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2 An act relating to state financial matters;  
3 amending s. 121.021, F.S.; clarifying that the  
4 State Board of Administration may require that  
5 a member of the Florida Retirement System  
6 provide evidence of termination; amending s.  
7 121.091, F.S.; providing that a member of the  
8 Public Employee Optional Retirement Program may  
9 not return to employment with an employer under  
10 the Florida Retirement System until after being  
11 terminated for 3 calendar months; providing an  
12 exception for those members who have reached  
13 the normal retirement requirements of the  
14 defined benefit plan; amending s. 121.35, F.S.;  
15 changing the requirements of the Department of  
16 Management Services' designation of a fifth  
17 company to provide services under the state  
18 university optional retirement program;  
19 amending s. 121.4501, F.S.; redefining the  
20 terms "eligible employee" and "participant" for  
21 purposes of the Public Employee Optional  
22 Retirement Program; prescribing certain  
23 conditions on participation in the program;  
24 deleting references to the program's advisory  
25 committees; prescribing procedures for, and  
26 certain presumptions relating to, designation  
27 of beneficiaries; providing for participation  
28 by terminated DROP participants; amending s.  
29 121.591, F.S.; providing for cancellation of  
30 certain payment instruments under the program  
31 when not presented for payment; providing for

1           payment upon subsequent application and for  
2           forfeiture when not claimed within a certain  
3           period; providing that members of the Public  
4           Employee Optional Retirement Program may not  
5           receive a distribution from their account until  
6           after being terminated for 3 calendar months;  
7           providing an exception; providing for  
8           designation of beneficiaries for death  
9           benefits; amending s. 215.47, F.S.; authorizing  
10          investments in asset-backed securities;  
11          providing an effective date.

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13 Be It Enacted by the Legislature of the State of Florida:

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15           Section 1. Subsection (39) of section 121.021, Florida  
16 Statutes, is amended to read:

17           121.021 Definitions.--The following words and phrases  
18 as used in this chapter have the respective meanings set forth  
19 unless a different meaning is plainly required by the context:

20           (39)(a) "Termination" occurs, except as provided in  
21 paragraph (b), when a member ceases all employment  
22 relationships with employers under this system, as defined in  
23 subsection (10), but in the event a member should be employed  
24 by any such employer within the next calendar month,  
25 termination shall be deemed not to have occurred. A leave of  
26 absence shall constitute a continuation of the employment  
27 relationship, except that a leave of absence without pay due  
28 to disability may constitute termination for a member, if such  
29 member makes application for and is approved for disability  
30 retirement in accordance with s. 121.091(4). The department or

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1 board may require other evidence of termination as it deems  
2 necessary.

3 (b) "Termination" for a member electing to participate  
4 under the Deferred Retirement Option Program occurs when the  
5 Deferred Retirement Option Program participant ceases all  
6 employment relationships with employers under this system in  
7 accordance with s. 121.091(13), but in the event the Deferred  
8 Retirement Option Program participant should be employed by  
9 any such employer within the next calendar month, termination  
10 will be deemed not to have occurred, except as provided in s.  
11 121.091(13)(b)4.c. A leave of absence shall constitute a  
12 continuation of the employment relationship.

13 Section 2. Subsection (9) of section 121.091, Florida  
14 Statutes, is amended to read:

15 121.091 Benefits payable under the system.--Benefits  
16 may not be paid under this section unless the member has  
17 terminated employment as provided in s. 121.021(39)(a) or  
18 begun participation in the Deferred Retirement Option Program  
19 as provided in subsection (13), and a proper application has  
20 been filed in the manner prescribed by the department. The  
21 department may cancel an application for retirement benefits  
22 when the member or beneficiary fails to timely provide the  
23 information and documents required by this chapter and the  
24 department's rules. The department shall adopt rules  
25 establishing procedures for application for retirement  
26 benefits and for the cancellation of such application when the  
27 required information or documents are not received.

28 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.--

29 (a) Any person who is retired under this chapter,  
30 except under the disability retirement provisions of  
31 subsection (4), may be employed by an employer that does not

1 participate in a state-administered retirement system and may  
2 receive compensation from that employment without limiting or  
3 restricting in any way the retirement benefits payable to that  
4 person.

