

Amendment No. 1 (for drafter's use only)

|   | <u>Senate</u> | CHAMBER ACTION | <u>House</u> |
|---|---------------|----------------|--------------|
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ORIGINAL STAMP BELOW

The Committee on Fiscal Policy & Resources offered the following:

**Amendment**

On page 5, line 30,

and insert:

Section 1. Subsection (4) of section 121.4501, Florida Statutes, is amended to read:

121.4501 Public Employee Optional Retirement Program.--

(4) PARTICIPATION; ENROLLMENT.--

(a)1. With respect to an eligible employee who is employed in a regularly established position on April ~~June~~ 1, 2002, by a state employer:

a. Any such employee may elect to participate in the Public Employee Optional Retirement Program in lieu of retaining his or her membership in the defined benefit program of the Florida Retirement System. The election must be made in writing or by electronic means and must be filed with the third-party administrator ~~department and the personnel officer~~

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1 ~~of the employer by August 31, 2002 within 90 days after June~~  
2 ~~1, 2002, or, in the case of an active employee who is on a~~  
3 ~~leave of absence on April June 1, 2002, by August 31, 2002 or~~  
4 ~~within 90 days after the conclusion of the leave of absence,~~  
5 ~~whichever is later . This election is irrevocable, except as~~  
6 ~~provided in paragraph (e). Upon making such election, the~~  
7 ~~employee shall be enrolled as a participant of the Public~~  
8 ~~Employee Optional Retirement Program, the employee's~~  
9 ~~membership in the Florida Retirement System shall be governed~~  
10 ~~by the provisions of this part, and the employee's membership~~  
11 ~~in the defined benefit program of the Florida Retirement~~  
12 ~~System shall terminate. The employee's enrollment in the~~  
13 ~~Public Employee Optional Retirement Program shall be effective~~  
14 ~~the first day of the month for which a full month's employer~~  
15 ~~contribution is made to the optional program.~~

16         b. Any such employee who fails to elect to participate  
17 in the Public Employee Optional Retirement Program within the  
18 prescribed time period ~~90 days~~ is deemed to have elected to  
19 retain membership in the defined benefit program of the  
20 Florida Retirement System, and the employee's option to elect  
21 to participate in the optional program is forfeited.

22         2. With respect to employees who become eligible to  
23 participate in the Public Employee Optional Retirement Program  
24 by reason of employment in a regularly established position  
25 with a state employer commencing after April June 1, 2002:

26         a. Any such employee shall, by default, be enrolled in  
27 the defined benefit retirement program of the Florida  
28 Retirement System at the commencement of employment, and may,  
29 by the end of the fifth month following the employee's month  
30 of hire ~~within 180 days after employment commences~~, elect to  
31 participate in the Public Employee Optional Retirement

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1 Program. The employee's election must be made in writing or by  
2 electronic means and must be filed with the third-party  
3 administrator. ~~personnel officer of the employer.~~ The election  
4 to participate in the optional program is irrevocable, except  
5 as provided in paragraph (e).

6 b. If the employee files such election before the  
7 initial payroll is submitted for the employee, enrollment in  
8 the Public Employee Optional Retirement Program shall be  
9 effective on the first day of employment.

10 c. If the employee files such election within the  
11 prescribed time period ~~180 days after employment commences~~,  
12 but after the initial payroll is submitted for the employee,  
13 enrollment in the optional program shall be effective on the  
14 first day of the month for which a full month's employer  
15 contribution is made to the optional program.

16 d. Any such employee who fails to elect to participate  
17 in the Public Employee Optional Retirement Program within the  
18 prescribed time period ~~180 days~~ is deemed to have elected to  
19 retain membership in the defined benefit program of the  
20 Florida Retirement System, and the employee's option to elect  
21 to participate in the optional program is forfeited.

22 3. For purposes of this paragraph, "state employer"  
23 means any agency, board, branch, commission, community  
24 college, department, institution, institution of higher  
25 education, or water management district of the state, which  
26 participates in the Florida Retirement System for the benefit  
27 of certain employees.

28 (b)1. With respect to an eligible employee who is  
29 employed in a regularly established position on July ~~September~~  
30 1, 2002, by a district school board employer:

31 a. Any such employee may elect to participate in the

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1 Public Employee Optional Retirement Program in lieu of  
2 retaining his or her membership in the defined benefit program  
3 of the Florida Retirement System. The election must be made in  
4 writing or by electronic means and must be filed with the  
5 ~~third-party administrator department and the personnel officer~~  
6 ~~of the employer~~ by November 30, 2002 ~~within 90 days after~~  
7 ~~September 1, 2002~~, or, in the case of an active employee who  
8 is on a leave of absence on July ~~September 1, 2002~~, by  
9 November 30, 2002 or within 90 days after the conclusion of  
10 the leave of absence, whichever is later. This election is  
11 irrevocable, except as provided in paragraph (e). Upon making  
12 such election, the employee shall be enrolled as a participant  
13 of the Public Employee Optional Retirement Program, the  
14 employee's membership in the Florida Retirement System shall  
15 be governed by the provisions of this part, and the employee's  
16 membership in the defined benefit program of the Florida  
17 Retirement System shall terminate. The employee's enrollment  
18 in the Public Employee Optional Retirement Program shall be  
19 effective the first day of the month for which a full month's  
20 employer contribution is made to the optional program.

21 b. Any such employee who fails to elect to participate  
22 in the Public Employee Optional Retirement Program within the  
23 prescribed time period ~~90 days~~ is deemed to have elected to  
24 retain membership in the defined benefit program of the  
25 Florida Retirement System, and the employee's option to elect  
26 to participate in the optional program is forfeited.

