



1 A bill to be entitled
 2 An act relating to municipal police and firefighter
 3 pensions; amending s. 175.351, F.S.; authorizing certain
 4 municipalities to provide extra benefits to firefighter
 5 pension plans prior to the receipt of additional premium
 6 tax revenues; providing a procedure; amending s. 185.35,
 7 F.S.; authorizing certain municipalities to provide extra
 8 benefits in police officer pension plans under certain
 9 circumstances; providing a procedure; providing an
 10 effective date.

11
 12 Be It Enacted by the Legislature of the State of Florida:

13
 14 Section 1. Section 175.351, Florida Statutes, is amended
 15 to read:

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

27 (1) PREMIUM TAX INCOME.--If a municipality has a pension
 28 plan for firefighters, or a pension plan for firefighters and



29 | police officers, where included, which in the opinion of the
30 | division meets the minimum benefits and minimum standards set
31 | forth in this chapter, the board of trustees of the pension
32 | plan, as approved by a majority of firefighters of the
33 | municipality, may:

34 | (a) Place the income from the premium tax in s. 175.101 in
35 | such pension plan for the sole and exclusive use of its
36 | firefighters, or for firefighters and police officers, where
37 | included, where it shall become an integral part of that pension
38 | plan and shall be used to pay extra benefits to the firefighters
39 | included in that pension plan; or

40 | (b) Place the income from the premium tax in s. 175.101 in
41 | a separate supplemental plan to pay extra benefits to
42 | firefighters, or to firefighters and police officers where
43 | included, participating in such separate supplemental plan.

44 |
45 | The premium tax provided by this chapter shall in all cases be
46 | used in its entirety to provide extra benefits to firefighters,
47 | or to firefighters and police officers, where included. However,
48 | local law plans in effect on October 1, 1998, shall be required
49 | to comply with the minimum benefit provisions of this chapter
50 | only to the extent that additional premium tax revenues become
51 | available to incrementally fund the cost of such compliance as
52 | provided in s. 175.162(2)(a). When a plan is in compliance with
53 | such minimum benefit provisions, as subsequent additional
54 | premium tax revenues become available, they shall be used to
55 | provide extra benefits. For the purpose of this chapter,
56 | "additional premium tax revenues" means revenues received by a



57 | municipality or special fire control district pursuant to s.
58 | 175.121 that exceed that amount received for calendar year 1997
59 | and the term "extra benefits" means benefits in addition to or
60 | greater than those provided to general employees of the
61 | municipality. Local law plans created by special act before May
62 | 23, 1939, shall be deemed to comply with this chapter. Any city
63 | which entered into a collective bargaining agreement prior to
64 | July 1, 2003, whereby the city has agreed to provide enhanced
65 | benefits to firefighters, or firefighters and police officers,
66 | where included, prior to receipt of additional premium tax
67 | revenues may, as a permissive alternative to paragraph (a),
68 | provide extra benefits to the members prior to receipt of
69 | additional premium tax revenues to fund such benefit
70 | improvements. The municipality shall advance to the appropriate
71 | plan the difference between actuarially determined costs of the
72 | extra benefits to be provided and the additional premium tax
73 | revenues received at the time of advancement. Thereafter, the
74 | municipality shall annually advance to the plan the difference
75 | in the actuarially determined cost of the extra benefits which
76 | were funded by the initial advance and the available additional
77 | premium tax revenues until such time as the growth in the
78 | available additional premium tax revenues is sufficient to fund
79 | the costs of the extra benefits provided by the initial advance.
80 | At such time, all additional premium tax revenues in excess of
81 | the costs of the benefit improvements shall be credited against
82 | the municipality's required contributions until the funds
83 | credited to the municipality equal the funds advanced by the
84 | municipality to the plan with interest. Thereafter, all



85 available additional premium tax revenues shall be used to
86 provide additional benefits. Interest may be assessed against
87 the funds advanced at a rate not to exceed the rate permitted by
88 law, provided such interest is agreed to by the certified
89 bargaining agent, where applicable, or a majority of
90 firefighters, or firefighters and police officers, where
91 included in the pension plan. In no event shall the municipality
92 be relieved of its fiduciary responsibility, as determined by
93 the plan actuary, of funding these extra benefits if the
94 additional premium tax revenues are not sufficient to fund the
95 extra benefits. Prior to an agreement between the municipality
96 and the firefighters, or firefighters and police officers where
97 included, being implemented, the plan administrator shall submit
98 such agreement and the actuarial impact statement prepared by
99 the plan actuary to the Division of Retirement for its
100 determination and approval that said agreement is in compliance
101 with the requirements of part VII of chapter 112.