5 (b)1. Any person who is retired under this chapter,  
6 except under the disability retirement provisions of  
7 subsection (4), may be reemployed by any private or public  
8 employer after retirement and receive retirement benefits and  
9 compensation from his or her employer without any limitations,  
10 except that a person may not receive both a salary from  
11 reemployment with any agency participating in the Florida  
12 Retirement System and retirement benefits under this chapter  
13 for a period of 12 months immediately subsequent to the date  
14 of retirement. However, a DROP participant shall continue  
15 employment and receive a salary during the period of  
16 participation in the Deferred Retirement Option Program, as  
17 provided in subsection (13).

18 2. Any person to whom the limitation in subparagraph  
19 1. applies who violates such reemployment limitation and who  
20 is reemployed with any agency participating in the Florida  
21 Retirement System before completion of the 12-month limitation  
22 period shall give timely notice of this fact in writing to the  
23 employer and to the division and shall have his or her  
24 retirement benefits suspended for the balance of the 12-month  
25 limitation period. Any person employed in violation of this  
26 paragraph and any employing agency which knowingly employs or  
27 appoints such person without notifying the Division of  
28 Retirement to suspend retirement benefits shall be jointly and  
29 severally liable for reimbursement to the retirement trust  
30 fund of any benefits paid during the reemployment limitation  
31 period. To avoid liability, such employing agency shall have

1 a written statement from the retiree that he or she is not  
2 retired from a state-administered retirement system. Any  
3 retirement benefits received while reemployed during this  
4 reemployment limitation period shall be repaid to the  
5 retirement trust fund, and retirement benefits shall remain  
6 suspended until such repayment has been made. Benefits  
7 suspended beyond the reemployment limitation shall apply  
8 toward repayment of benefits received in violation of the  
9 reemployment limitation.

10           3. A district school board may reemploy a retired  
11 member as a substitute or hourly teacher, education  
12 paraprofessional, transportation assistant, bus driver, or  
13 food service worker on a noncontractual basis after he or she  
14 has been retired for 1 calendar month, in accordance with s.  
15 121.021(39). A district school board may reemploy a retired  
16 member as instructional personnel, as defined in s.  
17 1012.01(2)(a), on an annual contractual basis after he or she  
18 has been retired for 1 calendar month, in accordance with s.  
19 121.021(39). Any other retired member who is reemployed within  
20 1 calendar month after retirement shall void his or her  
21 application for retirement benefits. District school boards  
22 reemploying such teachers, education paraprofessionals,  
23 transportation assistants, bus drivers, or food service  
24 workers are subject to the retirement contribution required by  
25 subparagraph 7.

26           4. A community college board of trustees may reemploy  
27 a retired member as an adjunct instructor, that is, an  
28 instructor who is noncontractual and part-time, or as a  
29 participant in a phased retirement program within the Florida  
30 Community College System, after he or she has been retired for  
31 1 calendar month, in accordance with s. 121.021(39). Any

1 | retired member who is reemployed within 1 calendar month after  
2 | retirement shall void his or her application for retirement  
3 | benefits. Boards of trustees reemploying such instructors are  
4 | subject to the retirement contribution required in  
5 | subparagraph 7. A retired member may be reemployed as an  
6 | adjunct instructor for no more than 780 hours during the first  
7 | 12 months of retirement. Any retired member reemployed for  
8 | more than 780 hours during the first 12 months of retirement  
9 | shall give timely notice in writing to the employer and to the  
10 | division of the date he or she will exceed the limitation.  
11 | The division shall suspend his or her retirement benefits for  
12 | the remainder of the first 12 months of retirement. Any  
13 | person employed in violation of this subparagraph and any  
14 | employing agency which knowingly employs or appoints such  
15 | person without notifying the Division of Retirement to suspend  
16 | retirement benefits shall be jointly and severally liable for  
17 | reimbursement to the retirement trust fund of any benefits  
18 | paid during the reemployment limitation period. To avoid  
19 | liability, such employing agency shall have a written  
20 | statement from the retiree that he or she is not retired from  
21 | a state-administered retirement system. Any retirement  
22 | benefits received by a retired member while reemployed in  
23 | excess of 780 hours during the first 12 months of retirement  
24 | shall be repaid to the Retirement System Trust Fund, and  
25 | retirement benefits shall remain suspended until repayment is  
26 | made. Benefits suspended beyond the end of the retired  
27 | member's first 12 months of retirement shall apply toward  
28 | repayment of benefits received in violation of the 780-hour  
29 | reemployment limitation.