27 2. With respect to employees who become eligible to  
28 participate in the Public Employee Optional Retirement Program  
29 by reason of employment in a regularly established position  
30 with a district school board employer commencing after July  
31 ~~September~~ 1, 2002:

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1           a. Any such employee shall, by default, be enrolled in  
2 the defined benefit retirement program of the Florida  
3 Retirement System at the commencement of employment, and may,  
4 by the end of the fifth month following the employee's month  
5 of hire within 180 days after employment commences, elect to  
6 participate in the Public Employee Optional Retirement  
7 Program. The employee's election must be made in writing or by  
8 electronic means and must be filed with the third-party  
9 administrator. ~~personnel officer of the employer.~~ The election  
10 to participate in the optional program is irrevocable, except  
11 as provided in paragraph (e).

12           b. If the employee files such election before the  
13 initial payroll is submitted for the employee, enrollment in  
14 the Public Employee Optional Retirement Program shall be  
15 effective on the first day of employment.

16           c. If the employee files such election within the  
17 prescribed time period ~~180 days after employment commences~~,  
18 but after the initial payroll is submitted for the employee,  
19 enrollment in the optional program shall be effective on the  
20 first day of the month for which a full month's employer  
21 contribution is made to the optional program.

22           d. Any such employee who fails to elect to participate  
23 in the Public Employee Optional Retirement Program within the  
24 prescribed time period ~~180 days~~ is deemed to have elected to  
25 retain membership in the defined benefit program of the  
26 Florida Retirement System, and the employee's option to elect  
27 to participate in the optional program is forfeited.

28           3. For purposes of this paragraph, "district school  
29 board employer" means any district school board that  
30 participates in the Florida Retirement System for the benefit  
31 of certain employees, or a charter school or charter technical

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1 career center that participates in the Florida Retirement  
2 System as provided in s. 121.051(2)(d).

3 (c)1. With respect to an eligible employee who is  
4 employed in a regularly established position on October  
5 ~~December~~ 1, 2002, by a local employer:

6 a. Any such employee may elect to participate in the  
7 Public Employee Optional Retirement Program in lieu of  
8 retaining his or her membership in the defined benefit program  
9 of the Florida Retirement System. The election must be made in  
10 writing or by electronic means and must be filed with the  
11 ~~third-party administrator department and the personnel officer~~  
12 ~~of the employer by February 28, 2003 within 90 days after~~  
13 ~~December 1, 2002~~, or, in the case of an active employee who is  
14 on a leave of absence on October ~~December~~ 1, 2002, by February  
15 28, 2003 or within 90 days after the conclusion of the leave  
16 of absence, whichever is later. This election is irrevocable.  
17 Upon making such election, the employee shall be enrolled as a  
18 participant of the Public Employee Optional Retirement  
19 Program, the employee's membership in the Florida Retirement  
20 System shall be governed by the provisions of this part, and  
21 the employee's membership in the defined benefit program of  
22 the Florida Retirement System shall terminate. The employee's  
23 enrollment in the Public Employee Optional Retirement Program  
24 shall be effective the first day of the month for which a full  
25 month's employer contribution is made to the optional program.

26 b. Any such employee who fails to elect to participate  
27 in the Public Employee Optional Retirement Program within the  
28 prescribed time period ~~90 days~~ is deemed to have elected to  
29 retain membership in the defined benefit program of the  
30 Florida Retirement System, and the employee's option to elect  
31 to participate in the optional program is forfeited.

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1           2. With respect to employees who become eligible to  
2 participate in the Public Employee Optional Retirement Program  
3 by reason of employment in a regularly established position  
4 with a local employer commencing after October ~~December~~ 1,  
5 2002:

6           a. Any such employee shall, by default, be enrolled in  
7 the defined benefit retirement program of the Florida  
8 Retirement System at the commencement of employment, and may,  
9 by the end of the fifth month following the employee's month  
10 of hire ~~within 180 days after employment commences~~, elect to  
11 participate in the Public Employee Optional Retirement  
12 Program. The employee's election must be made in writing or by  
13 electronic means and must be filed with the third-party  
14 administrator. ~~personnel officer of the employer.~~ The election  
15 to participate in the optional program is irrevocable, except  
16 as provided in paragraph (e).

17           b. If the employee files such election before the  
18 initial payroll is submitted for the employee, enrollment in  
19 the Public Employee Optional Retirement Program shall be  
20 effective on the first day of employment.

21           c. If the employee files such election within the  
22 prescribed time period ~~180 days after employment commences~~,  
23 but after the initial payroll is submitted for the employee,  
24 enrollment in the optional program shall be effective on the  
25 first day of the month for which a full month's employer  
26 contribution is made to the optional program.

27           d. Any such employee who fails to elect to participate  
28 in the Public Employee Optional Retirement Program within the  
29 prescribed time period ~~180 days~~ is deemed to have elected to  
30 retain membership in the defined benefit program of the  
31 Florida Retirement System, and the employee's option to elect

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1 to participate in the optional program is forfeited.

2 3. For purposes of this paragraph, "local employer"  
3 means any employer not included in paragraph (a) or paragraph  
4 (b).

5 (d) Contributions available for self-direction by a  
6 participant who has not selected one or more specific  
7 investment products shall be allocated as prescribed by the  
8 board. The third-party administrator shall notify any such  
9 participant at least quarterly that the participant should  
10 take an affirmative action to make an asset allocation among  
11 the optional program products.

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