102 (2) ADOPTION OR REVISION OF A LOCAL LAW PLAN.--No
103 retirement plan or amendment to a retirement plan shall be
104 proposed for adoption unless the proposed plan or amendment
105 contains an actuarial estimate of the costs involved. No such
106 proposed plan or proposed plan change shall be adopted without
107 the approval of the municipality, special fire control district,
108 or, where permitted, the Legislature. Copies of the proposed
109 plan or proposed plan change and the actuarial impact statement
110 of the proposed plan or proposed plan change shall be furnished
111 to the division prior to the last public hearing thereon. Such
112 statement shall also indicate whether the proposed plan or



113 proposed plan change is in compliance with s. 14, Art. X of the
114 State Constitution and those provisions of part VII of chapter
115 112 which are not expressly provided in this chapter.
116 Notwithstanding any other provision, only those local law plans
117 created by special act of legislation prior to May 23, 1939,
118 shall be deemed to meet the minimum benefits and minimum
119 standards only in this chapter.

120 (3) Notwithstanding any other provision, with respect to
121 any supplemental plan municipality:

122 (a) Section 175.032(3)(a) shall not apply, and a local law
123 plan and a supplemental plan may continue to use their
124 definition of compensation or salary in existence on the
125 effective date of this act.

126 (b) Section 175.061(1)(b) shall not apply, and a local law
127 plan and a supplemental plan shall continue to be administered
128 by a board or boards of trustees numbered, constituted, and
129 selected as the board or boards were numbered, constituted, and
130 selected on December 1, 2000.

131 (c) The election set forth in paragraph (1)(b) shall be
132 deemed to have been made.

133 (4) The retirement plan setting forth the benefits and the
134 trust agreement, if any, covering the duties and
135 responsibilities of the trustees and the regulations of the
136 investment of funds must be in writing, and copies thereof must
137 be made available to the participants and to the general public.

138 Section 2. Section 185.35, Florida Statutes, is amended to
139 read:



140 185.35 Municipalities having their own pension plans for
141 police officers.--For any municipality, chapter plan, local law
142 municipality, or local law plan under this chapter, in order for
143 municipalities with their own pension plans for police officers,
144 or for police officers and firefighters where included, to
145 participate in the distribution of the tax fund established
146 pursuant to s. 185.08, local law plans must meet the minimum
147 benefits and minimum standards set forth in this chapter:

148 (1) PREMIUM TAX INCOME.--If a municipality has a pension
149 plan for police officers, or for police officers and
150 firefighters where included, which, in the opinion of the
151 division, meets the minimum benefits and minimum standards set
152 forth in this chapter, the board of trustees of the pension
153 plan, as approved by a majority of police officers of the
154 municipality, may:

155 (a) Place the income from the premium tax in s. 185.08 in
156 such pension plan for the sole and exclusive use of its police
157 officers, or its police officers and firefighters where
158 included, where it shall become an integral part of that pension
159 plan and shall be used to pay extra benefits to the police
160 officers included in that pension plan; or

161 (b) May place the income from the premium tax in s. 185.08
162 in a separate supplemental plan to pay extra benefits to the
163 police officers, or police officers and firefighters where
164 included, participating in such separate supplemental plan.