30 |         5. The State University System may reemploy a retired  
31 | member as an adjunct faculty member or as a participant in a

1 | phased retirement program within the State University System  
2 | after the retired member has been retired for 1 calendar  
3 | month, in accordance with s. 121.021(39). Any retired member  
4 | who is reemployed within 1 calendar month after retirement  
5 | shall void his or her application for retirement benefits.  
6 | The State University System is subject to the retired  
7 | contribution required in subparagraph 7., as appropriate. A  
8 | retired member may be reemployed as an adjunct faculty member  
9 | or a participant in a phased retirement program for no more  
10 | than 780 hours during the first 12 months of his or her  
11 | retirement. Any retired member reemployed for more than 780  
12 | hours during the first 12 months of retirement shall give  
13 | timely notice in writing to the employer and to the division  
14 | of the date he or she will exceed the limitation. The  
15 | division shall suspend his or her retirement benefits for the  
16 | remainder of the first 12 months of retirement. Any person  
17 | employed in violation of this subparagraph and any employing  
18 | agency which knowingly employs or appoints such person without  
19 | notifying the Division of Retirement to suspend retirement  
20 | benefits shall be jointly and severally liable for  
21 | reimbursement to the retirement trust fund of any benefits  
22 | paid during the reemployment limitation period. To avoid  
23 | liability, such employing agency shall have a written  
24 | statement from the retiree that he or she is not retired from  
25 | a state-administered retirement system. Any retirement  
26 | benefits received by a retired member while reemployed in  
27 | excess of 780 hours during the first 12 months of retirement  
28 | shall be repaid to the Retirement System Trust Fund, and  
29 | retirement benefits shall remain suspended until repayment is  
30 | made. Benefits suspended beyond the end of the retired  
31 | member's first 12 months of retirement shall apply toward

1 repayment of benefits received in violation of the 780-hour  
2 reemployment limitation.

3           6. The Board of Trustees of the Florida School for the  
4 Deaf and the Blind may reemploy a retired member as a  
5 substitute teacher, substitute residential instructor, or  
6 substitute nurse on a noncontractual basis after he or she has  
7 been retired for 1 calendar month, in accordance with s.  
8 121.021(39). Any retired member who is reemployed within 1  
9 calendar month after retirement shall void his or her  
10 application for retirement benefits. The Board of Trustees of  
11 the Florida School for the Deaf and the Blind reemploying such  
12 teachers, residential instructors, or nurses is subject to the  
13 retirement contribution required by subparagraph 7.  
14 Reemployment of a retired member as a substitute teacher,  
15 substitute residential instructor, or substitute nurse is  
16 limited to 780 hours during the first 12 months of his or her  
17 retirement. Any retired member reemployed for more than 780  
18 hours during the first 12 months of retirement shall give  
19 timely notice in writing to the employer and to the division  
20 of the date he or she will exceed the limitation. The division  
21 shall suspend his or her retirement benefits for the remainder  
22 of the first 12 months of retirement. Any person employed in  
23 violation of this subparagraph and any employing agency which  
24 knowingly employs or appoints such person without notifying  
25 the Division of Retirement to suspend retirement benefits  
26 shall be jointly and severally liable for reimbursement to the  
27 retirement trust fund of any benefits paid during the  
28 reemployment limitation period. To avoid liability, such  
29 employing agency shall have a written statement from the  
30 retiree that he or she is not retired from a  
31 state-administered retirement system. Any retirement benefits



1 received by a retired member while reemployed in excess of 780  
2 hours during the first 12 months of retirement shall be repaid  
3 to the Retirement System Trust Fund, and his or her retirement  
4 benefits shall remain suspended until payment is made.  
5 Benefits suspended beyond the end of the retired member's  
6 first 12 months of retirement shall apply toward repayment of  
7 benefits received in violation of the 780-hour reemployment  
8 limitation.

9           7. The employment by an employer of any retiree or  
10 DROP participant of any state-administered retirement system  
11 shall have no effect on the average final compensation or  
12 years of creditable service of the retiree or DROP  
13 participant. Prior to July 1, 1991, upon employment of any  
14 person, other than an elected officer as provided in s.  
15 121.053, who has been retired under any state-administered  
16 retirement program, the employer shall pay retirement  
17 contributions in an amount equal to the unfunded actuarial  
18 liability portion of the employer contribution which would be  
19 required for regular members of the Florida Retirement System.  
20 Effective July 1, 1991, contributions shall be made as  
21 provided in s. 121.122 for retirees with renewed membership or  
22 subsection (13) with respect to DROP participants.

