

Bill No. CS for CS for SB 2722

Amendment No. \_\_\_\_ Barcode 655578

CHAMBER ACTION

Senate

House

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11 Senator Constantine moved the following amendment:

**Senate Amendment (with title amendment)**

14 On page 136, between lines 3 and 4,

16 insert:

17 Section 65. Subsection (7) is added to section 121.35,

18 Florida Statutes, to read:

19 121.35 Optional retirement program for the State

20 University System.--

21 (7) MAINTENANCE AND ADMINISTRATION OF

22 PROGRAM.--Effective July 1, 2004, a state university, as

23 defined in s. 1000.21, may irrevocably assume responsibility

24 for the independent maintenance and administration of the

25 optional retirement program described in this section for all

26 former, present, and future eligible employees of such

27 university and their beneficiaries. If eight state

28 universities assume that responsibility in accordance with

29 this subsection, each of the remaining state universities

30 must, within 1 year, also assume that responsibility. When a

31 state university implements the independent optional

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1 retirement program, this section shall apply, except to the  
2 extent that such provisions are superseded by the following:

3 (a) All employer and employee contributions under the  
4 program shall be made directly by the state university or by  
5 its program administrator to the designated provider companies  
6 that are contracting pursuant to subsection (1) for the  
7 accumulation and payment of benefits to the program  
8 participant, except that a program administrator may not also  
9 be a designated provider company or affiliate and must be  
10 engaged only to facilitate the payment of contributions to  
11 designated provider companies selected by the employee upon  
12 enrollment with the provider companies or its local  
13 representatives.

14 (b) The state university may authorize the deposit  
15 into a participant's account contributions in the form of  
16 rollovers or direct trustee-to-trustee transfers by or on  
17 behalf of participants who are reasonably determined by the  
18 state university to be eligible for rollover or transfer to  
19 its optional retirement program pursuant to the Internal  
20 Revenue Code and any applicable requirements of the  
21 university. Accounting for such contributions by the  
22 designated provider companies must be in accordance with the  
23 applicable requirements of the Internal Revenue Code and the  
24 university.

25 (c) The state university may deduct from its employer  
26 contribution on behalf of each program participant an amount  
27 approved by the university's board of trustees to provide for  
28 the administration of its optional retirement program.

29 (d) Benefits shall be paid by the provider company in  
30 accordance with law, the contract, and any applicable  
31 university rule or policy.

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1       (e) All aspects of the administration of the program  
2 in subsection (6), including the selection of provider  
3 companies, investment products, contracts offered through the  
4 optional retirement program, written program description, and  
5 an annual accounting of contributions made by and on behalf of  
6 each participant, are the sole responsibility of the state  
7 university.

8       (f) For purposes of administering the Florida  
9 Retirement System, the state university shall continue to  
10 report required information to the division on a monthly  
11 basis.

12       (g) This section does not terminate or modify  
13 contracts entered into prior to July 1, 2004, between the  
14 current designated provider companies and the Division of  
15 Retirement or the Department of Management Services. Any  
16 rights under such contracts which are exercisable by the  
17 division or department are exercisable by each university  
18 assuming responsibility for its own optional retirement  
19 program as the successor governmental entity for such  
20 contracts.

21           Section 66. Subsection (7) is added to section  
22 121.122, Florida Statutes, to read:

23           121.122 Renewed membership in system.--Except as  
24 provided in s. 121.053, effective July 1, 1991, any retiree of  
25 a state-administered retirement system who is employed in a  
26 regularly established position with a covered employer shall  
27 be enrolled as a compulsory member of the Regular Class of the  
28 Florida Retirement System or, effective July 1, 1997, any  
29 retiree of a state-administered retirement system who is  
30 employed in a position included in the Senior Management  
31 Service Class shall be enrolled as a compulsory member of the

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1 Senior Management Service Class of the Florida Retirement  
2 System as provided in s. 121.055, and shall be entitled to  
3 receive an additional retirement benefit, subject to the  
4 following conditions:

5 Effective July 1, 2004, any retiree of a  
6 state-administered retirement system who is employed in a  
7 regularly established position is eligible to participate in  
8 an optional retirement program established in s. 121.35 or s.  
9 121.051(2)(c), subject to those sections.

10 Section 67. Subsection (19) of section 1001.74,  
11 Florida Statutes, is amended to read:

12 1001.74 Powers and duties of university boards of  
13 trustees.--

14 (19)(a) Each board of trustees shall establish the  
15 personnel program for all employees of the university,  
16 including the president, pursuant to the provisions of chapter  
17 1012 and, in accordance with rules and guidelines of the State  
18 Board of Education, including: compensation and other  
19 conditions of employment, recruitment and selection,  
20 nonreappointment, standards for performance and conduct,  
21 evaluation, benefits and hours of work, leave policies,  
22 recognition and awards, inventions and works, travel, learning  
23 opportunities, exchange programs, academic freedom and  
24 responsibility, promotion, assignment, demotion, transfer,  
25 tenure and permanent status, ethical obligations and conflicts  
26 of interest, restrictive covenants, disciplinary actions,  
27 complaints, appeals and grievance procedures, and separation  
28 and termination from employment. The Department of Management  
29 Services shall retain authority over state university  
30 employees for programs established in ss. 110.123, 110.161,  
31 110.1232, 110.1234, and 110.1238 and in chapters 121, 122, and

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1 238, except as provided in paragraph (b).

2       (b) Each board of trustees may implement and  
3 administer an optional retirement program pursuant to s.  
4 121.35(7) and may enter into consortia with other boards of  
5 trustees for this purpose.

6  
7 (Redesignate subsequent sections.)

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10 ===== T I T L E   A M E N D M E N T =====

11 And the title is amended as follows:

12       On page 10, line 22, after the semicolon,

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14 insert:

15       Amending s. 121.35; , F.S.; authorizing state  
16       universities to assume certain responsibilities  
17       regarding the optional retirement program;  
18       requiring remaining state universities to  
19       assume those responsibilities under certain  
20       circumstances; amending s. 121.122, F.S. ;  
21       authorizing participation by renewed members in  
22       specified optional programs; amending s.  
23       1001.74, F.S., to conform;

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