

By Senator Sanderson

31-142-02

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A bill to be entitled

An act relating to firefighter pensions and police pensions; amending ss. 175.061, 185.05, F.S.; prescribing guidelines for selecting trustees for closed plans of specified size; amending ss. 175.371, 185.38, F.S.; providing for termination of plans after distribution of final benefit payments; providing an effective date.

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

Section 1. Paragraph (c) is added to subsection (1) of section 175.061, Florida Statutes, to read:

175.061 Board of trustees; members; terms of office; meetings; legal entity; costs; attorney's fees.--For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:

(1) In each municipality and in each special fire control district there is hereby created a board of trustees of the firefighters' pension trust fund, which shall be solely responsible for administering the trust fund. Effective October 1, 1986, and thereafter:

(c) Whenever the active membership of a closed plan or closed local law plan falls below 10, an active member seat may be held by either a retired member or an active member of the plan who is elected by the active and retired members of the plan.

Section 2. Subsection (2) of section 175.371, Florida Statutes, is amended to read:

1           175.371 Transfer to another state retirement system;  
2 benefits payable.--For any municipality, special fire control  
3 district, chapter plan, local law municipality, local law  
4 special fire control district, or local law plan under this  
5 chapter:

6           (2) When every active participant in any pension plan  
7 created pursuant to this chapter elects to transfer to another  
8 state retirement system, the pension plan created pursuant to  
9 this chapter shall be terminated and the assets distributed in  
10 accordance with s. 175.361. If some participants in a pension  
11 plan created pursuant to this chapter elect to transfer to  
12 another state retirement system and other participants elect  
13 to remain in the existing plan created pursuant to this  
14 chapter, the plan created pursuant to this chapter shall  
15 continue to receive state premium tax moneys until fully  
16 funded. "Fully funded" means that the present value of all  
17 benefits, accrued and projected, is less than the available  
18 assets and the present value of future member contributions  
19 and future plan sponsor contributions on an actuarial entry  
20 age cost funding basis. The plan shall remain in effect until  
21 the final benefit payment has been made to the last active  
22 ~~participant has terminated~~ and shall then be terminated in  
23 accordance with s. 175.361.

24           Section 3. Paragraph (c) is added to subsection (1) of  
25 section 185.05, Florida Statutes, to read:

26           185.05 Board of trustees; members; terms of office;  
27 meetings; legal entity; costs; attorney's fees.--For any  
28 municipality, chapter plan, local law municipality, or local  
29 law plan under this chapter:

30           (1) In each municipality described in s. 185.03 there  
31 is hereby created a board of trustees of the municipal police

1 officers' retirement trust fund, which shall be solely  
2 responsible for administering the trust fund. Effective  
3 October 1, 1986, and thereafter:

4 (c) Whenever the active membership of a closed plan or  
5 closed local law plan falls below 10, an active member seat  
6 may be held by either a retired member or an active member of  
7 the plan who is elected by the active and retired members of  
8 the plan.

9 Section 4. Subsection (2) of section 185.38, Florida  
10 Statutes, is amended to read:

11 185.38 Transfer to another state retirement system;  
12 benefits payable.--For any municipality, chapter plan, local  
13 law municipality, or local law plan under this chapter:

14 (2) When every active participant in any pension plan  
15 created pursuant to this chapter elects to transfer to another  
16 state retirement system, the pension plan created pursuant to  
17 this chapter shall be terminated and the assets distributed in  
18 accordance with s. 185.37. If some participants in a pension  
19 plan created pursuant to this chapter elect to transfer to  
20 another state retirement system and other participants elect  
21 to remain in the existing plan created pursuant to this  
22 chapter, the plan created pursuant to this chapter shall  
23 continue to receive state premium tax moneys until fully  
24 funded. "Fully funded" means that the present value of all  
25 benefits, accrued and projected, is less than the available  
26 assets and the present value of future member contributions  
27 and future plan sponsor contributions on an actuarial entry  
28 age cost funding basis. The plan shall remain in effect until  
29 the final benefit payment has been made to the last active  
30 ~~participant has terminated~~ and shall then be terminated in  
31 accordance with s. 185.37.

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Section 5. This act shall take effect October 1, 2002.

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SENATE SUMMARY

Provides that an active-member position on the board of trustees of a closed plan or closed local law plan for firefighters' or police officers' pensions may be held by a retired member of the plan if the active membership of the plan has fallen below 10; and that member must be elected by active and retired members of the plan. Provides that, when all active firefighter or police officer members of a pension plan have transferred to another state retirement system, the plan shall be terminated once the final benefit payment has been made to the last participant.