23           8. Any person who has previously retired and who is  
24 holding an elective public office or an appointment to an  
25 elective public office eligible for the Elected Officers'  
26 Class on or after July 1, 1990, shall be enrolled in the  
27 Florida Retirement System as provided in s. 121.053(1)(b) or,  
28 if holding an elective public office that does not qualify for  
29 the Elected Officers' Class on or after July 1, 1991, shall be  
30 enrolled in the Florida Retirement System as provided in s.  
31 121.122, and shall continue to receive retirement benefits as

1 well as compensation for the elected officer's service for as  
2 long as he or she remains in elective office. However, any  
3 retired member who served in an elective office prior to July  
4 1, 1990, suspended his or her retirement benefit, and had his  
5 or her Florida Retirement System membership reinstated shall,  
6 upon retirement from such office, have his or her retirement  
7 benefit recalculated to include the additional service and  
8 compensation earned.

9           9. Any person who is holding an elective public office  
10 which is covered by the Florida Retirement System and who is  
11 concurrently employed in nonelected covered employment may  
12 elect to retire while continuing employment in the elective  
13 public office, provided that he or she shall be required to  
14 terminate his or her nonelected covered employment. Any  
15 person who exercises this election shall receive his or her  
16 retirement benefits in addition to the compensation of the  
17 elective office without regard to the time limitations  
18 otherwise provided in this subsection. No person who seeks to  
19 exercise the provisions of this subparagraph, as the same  
20 existed prior to May 3, 1984, shall be deemed to be retired  
21 under those provisions, unless such person is eligible to  
22 retire under the provisions of this subparagraph, as amended  
23 by chapter 84-11, Laws of Florida.

24           10. The limitations of this paragraph apply to  
25 reemployment in any capacity with an "employer" as defined in  
26 s. 121.021(10), irrespective of the category of funds from  
27 which the person is compensated.

28           11. An employing agency may reemploy a retired member  
29 as a firefighter or paramedic after the retired member has  
30 been retired for 1 calendar month, in accordance with s.  
31 121.021(39). Any retired member who is reemployed within 1

1 calendar month after retirement shall void his or her  
2 application for retirement benefits. The employing agency  
3 reemploying such firefighter or paramedic is subject to the  
4 retired contribution required in subparagraph 8. Reemployment  
5 of a retired firefighter or paramedic is limited to no more  
6 than 780 hours during the first 12 months of his or her  
7 retirement. Any retired member reemployed for more than 780  
8 hours during the first 12 months of retirement shall give  
9 timely notice in writing to the employer and to the division  
10 of the date he or she will exceed the limitation. The division  
11 shall suspend his or her retirement benefits for the remainder  
12 of the first 12 months of retirement. Any person employed in  
13 violation of this subparagraph and any employing agency which  
14 knowingly employs or appoints such person without notifying  
15 the Division of Retirement to suspend retirement benefits  
16 shall be jointly and severally liable for reimbursement to the  
17 Retirement System Trust Fund of any benefits paid during the  
18 reemployment limitation period. To avoid liability, such  
19 employing agency shall have a written statement from the  
20 retiree that he or she is not retired from a  
21 state-administered retirement system. Any retirement benefits  
22 received by a retired member while reemployed in excess of 780  
23 hours during the first 12 months of retirement shall be repaid  
24 to the Retirement System Trust Fund, and retirement benefits  
25 shall remain suspended until repayment is made. Benefits  
26 suspended beyond the end of the retired member's first 12  
27 months of retirement shall apply toward repayment of benefits  
28 received in violation of the 780-hour reemployment limitation.

29 (c) The provisions of this subsection apply to  
30 retirees, as defined in s. 121.4501(2)(j), of the Public  
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1 Employee Optional Retirement Program created in part II,  
2 subject to the following conditions:

3 1. Such retirees may not be reemployed with an  
4 employer participating in the Florida Retirement System as  
5 provided in paragraph (b) until such person has been retired  
6 for 3 calendar months, unless the participant has reached the  
7 normal retirement requirements of the defined benefit plan as  
8 provided in s. 121.021(29).

9 2. Such retiree employed in violation of this  
10 subsection and any employing agency that knowingly employs or  
11 appoints such person shall be jointly and severally liable for  
12 reimbursement of any benefits paid to the retirement trust  
13 fund from which the benefits were paid, including the  
14 Retirement System Trust Fund and the Public Employee Optional  
15 Retirement Program Trust Fund, as appropriate. To avoid  
16 liability, such employing agency must have a written statement  
17 from the retiree that he or she is not retired from a  
18 state-administered retirement system.

