

By Senator Sanderson

31-1143-02

1                                   A bill to be entitled  
2           An act relating to the Florida Retirement  
3           System; creating s. 121.4503, F.S.; creating  
4           the Public Employee Optional Retirement Program  
5           Clearing Trust Fund, to be administered by the  
6           Department of Management Services as a  
7           retirement clearing trust fund not subject to  
8           termination pursuant to s. 19(f), Art. III of  
9           the State Constitution; providing for sources  
10          of moneys and purposes; providing for exemption  
11          from the general revenue service charges;  
12          providing a contingent effective date.

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

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16           Section 1. Section 121.4503, Florida Statutes, is  
17 created to read:

18           121.4503 Public Employee Optional Retirement Program  
19 Clearing Trust Fund.--

20           (1) The Public Employee Optional Retirement Program  
21 Clearing Trust Fund is created to hold employer contributions  
22 made on behalf of participants of the Public Employee Optional  
23 Retirement Program, in accordance with s. 401 of the Internal  
24 Revenue Code. The fund shall be administered by the Department  
25 of Management Services as trustee and in accordance with the  
26 interagency agreement between the Department of Management  
27 Services, Division of Retirement, and the State Board of  
28 Administration. Funds shall be credited to the trust fund as  
29 provided in s. 121.571 and shall be held in trust for the  
30 exclusive benefit of such program's participants and  
31 beneficiaries, until such time as these assets are distributed

1 by the department to the State Board of Administration and the  
2 third-party administrator, as appropriate, to be used for the  
3 purposes of this part. The trust fund is exempt from the  
4 service charges imposed by s. 215.20.

5 (2) The Public Employee Optional Retirement Program  
6 Clearing Trust Fund is a retirement clearing trust fund of the  
7 Florida Retirement System that accounts for retirement plan  
8 assets held by the state in a trustee capacity as a fiduciary  
9 for individual participants in the Public Employee Optional  
10 Retirement Program and, pursuant to s. 19(f), Art. III of the  
11 State Constitution, is not subject to termination.

12 (3) The Department of Management Services is  
13 authorized to adopt rules necessary to administer this  
14 section.

15 Section 2. This act shall take effect upon becoming a  
16 law, but it shall not take effect unless it is enacted by at  
17 least a three-fifths vote of the membership of each house of  
18 the Legislature.

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21 SENATE SUMMARY

22 Creates the Public Employee Optional Retirement Program  
23 Clearing Trust Fund under the Department of Management  
24 Services to hold contributions made on behalf of program  
participants, which fund is exempt from constitutional  
requirements relating to the duration of trust funds.