

1                                   A bill to be entitled  
 2           An act relating to the state retirement system;  
 3           amending s. 121.091, F.S.; providing that a  
 4           disability of an employee who works in another  
 5           state full time may be certified by physicians  
 6           licensed in that state; correcting a  
 7           cross-reference; amending s. 121.22, F.S. ;  
 8           increasing the size of the State Retirement  
 9           Commission from three to five members; amending  
 10          s. 121.24, F.S.; revising the quorum  
 11          requirements of the commission; amending s.  
 12          121.35, F.S.; deleting the provision that  
 13          requires 1 academic year of employment or  
 14          appointment in the State University System for  
 15          participation in the optional retirement  
 16          program; providing an effective date.

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 18 Be It Enacted by the Legislature of the State of Florida:  
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20           Section 1. Paragraph (c) of subsection (4) and  
 21           paragraph (b) of subsection (13) of section 121.091, Florida  
 22           Statutes, are amended to read:

23           121.091 Benefits payable under the system.--Benefits  
 24           may not be paid under this section unless the member has  
 25           terminated employment as provided in s. 121.021(39)(a) or  
 26           begun participation in the Deferred Retirement Option Program  
 27           as provided in subsection (13), and a proper application has  
 28           been filed in the manner prescribed by the department. The  
 29           department may cancel an application for retirement benefits  
 30           when the member or beneficiary fails to timely provide the  
 31           information and documents required by this chapter and the

1 department's rules. The department shall adopt rules  
2 establishing procedures for application for retirement  
3 benefits and for the cancellation of such application when the  
4 required information or documents are not received.

5 (4) DISABILITY RETIREMENT BENEFIT.--

6 (c) Proof of disability.--The administrator, before  
7 approving payment of any disability retirement benefit, shall  
8 require proof that the member is totally and permanently  
9 disabled as provided herein:

10 1. Such proof shall include the certification of the  
11 member's total and permanent disability by two licensed  
12 physicians of the state and such other evidence of disability  
13 as the administrator may require, including reports from  
14 vocational rehabilitation, evaluation, or testing specialists  
15 who have evaluated the applicant for employment. A member  
16 whose position with an employer requires that the member work  
17 full time outside this state in the United States may include  
18 certification by two licensed physicians of the state where  
19 the member works.

20 2. It must be documented that:

21 a. The member's medical condition occurred or became  
22 symptomatic during the time the member was employed in an  
23 employee/employer relationship with his or her employer;

24 b. The member was totally and permanently disabled at  
25 the time he or she terminated covered employment; and

26 c. The member has not been employed with any other  
27 employer after such termination.

28 3. If the application is for in-line-of-duty  
29 disability, in addition to the requirements of subparagraph  
30 2., it must be documented by competent medical evidence that  
31 the disability was caused by a job-related illness or accident

1 | which occurred while the member was in an employee/employer  
2 | relationship with his or her employer.

3 |         4. The unavailability of an employment position that  
4 | the member is physically and mentally capable of performing  
5 | will not be considered as proof of total and permanent  
6 | disability.

7 |         (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general,  
8 | and subject to the provisions of this section, the Deferred  
9 | Retirement Option Program, hereinafter referred to as the  
10 | DROP, is a program under which an eligible member of the  
11 | Florida Retirement System may elect to participate, deferring  
12 | receipt of retirement benefits while continuing employment  
13 | with his or her Florida Retirement System employer. The  
14 | deferred monthly benefits shall accrue in the System Trust  
15 | Fund on behalf of the participant, plus interest compounded  
16 | monthly, for the specified period of the DROP participation,  
17 | as provided in paragraph (c). Upon termination of employment,  
18 | the participant shall receive the total DROP benefits and  
19 | begin to receive the previously determined normal retirement  
20 | benefits. Participation in the DROP does not guarantee  
21 | employment for the specified period of DROP. Participation in  
22 | the DROP by an eligible member beyond the initial 60-month  
23 | period as authorized in this subsection shall be on an annual  
24 | contractual basis for all participants.

25 |         (b) Participation in the DROP.--

26 |         1. An eligible member may elect to participate in the  
27 | DROP for a period not to exceed a maximum of 60 calendar  
28 | months or, with respect to members who are instructional  
29 | personnel employed by the Florida School for the Deaf and the  
30 | Blind and who have received authorization by the Board of  
31 | Trustees of the Florida School for the Deaf and the Blind to

1 participate in the DROP beyond 60 months, or who are  
2 instructional personnel as defined in s. 1012.01(2)(a)-(d) in  
3 grades K-12 and who have received authorization by the  
4 district school superintendent to participate in the DROP  
5 beyond 60 calendar months, 96 calendar months immediately  
6 following the date on which the member first reaches his or  
7 her normal retirement date or the date to which he or she is  
8 eligible to defer his or her election to participate as  
9 provided in subparagraph (a)2. However, a member who has  
10 reached normal retirement date prior to the effective date of  
11 the DROP shall be eligible to participate in the DROP for a  
12 period of time not to exceed 60 calendar months or, with  
13 respect to members who are instructional personnel employed by  
14 the Florida School for the Deaf and the Blind and who have  
15 received authorization by the Board of Trustees of the Florida  
16 School for the Deaf and the Blind to participate in the DROP  
17 beyond 60 months, or who are instructional personnel as  
18 defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have  
19 received authorization by the district school superintendent  
20 to participate in the DROP beyond 60 calendar months, 96  
21 calendar months immediately following the effective date of  
22 the DROP, except a member of the Special Risk Class who has  
23 reached normal retirement date prior to the effective date of  
24 the DROP and whose total accrued value exceeds 75 percent of  
25 average final compensation as of his or her effective date of  
26 retirement shall be eligible to participate in the DROP for no  
27 more than 36 calendar months immediately following the  
28 effective date of the DROP.