19 Section 3. Paragraph (b) of subsection (6) of section  
20 121.35, Florida Statutes, is amended to read:

21 121.35 Optional retirement program for the State  
22 University System.--

23 (6) ADMINISTRATION OF PROGRAM.--

24 (b) After receiving and considering the  
25 recommendations of the State Board of Education, the  
26 department shall designate no more than five ~~four~~ companies  
27 from which contracts may be purchased under the program and  
28 shall approve the form and content of the optional retirement  
29 program contracts. Any domestic company that has been  
30 designated as of July 1, 2005, shall be included in the five  
31 companies until expiration of its existing contract with the

1 department. The domestic company may assign its contract with  
2 the department to an affiliated qualified company that is  
3 wholly owned by the domestic company's parent company and has  
4 assumed 100 percent of the responsibility for the contracts  
5 purchased from the domestic company. ~~Upon application by a~~  
6 ~~qualified Florida domestic company, the department shall give~~  
7 ~~reasonable notice to all other such companies that it intends~~  
8 ~~to designate one of such companies as a fifth company from~~  
9 ~~which contracts may be purchased pursuant to this section and~~  
10 ~~that they may apply for such designation prior to the deadline~~  
11 ~~established by said notice. At least 60 days after giving such~~  
12 ~~notice and upon receipt of the recommendation of the State~~  
13 ~~Board of Education, the department shall so designate one of~~  
14 ~~such companies as the fifth company from which such contracts~~  
15 ~~may be purchased.~~

16 Section 4. Paragraphs (f) and (h) of subsection (2),  
17 paragraph (e) of subsection (4), paragraph (c) of subsection  
18 (8), and subsection (12) of section 121.4501, Florida  
19 Statutes, are amended, and subsections (20) and (21) are added  
20 to that section, to read:

21 121.4501 Public Employee Optional Retirement  
22 Program.--

23 (2) DEFINITIONS.--As used in this part, the term:

24 (f) "Eligible employee" means an officer or employee,  
25 as defined in s. 121.021(11), who:

26 1. Is a member of, or is eligible for membership in,  
27 the Florida Retirement System, including any renewed member of  
28 the Florida Retirement System;

29 2. Participates in, or is eligible to participate in,  
30 the Senior Management Service Optional Annuity Program as  
31 established under s. 121.055(6) or the State Community College

1 Optional Retirement Program as established under s.  
2 121.051(2)(c); or  
3 3. Is eligible to participate in, but does not  
4 participate in, the State University System Optional  
5 Retirement Program established under s. 121.35.  
6  
7 The term does not include any member participating in the  
8 Deferred Retirement Option Program established under s.  
9 121.091(13) or any employee participating in an optional  
10 retirement program established under ~~s. 121.051(2)(c)~~ or s.  
11 121.35.  
12 (h) "Participant" means an eligible employee who  
13 elects to participate in the Public Employee Optional  
14 Retirement Program and enrolls in such optional program as  
15 provided in subsection (4) or a terminated Deferred Retirement  
16 Option Program participant as described in subsection (21).  
17 (4) PARTICIPATION; ENROLLMENT.--  
18 (e) After the period during which an eligible employee  
19 had the choice to elect the defined benefit program or the  
20 Public Employee Optional Retirement Program, or the month  
21 following the receipt of the eligible employee's plan election  
22 ~~selection effective date~~, if sooner, the employee shall have  
23 one opportunity, at the employee's discretion, to choose to  
24 move from the defined benefit program to the Public Employee  
25 Optional Retirement Program or from the Public Employee  
26 Optional Retirement Program to the defined benefit program.  
27 Eligible employees may elect to move between Florida  
28 Retirement System programs only if they are earning service  
29 credit in an employer-employee relationship consistent with  
30 the requirements under s. 121.021(17)(b), excluding leaves of  
31 absence without pay. Effective July 1, 2005, such elections

1 shall be effective on the first day of the month following the  
2 receipt of the election by the third-party administrator and  
3 are not subject to the requirements regarding an  
4 employer-employee relationship or receipt of contributions for  
5 the eligible employee in the effective month, except that the  
6 employee must meet the conditions of the previous sentence  
7 when the election is received by the third-party  
8 administrator. This paragraph shall be contingent upon  
9 approval from the Internal Revenue Service for including the  
10 choice described herein within the programs offered by the  
11 Florida Retirement System.

