



## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

]

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

##### HB 1369

This bill amends the West Palm Beach Police Pension Fund plan to improve the definition of "salary" to meet the minimum requirements of ch. 99-1, L.O.F. It provides enhanced benefits for the surviving spouse of a police officer killed in the line of duty to two-thirds of the member's highest 12 consecutive months or the current top step police officer pay, whichever is greater.

Currently, the salary definition includes regular hours worked, overtime payments for services performed for the city, hazardous duty pay, holiday pay, educational supplements, longevity pay, specialized assignment pay, and any payments for approved leave. Current line of duty death benefits for the surviving spouse are equal to four-ninths of the member's final average salary.

#### C. SECTION DIRECTORY:

Section 1: Amends ch. 24981 (1947), L.O.F., relating to the West Palm Beach Police Pension Fund. Section 16 (2) (p) "Definitions," is amended to provide that on or after January 1, 2003, "salary," means total cash remuneration paid by the City to a police officer for services rendered, excluding lump sum payments for accumulated leave.

Amends (17) (b) "Death Benefits," to provide that effective October 1, 2003, a surviving spouse shall receive a pension equal to two-thirds of the member's highest 12 consecutive months' salary or the current top step police officer pay, whichever is greater.

Section 2: Provides that all special laws and parts of special laws, ordinances, or regulations, insofar as they are in conflict or inconsistent with the provisions of this act, are repealed.

Section 3: Provides an effective date of upon becoming a law.

### II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

#### A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 15, 2003

WHERE? *The Palm Beach Post*, a daily newspaper published in Palm Beach County, Florida

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

According to the Economic Impact Statement, the estimated cost for implementation of this bill is \$26,836 in FY 04-05, and the same amount for FY 05-06.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES: None.

B. RULE-MAKING AUTHORITY: None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

#### Drafting Issues

Supremacy clauses are provisions that attempt to resolve conflicts between legislative enactments by assigning supremacy or prominence to one provision or set of provisions over another. When specifically stated as in "notwithstanding the provisions of s. \_\_, F.S., the provisions of this section shall govern," the provision is helpful in declaring the superiority of one provision over another. However, when stated generally, the determination of superiority between provisions is left not to the Legislature, but rather to the court system to determine. Such general provisions should be deleted. In this bill, Section 2 states that "All special laws and parts of special laws insofar as they are in conflict or inconsistent with the provisions of this act, are repealed."

#### Other Comments

The Division of Retirement's Actuarial Statement of Fiscal Soundness provides the following:

1. This bill affects neither the Florida Retirement System nor the System's Trust Fund.
2. The requirements of art. X, s.14 of the State Constitution and the provisions of ch. 112, part VII, F.S., have been satisfied.

3. The actuarial cost impact statement dated March 18, 2004, determines an annual ongoing 0.16 percent increase in the cost rate payable by the city. On the basis of an annual five percent growth in payroll, the additional cost is expected to be approximately \$30,000 for the FY 04/05, based on the actuarial valuation prepared as of September 30, 2004, but with a changed in-line-of-duty death assumption.

On the basis of the assumed five percent annual increase in payroll, the projected costs are:

	<u>FY 04/05</u>	<u>FY 05/06</u>	<u>FY06/07</u>
Cost Increase: %	0.16	0.16	0.16
\$	30,000	31,000	33,000

#### **IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES**

None.