employees
6 participating in the Deferred Retirement Option Program.

7 (5) The department and the Board of Regents shall
8 determine by rule the design of the plans and the eligibility
9 of participants.

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

13 Section 2. This act shall take effect July 1, 2000.

14
15

16 ===== T I T L E A M E N D M E N T =====

17 And the title is amended as follows:

18 remove from the title of the bill: the entire title

19

20 and insert in lieu thereof:

21 A bill to be entitled
22 An act relating to state employees; authorizing
23 the Department of Management Services and the
24 Board of Regents to adopt tax-sheltered plans
25 for state employees who are eligible for
26 payment for accumulated leave upon termination
27 of employment; providing conditions; providing
28 for funding; providing for review of proposed
29 plans by the State Board of Administration;
30 providing for continuous departmental
31 oversight; authorizing employees to withdraw

Amendment No. ____ (for drafter's use only)

1 such funds upon termination of employment;
2 providing that employees are to be held
3 harmless by the state for early withdrawal
4 penalties imposed by the Internal Revenue
5 Service; providing for participation in the
6 plan by employees enrolled in the Deferred
7 Retirement Option Program; authorizing the
8 department and the Board of Regents to
9 determine the design of the plans and the
10 eligible participants; providing an effective
11 date.

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31