12         1. If the employee chooses to move to the Public  
13 Employee Optional Retirement Program, the applicable  
14 provisions of this section shall govern the transfer.

15         2. If the employee chooses to move to the defined  
16 benefit program, the employee must transfer from his or her  
17 Public Employee Optional Retirement Program account and from  
18 other employee moneys as necessary, a sum representing the  
19 present value of that employee's accumulated benefit  
20 obligation immediately following the time of such movement,  
21 determined assuming that attained service equals the sum of  
22 service in the defined benefit program and service in the  
23 Public Employee Optional Retirement Program. Benefit  
24 commencement occurs on the first date the employee would  
25 become eligible for unreduced benefits, using the discount  
26 rate and other relevant actuarial assumptions that were used  
27 to value the Florida Retirement System defined benefit plan  
28 liabilities in the most recent actuarial valuation. For any  
29 employee who, at the time of the second election, already  
30 maintains an accrued benefit amount in the defined benefit  
31 plan, the then-present value of such accrued benefit shall be

1 deemed part of the required transfer amount described in this  
2 subparagraph. The division shall ensure that the transfer sum  
3 is prepared using a formula and methodology certified by an  
4 enrolled actuary.

5           3. Notwithstanding subparagraph 2., an employee who  
6 chooses to move to the defined benefit program and who became  
7 eligible to participate in the Public Employee Optional  
8 Retirement Program by reason of employment in a regularly  
9 established position with a state employer after June 1, 2002;  
10 a district school board employer after September 1, 2002; or a  
11 local employer after December 1, 2002, must transfer from his  
12 or her Public Employee Optional Retirement Program account  
13 and, from other employee moneys as necessary, a sum  
14 representing that employee's actuarial accrued liability.

15           4. Employees' ability to transfer from the Florida  
16 Retirement System defined benefit program to the Public  
17 Employee Optional Retirement Program pursuant to paragraphs  
18 (a) through (d), and the ability for current employees to have  
19 an option to later transfer back into the defined benefit  
20 program under subparagraph 2., shall be deemed a significant  
21 system amendment. Pursuant to s. 121.031(4), any such  
22 resulting unfunded liability arising from actual original  
23 transfers from the defined benefit program to the optional  
24 program shall be amortized within 30 plan years as a separate  
25 unfunded actuarial base independent of the reserve  
26 stabilization mechanism defined in s. 121.031(3)(f). For the  
27 first 25 years, no direct amortization payment shall be  
28 calculated for this base. During this 25-year period, such  
29 separate base shall be used to offset the impact of employees  
30 exercising their second program election under this paragraph.  
31 It is the legislative intent that the actuarial funded status



1 of the Florida Retirement System defined benefit plan is  
2 neither beneficially nor adversely impacted by such second  
3 program elections in any significant manner, after due  
4 recognition of the separate unfunded actuarial base. Following  
5 this initial 25-year period, any remaining balance of the  
6 original separate base shall be amortized over the remaining 5  
7 years of the required 30-year amortization period.

8 (8) ADMINISTRATION OF PROGRAM.--

9 (c)1. In evaluating and selecting a third-party  
10 administrator, the board shall establish criteria under which  
11 it shall consider the relative capabilities and qualifications  
12 of each proposed administrator. In developing such criteria,  
13 the board shall consider:

14 a. The administrator's demonstrated experience in  
15 providing administrative services to public or private sector  
16 retirement systems.

17 b. The administrator's demonstrated experience in  
18 providing daily valued recordkeeping to defined contribution  
19 plans.

20 c. The administrator's ability and willingness to  
21 coordinate its activities with the Florida Retirement System  
22 employers, the board, and the division, and to supply to such  
23 employers, the board, and the division the information and  
24 data they require, including, but not limited to, monthly  
25 management reports, quarterly participant reports, and ad hoc  
26 reports requested by the department or board.

27 d. The cost-effectiveness and levels of the  
28 administrative services provided.

29 e. The administrator's ability to interact with the  
30 participants, the employers, the board, the division, and the  
31 providers; the means by which participants may access account

1 information, direct investment of contributions, make changes  
2 to their accounts, transfer moneys between available  
3 investment vehicles, and transfer moneys between investment  
4 products; and any fees that apply to such activities.

5 f. Any other factor deemed necessary by the Trustees  
6 of the State Board of Administration.