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166 The premium tax provided by this chapter shall in all cases be
167 used in its entirety to provide extra benefits to police



168 officers, or to police officers and firefighters, where
169 included. However, local law plans in effect on October 1, 1998,
170 shall be required to comply with the minimum benefit provisions
171 of this chapter only to the extent that additional premium tax
172 revenues become available to incrementally fund the cost of such
173 compliance as provided in s. 185.16(2). When a plan is in
174 compliance with such minimum benefit provisions, as subsequent
175 additional tax revenues become available, they shall be used to
176 provide extra benefits. For the purpose of this chapter,
177 "additional premium tax revenues" means revenues received by a
178 municipality pursuant to s. 185.10 that exceed the amount
179 received for calendar year 1997 and the term "extra benefits"
180 means benefits in addition to or greater than those provided to
181 general employees of the municipality. Local law plans created
182 by special act before May 23, 1939, shall be deemed to comply
183 with this chapter. Any city which entered into a collective
184 bargaining agreement prior to July 1, 2003, whereby the city has
185 agreed to provide enhanced benefits to police officers, or
186 police officers and firefighters, where included, prior to
187 receipt of additional premium tax revenues may, as a permissive
188 alternative to paragraph (a), provide extra benefits to the
189 members prior to receipt of additional premium tax revenues to
190 fund such benefit improvements. The municipality shall advance
191 to the appropriate plan the difference between actuarially
192 determined costs of the extra benefits to be provided and the
193 additional premium tax revenues received at the time of
194 advancement. Thereafter, the municipality shall annually advance
195 to the plan the difference in the actuarially determined cost of



196 the extra benefits which were funded by the initial advance and
197 the available additional premium tax revenues until such time as
198 the growth in the available additional premium tax revenues is
199 sufficient to fund the costs of the extra benefits provided by
200 the initial advance. At such time, all additional premium tax
201 revenues in excess of the costs of the benefit improvements
202 shall be credited against the municipality's required
203 contributions until the funds credited to the municipality equal
204 the funds advanced by the municipality to the plan with
205 interest. Thereafter, all available additional premium tax
206 revenues shall be used to provide additional benefits. Interest
207 may be assessed against the funds advanced at a rate not to
208 exceed the rate permitted by law, provided such interest is
209 agreed to by the certified bargaining agent, where applicable,
210 or a majority of police officers, or police officers and
211 firefighters, where included in the pension plan. In no event
212 shall the municipality be relieved of its fiduciary
213 responsibility, as determined by the plan actuary, of funding
214 these extra benefits if the additional premium tax revenues are
215 not sufficient to fund the extra benefits. Prior to an agreement
216 between the municipality and the police officers, or police
217 officers and firefighters where included, being implemented, the
218 plan administrator shall submit such agreement and the actuarial
219 impact statement prepared by the plan actuary to the Division of
220 Retirement for its determination and approval that said
221 agreement is in compliance with the requirements of part VII of
222 chapter 112.



223 (2) ADOPTION OR REVISION OF A LOCAL LAW PLAN.--No
224 retirement plan or amendment to a retirement plan shall be
225 proposed for adoption unless the proposed plan or amendment
226 contains an actuarial estimate of the costs involved. No such
227 proposed plan or proposed plan change shall be adopted without
228 the approval of the municipality or, where permitted, the
229 Legislature. Copies of the proposed plan or proposed plan change
230 and the actuarial impact statement of the proposed plan or
231 proposed plan change shall be furnished to the division prior to
232 the last public hearing thereon. Such statement shall also
233 indicate whether the proposed plan or proposed plan change is in
234 compliance with s. 14, Art. X of the State Constitution and
235 those provisions of part VII of chapter 112 which are not
236 expressly provided in this chapter. Notwithstanding any other
237 provision, only those local law plans created by special act of
238 legislation prior to May 23, 1939, shall be deemed to meet the
239 minimum benefits and minimum standards only in this chapter.

240 (3) Notwithstanding any other provision, with respect to
241 any supplemental plan municipality:

242 (a) Section 185.02(4)(a) shall not apply, and a local law
243 plan and a supplemental plan may continue to use their
244 definition of compensation or salary in existence on the
245 effective date of this act.

246 (b) Section 185.05(1)(b) shall not apply, and a local law
247 plan and a supplemental plan shall continue to be administered
248 by a board or boards of trustees numbered, constituted, and
249 selected as the board or boards were numbered, constituted, and
250 selected on December 1, 2000.



251 (c) The election set forth in paragraph (1)(b) shall be
252 deemed to have been made.

253 (4) The retirement plan setting forth the benefits and the
254 trust agreement, if any, covering the duties and
255 responsibilities of the trustees and the regulations of the
256 investment of funds must be in writing and copies made available
257 to the participants and to the general public.

258 Section 3. This act shall take effect upon becoming a law.
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