

By the Council for Smarter Government and Representatives
Mack, Bennett and Flanagan

1 A bill to be entitled
2 An act relating to firefighter pensions and
3 police pensions; amending s. 175.032, F.S.;
4 providing an extended time period for the
5 recognition of supplemental firefighter plans;
6 amending s. 185.02, F.S.; providing an extended
7 time period for the recognition of supplemental
8 police pension plans; amending ss. 175.061 and
9 185.05, F.S.; prescribing guidelines for
10 selecting trustees for closed plans of
11 specified size; amending ss. 175.371 and
12 185.38, F.S.; providing for termination of
13 plans after distribution of final benefit
14 payments; amending s. 175.351, F.S.; providing
15 an extended time period for the recognition of
16 certain municipal supplemental pension plans;
17 amending s. 185.35, F.S.; providing an extended
18 time period for the recognition of certain
19 municipal supplemental pension plans; providing
20 an effective date.

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22 Be It Enacted by the Legislature of the State of Florida:
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24 Section 1. Subsection (18) of section 175.032, Florida
25 Statutes, is amended to read:

26 175.032 Definitions.--For any municipality, special
27 fire control district, chapter plan, local law municipality,
28 local law special fire control district, or local law plan
29 under this chapter, the following words and phrases have the
30 following meanings:
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1 (18) "Supplemental plan municipality" means any local
2 law municipality in which there existed a supplemental plan,
3 of any type or nature, as of December 1, 2000 ~~January 1, 1997~~.

4 Section 2. Subsection (16) of section 185.02, Florida
5 Statutes, is amended to read:

6 185.02 Definitions.--For any municipality, chapter
7 plan, local law municipality, or local law plan under this
8 chapter, the following words and phrases as used in this
9 chapter shall have the following meanings, unless a different
10 meaning is plainly required by the context:

11 (16) "Supplemental plan municipality" means any local
12 law municipality in which there existed a supplemental plan as
13 of December 1, 2000 ~~January 1, 1997~~.

14 Section 3. Paragraph (c) is added to subsection (1) of
15 section 175.061, Florida Statutes, to read:

16 175.061 Board of trustees; members; terms of office;
17 meetings; legal entity; costs; attorney's fees.--For any
18 municipality, special fire control district, chapter plan,
19 local law municipality, local law special fire control
20 district, or local law plan under this chapter:

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

26 (c) Whenever the active firefighter membership of a
27 closed chapter plan or closed local law plan as provided in s.
28 175.371 falls below 10, an active firefighter member seat may
29 be held by either a retired member or an active firefighter
30 member of the plan who is elected by the active and retired
31 members of the plan. If there are no active or retired

1 firefighters remaining in the plan or capable of serving, the
2 remaining board members may elect an individual to serve in
3 the active firefighter seat. Upon receipt of such person's
4 name, the legislative body of the municipality or special fire
5 control district shall, as a ministerial duty, appoint such
6 person to the board of trustees. This paragraph applies only
7 to those plans that are closed to new members under s.
8 175.371(2), and does not apply to any other municipality or
9 fire control district having a chapter or local law plan.

10 Section 4. Paragraph (b) of subsection (3) of section
11 175.351, Florida Statutes, is amended to read:

12 175.351 Municipalities and special fire control
13 districts having their own pension plans for
14 firefighters.--For any municipality, special fire control
15 district, local law municipality, local law special fire
16 control district, or local law plan under this chapter, in
17 order for municipalities and special fire control districts
18 with their own pension plans for firefighters, or for
19 firefighters and police officers, where included, to
20 participate in the distribution of the tax fund established
21 pursuant to s. 175.101, local law plans must meet the minimum
22 benefits and minimum standards set forth in this chapter.

23 (3) Notwithstanding any other provision, with respect
24 to any supplemental plan municipality:

25 (b) Section 175.061(1)(b) shall not apply, and a local
26 law plan and a supplemental plan shall continue to be
27 administered by a board or boards of trustees numbered,
28 constituted, and selected as the board or boards were
29 numbered, constituted, and selected on December 1, 2000
30 ~~January 1, 1997~~.

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1 Section 5. Subsection (2) of section 175.371, Florida
2 Statutes, is amended to read:

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

8 (2) When every active participant in any pension plan
9 created pursuant to this chapter elects to transfer to another
10 state retirement system, the pension plan created pursuant to
11 this chapter shall be terminated and the assets distributed in
12 accordance with s. 175.361. If some participants in a pension
13 plan created pursuant to this chapter elect to transfer to
14 another state retirement system and other participants elect
15 to remain in the existing plan created pursuant to this
16 chapter, the plan created pursuant to this chapter shall
17 continue to receive state premium tax moneys until fully
18 funded. If the plan is fully funded at a particular valuation
19 date and not fully funded at a later valuation date, the plan
20 shall resume receipt of state premium tax moneys until the
21 plan is once again fully funded."Fully funded" means that the
22 present value of all benefits, accrued and projected, is less
23 than the available assets and the present value of future
24 member contributions and future plan sponsor contributions on
25 an actuarial entry age cost funding basis. The plan shall
26 remain in effect until the final benefit payment has been made
27 to the last active participant or beneficiary ~~has terminated~~
28 and shall then be terminated in accordance with s. 175.361.