7 ~~g. The recommendations of the Public Employee Optional~~  
8 ~~Retirement Program Advisory Committee established in~~  
9 ~~subsection (12).~~

10 2. In evaluating and selecting an educational  
11 provider, the board shall establish criteria under which it  
12 shall consider the relative capabilities and qualifications of  
13 each proposed educational provider. In developing such  
14 criteria, the board shall consider:

15 a. Demonstrated experience in providing educational  
16 services to public or private sector retirement systems.

17 b. Ability and willingness to coordinate its  
18 activities with the Florida Retirement System employers, the  
19 board, and the division, and to supply to such employers, the  
20 board, and the division the information and data they require,  
21 including, but not limited to, reports on educational  
22 contacts.

23 c. The cost-effectiveness and levels of the  
24 educational services provided.

25 d. Ability to provide educational services via  
26 different media, including, but not limited to, the Internet,  
27 personal contact, seminars, brochures, and newsletters.

28 e. Any other factor deemed necessary by the Trustees  
29 of the State Board of Administration.

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1           ~~f. The recommendations of the Public Employee Optional~~  
2 ~~Retirement Program Advisory Committee established in~~  
3 ~~subsection (12).~~

4           3. The establishment of the criteria shall be solely  
5 within the discretion of the board.

6           (12) ADVISORY COUNCIL ~~COMMITTEES~~ TO PROVIDE ADVICE AND  
7 ASSISTANCE.--The Investment Advisory Council shall assist the  
8 board in implementing and administering the Public Employee  
9 Optional Retirement Program. The Investment Advisory Council,  
10 created pursuant to s. 215.444, shall review the board's  
11 initial recommendations regarding the criteria to be used in  
12 selecting and evaluating approved providers and investment  
13 products. The council may provide comments on the  
14 recommendations to the board within 45 days after receiving  
15 the initial recommendations. The board shall make the final  
16 determination as to whether any investment provider or  
17 product, any contractor, or any and all contract provisions  
18 shall be approved for the program.

19           (20) DESIGNATION OF BENEFICIARIES.--

20           (a) Each participant may, on a form provided for that  
21 purpose, signed and filed with the third-party administrator,  
22 designate a choice of one or more persons, named sequentially  
23 or jointly, as his or her beneficiary who shall receive the  
24 benefits, if any, which may be payable pursuant to this  
25 chapter in the event of the participant's death. If no  
26 beneficiary is named in this manner, or if no beneficiary  
27 designated by the participant survives the participant, the  
28 beneficiary shall be the spouse of the deceased, if living. If  
29 the participant's spouse is not alive at his or her death, the  
30 beneficiary shall be the living children of the participant.  
31 If no children survive, the beneficiary shall be the

1 participant's father or mother, if living; otherwise, the  
2 beneficiary shall be the participant's estate. The beneficiary  
3 most recently designated by a participant on a form or letter  
4 filed with the third-party administrator shall be the  
5 beneficiary entitled to any benefits payable at the time of  
6 the participant's death. Notwithstanding any other provision  
7 in this subsection to the contrary, for a participant who dies  
8 prior to his or her effective date of retirement, the spouse  
9 at the time of death shall be the participant's beneficiary  
10 unless such participant designates a different beneficiary as  
11 provided in this subsection subsequent to the participant's  
12 most recent marriage.

13 (b) If a participant designates a primary beneficiary  
14 other than the participant's spouse, the participant's spouse  
15 must sign the beneficiary designation form to acknowledge the  
16 designation. This requirement does not apply to the  
17 designation of one or more contingent beneficiaries to receive  
18 benefits remaining upon the death of the primary beneficiary  
19 or beneficiaries.

20 (c) Notwithstanding the participant's designation of  
21 benefits to be paid through a trust to a beneficiary that is a  
22 natural person, and notwithstanding the provisions of the  
23 trust, benefits shall be paid directly to the beneficiary if  
24 such person is no longer a minor or incapacitated as defined  
25 in s. 744.102(11) and (12).

26 (21) PARTICIPATION BY TERMINATED DEFERRED RETIREMENT  
27 OPTION PROGRAM PARTICIPANTS.--Notwithstanding any provision of  
28 law to the contrary, participants in the Deferred Retirement  
29 Option Program offered under part I may, after conclusion of  
30 their participation in the program, elect to roll over or  
31 authorize a direct trustee-to-trustee transfer to an account

1 under the Public Employee Optional Retirement Program of their  
2 Deferred Retirement Option Program proceeds distributed as  
3 provided under s. 121.091(13)(c)5. The transaction must  
4 constitute an "eligible rollover distribution" within the  
5 meaning of s. 402(c)(4) of the Internal Revenue Code.

