

Bill No. CS for CS for SB 2884

Amendment No. ____ Barcode 240162

CHAMBER ACTION

Senate

House

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Senator Constantine moved the following amendment:

Senate Amendment (with title amendment)

On page 16, between lines 30 and 31,

insert:

Section 10. Subsection (7) is added to section 121.35, Florida Statutes, to read:

121.35 Optional retirement program for the State University System.--

(7) MAINTENANCE AND ADMINISTRATION OF PROGRAM.--Effective July 1, 2004, a state university, as defined in s. 1000.21, shall irrevocably assume responsibility for the independent maintenance and administration of the optional retirement program described in this section with respect to all former, present, and future eligible employees of such university and their beneficiaries. When a state university implements the independent optional retirement program, the provisions of this section shall apply, except to the extent that such provisions are superseded by the following:

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1 (a) All employer and employee contributions under the
2 program shall be made either directly by the state university
3 or by its program administrator to the designated provider
4 companies that are contracting pursuant to subsection (1) for
5 the accumulation and payment of benefits to the program
6 participant, provided that a program administrator may not
7 also be a designated provider company or affiliate thereof and
8 shall be engaged solely for the purpose of facilitating the
9 payment of contributions to designated provider companies as
10 selected by the participant employee upon enrollment with such
11 provider companies or their local representatives.

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

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

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

31 (e) All aspects of the administration of the program

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1 as set forth in subsection (6), including the selection of
2 provider companies, investment products, and contracts offered
3 through the optional retirement program, written program
4 description, and an annual accounting of contributions made by
5 and on behalf of each participant, shall be the sole
6 responsibility of the state university.

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

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

20 Section 11. Subsection (7) is added to section
21 121.122, Florida Statutes, to read:

22 121.122 Renewed membership in system.--Except as
23 provided in s. 121.053, effective July 1, 1991, any retiree of
24 a state-administered retirement system who is employed in a
25 regularly established position with a covered employer shall
26 be enrolled as a compulsory member of the Regular Class of the
27 Florida Retirement System or, effective July 1, 1997, any
28 retiree of a state-administered retirement system who is
29 employed in a position included in the Senior Management
30 Service Class shall be enrolled as a compulsory member of the
31 Senior Management Service Class of the Florida Retirement

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1 System as provided in s. 121.055, and shall be entitled to
2 receive an additional retirement benefit, subject to the
3 following conditions:

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

9 Section 12. Subsection (19) of section 1001.74,
10 Florida Statutes, is amended to read:

11 1001.74 Powers and duties of university boards of
12 trustees.--

13 (19)(a) Each board of trustees shall establish the
14 personnel program for all employees of the university,
15 including the president, pursuant to the provisions of chapter
16 1012 and, in accordance with rules and guidelines of the State
17 Board of Education, including: compensation and other
18 conditions of employment, recruitment and selection,
19 nonreappointment, standards for performance and conduct,
20 evaluation, benefits and hours of work, leave policies,
21 recognition and awards, inventions and works, travel, learning
22 opportunities, exchange programs, academic freedom and
23 responsibility, promotion, assignment, demotion, transfer,
24 tenure and permanent status, ethical obligations and conflicts
25 of interest, restrictive covenants, disciplinary actions,
26 complaints, appeals and grievance procedures, and separation
27 and termination from employment. The Department of Management
28 Services shall retain authority over state university
29 employees for programs established in ss. 110.123, 110.161,
30 110.1232, 110.1234, and 110.1238 and in chapters 121, 122, and
31 238, except as otherwise provided in paragraph (b).

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1 (b) Boards of trustees administering optional
 2 retirement programs pursuant to s. 121.35(7) may enter into
 3 consortia with other boards of trustees for this purpose.

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 5 (Redesignate subsequent sections.)
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 8 ===== T I T L E A M E N D M E N T =====

9 And the title is amended as follows:

10 On page 2, line 8, after the semicolon,

11
 12 insert:

13 amending s. 121.35, F.S.; authorizing state
 14 universities to assume certain responsibilities
 15 regarding the optional retirement program;
 16 amending s. 121.122, F.S.; authorizing
 17 participation by renewed members in specified
 18 optional programs; amending s. 1001.74, F.S.,
 19 to conform;

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