29 Section 6. Paragraphs (c) and (d) are added to
30 subsection (1) of section 185.05, Florida Statutes, to read:

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1 185.05 Board of trustees; members; terms of office;
2 meetings; legal entity; costs; attorney's fees.--For any
3 municipality, chapter plan, local law municipality, or local
4 law plan under this chapter:

5 (1) In each municipality described in s. 185.03 there
6 is hereby created a board of trustees of the municipal police
7 officers' retirement trust fund, which shall be solely
8 responsible for administering the trust fund. Effective
9 October 1, 1986, and thereafter:

10 (c) Whenever the active police officer membership of a
11 closed chapter plan or closed local law plan as provided in s.
12 185.38 falls below 10, an active police officer member seat
13 may be held by either a retired police officer or an active
14 police officer member of the plan who is elected by the active
15 and retired members of the plan. If there are no active or
16 retired police officers remaining in the plan or capable of
17 serving, the remaining board members may elect an individual
18 to serve in the active police officer member seat. Upon
19 receipt of such person's name, the legislative body of the
20 municipality shall, as a ministerial duty, appoint such person
21 to the board of trustees. This paragraph applies only to those
22 plans that are closed to new members under s. 185.38(2), and
23 does not apply to any other municipality having a chapter or
24 local law plan.

25 (d) If the chapter plan or local law plan with an
26 active membership of 10 or more is closed to new members, the
27 member seats may be held by either a retiree, as defined in s.
28 185.02, or an active police officer of the plan who has been
29 elected by the active police officers. A closed plan means a
30 plan that is closed to new members but continues to operate,
31 pursuant to s. 185.38(2), for participants who elect to remain

1 in the existing plan. This paragraph applies only to those
2 plans that are closed to new members pursuant to s. 185.38(2)
3 and does not apply to any other municipality that has a
4 chapter plan or a local law plan.

5 Section 7. Paragraph (b) of subsection (3) of section
6 185.35, Florida Statutes, is amended to read:

7 185.35 Municipalities having their own pension plans
8 for police officers.--For any municipality, chapter plan,
9 local law municipality, or local law plan under this chapter,
10 in order for municipalities with their own pension plans for
11 police officers, or for police officers and firefighters where
12 included, to participate in the distribution of the tax fund
13 established pursuant to s. 185.08, local law plans must meet
14 the minimum benefits and minimum standards set forth in this
15 chapter:

16 (3) Notwithstanding any other provision, with respect
17 to any supplemental plan municipality:

18 (b) Section 185.05(1)(b) shall not apply, and a local
19 law plan and a supplemental plan shall continue to be
20 administered by a board or boards of trustees numbered,
21 constituted, and selected as the board or boards were
22 numbered, constituted, and selected on December 1, 2000
23 ~~January 1, 1997.~~

24 Section 8. Subsection (2) of section 185.38, Florida
25 Statutes, is amended to read:

26 185.38 Transfer to another state retirement system;
27 benefits payable.--For any municipality, chapter plan, local
28 law municipality, or local law plan under this chapter:

29 (2) When every active participant in any pension plan
30 created pursuant to this chapter elects to transfer to another
31 state retirement system, the pension plan created pursuant to

1 this chapter shall be terminated and the assets distributed in
2 accordance with s. 185.37. If some participants in a pension
3 plan created pursuant to this chapter elect to transfer to
4 another state retirement system and other participants elect
5 to remain in the existing plan created pursuant to this
6 chapter, the plan created pursuant to this chapter shall
7 continue to receive state premium tax moneys until fully
8 funded. If the plan is fully funded at a particular valuation
9 date and not fully funded at a later valuation date, the plan
10 shall resume receipt of state premium tax moneys until the
11 plan is once again determined to be fully funded."Fully
12 funded" means that the present value of all benefits, accrued
13 and projected, is less than the available assets and the
14 present value of future member contributions and future plan
15 sponsor contributions on an actuarial entry age cost funding
16 basis. The plan shall remain in effect until the final
17 benefit payment has been made to the last ~~active~~ participant
18 or beneficiary ~~has terminated~~ and shall then be terminated in
19 accordance with s. 185.37.

20 Section 9. This act shall take effect October 1, 2002.
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