29           2. Upon deciding to participate in the DROP, the  
30 member shall submit, on forms required by the division:

31           a. A written election to participate in the DROP;

1           b. Selection of the DROP participation and termination  
2 dates, which satisfy the limitations stated in paragraph (a)  
3 and subparagraph 1. Such termination date shall be in a  
4 binding letter of resignation with the employer, establishing  
5 a deferred termination date. The member may change the  
6 termination date within the limitations of subparagraph 1.,  
7 but only with the written approval of his or her employer;

8           c. A properly completed DROP application for service  
9 retirement as provided in this section; and

10          d. Any other information required by the division.

11          3. The DROP participant shall be a retiree under the  
12 Florida Retirement System for all purposes, except for  
13 paragraph (5)(f) and subsection (9) and ss. 112.3173, 112.363,  
14 121.053, and 121.122. However, participation in the DROP does  
15 not alter the participant's employment status and such  
16 employee shall not be deemed retired from employment until his  
17 or her deferred resignation is effective and termination  
18 occurs as provided in s. 121.021(39).

19          4. Elected officers shall be eligible to participate  
20 in the DROP subject to the following:

21           a. An elected officer who reaches normal retirement  
22 date during a term of office may defer the election to  
23 participate in the DROP until the next succeeding term in that  
24 office. Such elected officer who exercises this option may  
25 participate in the DROP for up to 60 calendar months or a  
26 period of no longer than such succeeding term of office,  
27 whichever is less.

28           b. An elected or a nonelected participant may run for  
29 a term of office while participating in DROP and, if elected,  
30 extend the DROP termination date accordingly, except, however,  
31 if such additional term of office exceeds the 60-month

1 limitation established in subparagraph 1., and the officer  
 2 does not resign from office within such 60-month limitation,  
 3 the retirement and the participant's DROP shall be null and  
 4 void as provided in sub-subparagraph (c)5.d.

5 c. An elected officer who is dually employed and  
 6 elects to participate in DROP shall be required to satisfy the  
 7 definition of termination within the 60-month or, with respect  
 8 to members who are instructional personnel employed by the  
 9 Florida School for the Deaf and the Blind and who have  
 10 received authorization by the Board of Trustees of the Florida  
 11 School for the Deaf and the Blind to participate in the DROP  
 12 beyond 60 months, or who are instructional personnel as  
 13 defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have  
 14 received authorization by the district school superintendent  
 15 to participate in the DROP beyond 60 months, the 96-month  
 16 limitation period as provided in subparagraph 1. for the  
 17 nonelected position and may continue employment as an elected  
 18 officer as provided in s. 121.053. The elected officer will be  
 19 enrolled as a renewed member in the Elected Officers' Class or  
 20 the Regular Class, as provided in ss. 121.053 and 121.122  
 21 ~~121.22~~, on the first day of the month after termination of  
 22 employment in the nonelected position and termination of DROP.  
 23 Distribution of the DROP benefits shall be made as provided in  
 24 paragraph (c).

25 Section 2. Subsection (1) of section 121.22, Florida  
 26 Statutes, is amended to read:

27 121.22 State Retirement Commission; creation;  
 28 membership; compensation.--

29 (1) There is created within the Department of  
 30 Management Services a State Retirement Commission composed of  
 31 five ~~three~~ members: Two members ~~One member~~ who are ~~is~~ retired

1 under a state-supported retirement system administered by the  
 2 department; two members ~~one member~~ who are ~~is an~~ active  
 3 members ~~member~~ of a state-supported retirement system that is  
 4 administered by the department; and one member who is neither  
 5 a retiree, beneficiary, or member of a state-supported  
 6 retirement system administered by the department. Each member  
 7 shall have a different occupational background from the other  
 8 members.

9 Section 3. Paragraph (a) of subsection (1) of section  
 10 121.24, Florida Statutes, is amended to read:

11 121.24 Conduct of commission business; legal and other  
 12 assistance; compensation.--

13 (1) The commission shall conduct its business within  
 14 the following guidelines:

15 (a) For purposes of hearing appeals under s. 121.23,  
 16 the commission may meet in panels consisting of not fewer than  
 17 three members. For the purpose of meeting in these panels, a  
 18 quorum shall be not fewer than two members. For all other  
 19 purposes, a quorum shall consist of three ~~four~~ members. The  
 20 concurring vote of a majority of the members present shall be  
 21 required to reach a decision, issue orders, and conduct the  
 22 business of the commission.

23 Section 4. Paragraph (a) of subsection (2) of section  
 24 121.35, Florida Statutes, is amended to read:

25 121.35 Optional retirement program for the State  
 26 University System.--

27 (2) ELIGIBILITY FOR PARTICIPATION IN OPTIONAL  
 28 PROGRAM.--

29 (a) Participation in the optional retirement program  
 30 provided by this section shall be limited to persons who are  
 31 otherwise eligible for membership in the Florida Retirement

1 | ~~System; who are employed or appointed for no less than one~~  
2 | ~~academic year;~~ and who are employed in one of the following  
3 | State University System positions:  
4 |       1. Positions classified as instructional and research  
5 | faculty which are exempt from the career service under the  
6 | provisions of s. 110.205(2)(d).  
7 |       2. Positions classified as administrative and  
8 | professional which are exempt from the career service under  
9 | the provisions of s. 110.205(2)(d).  
10 |       3. The Chancellor and the university presidents.

11 |       Section 5. This act shall take effect July 1, 2005.

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