6 (a) The Public Employee Optional Retirement Program  
7 may accept such amounts for deposit into participant accounts  
8 as provided in paragraph (5)(c).

9 (b) The affected participant shall direct the  
10 investment of his or her investment account; however, unless  
11 he or she becomes a renewed member of the Florida Retirement  
12 System under s. 121.122 and elects to participate in the  
13 Public Employee Optional Retirement Program, employer  
14 contributions may not be made to the participant's account as  
15 provided under paragraph (5)(a).

16 (c) The state board or the department is not  
17 responsible for locating those persons who may be eligible to  
18 participate in the Public Employee Optional Retirement Program  
19 under this subsection.

20 Section 5. Section 121.591, Florida Statutes, is  
21 amended to read:

22 121.591 Benefits payable under the Public Employee  
23 Optional Retirement Program of the Florida Retirement  
24 System.--Benefits may not be paid under this section unless  
25 the member has terminated employment as provided in s.  
26 121.021(39)(a) or is deceased and a proper application has  
27 been filed in the manner prescribed by the state board or the  
28 department. The state board or department, as appropriate, may  
29 cancel an application for retirement benefits when the member  
30 or beneficiary fails to timely provide the information and  
31 documents required by this chapter and the rules of the state

1 board and department. In accordance with their respective  
2 responsibilities as provided herein, the State Board of  
3 Administration and the Department of Management Services shall  
4 adopt rules establishing procedures for application for  
5 retirement benefits and for the cancellation of such  
6 application when the required information or documents are not  
7 received. The State Board of Administration and the Department  
8 of Management Services, as appropriate, are authorized to cash  
9 out a de minimis account of a participant who has been  
10 terminated from Florida Retirement System covered employment  
11 for a minimum of 6 calendar months. A de minimis account is an  
12 account containing employer contributions and accumulated  
13 earnings of not more than \$5,000 made under the provisions of  
14 this chapter. Such cash-out must either be a complete lump-sum  
15 liquidation of the account balance, subject to the provisions  
16 of the Internal Revenue Code, or a lump-sum direct rollover  
17 distribution paid directly to the custodian of an eligible  
18 retirement plan, as defined by the Internal Revenue Code, on  
19 behalf of the participant. If any financial instrument issued  
20 for the payment of retirement benefits under this section is  
21 not presented for payment within 180 days after the last day  
22 of the month in which it was originally issued, the  
23 third-party administrator or other duly authorized agent of  
24 the State Board of Administration shall cancel the instrument  
25 and credit the amount of the instrument to the suspense  
26 account of the Public Employee Optional Retirement Program  
27 Trust Fund authorized under s. 121.4501(6). Any such amounts  
28 transferred to the suspense account are payable upon a proper  
29 application, not to include earnings thereon, as provided in  
30 this section, within 10 years after the last day of the month  
31 in which the instrument was originally issued, after which

1 time such amounts and any earnings thereon shall be forfeited.  
2 Any such forfeited amounts are assets of the Public Employee  
3 Optional Retirement Program Trust Fund and are not subject to  
4 the provisions of chapter 717.

5 (1) NORMAL BENEFITS.--Under the Public Employee  
6 Optional Retirement Program:

7 (a) Benefits in the form of vested accumulations as  
8 described in s. 121.4501(6) shall be payable under this  
9 subsection in accordance with the following terms and  
10 conditions:

11 1. To the extent vested, benefits shall be payable  
12 only to a participant.

13 2. Benefits shall be paid by the third-party  
14 administrator or designated approved providers in accordance  
15 with the law, the contracts, and any applicable board rule or  
16 policy.

17 3. To receive benefits under this subsection, the  
18 participant must be terminated from all employment with all  
19 Florida Retirement System employers, as provided in s.  
20 121.021(39).

21 4. Benefit payments may not be made until the  
22 participant has been terminated for 3 calendar months, except  
23 that the board may authorize by rule for the distribution of  
24 up to 10 percent of the participant's account after being  
25 terminated for 1 calendar month if a participant has reached  
26 the normal retirement requirements of the defined benefit  
27 plan, as provided in s. 121.021(29).

28 (b) If a participant elects to receive his or her  
29 benefits upon termination of employment, the participant must  
30 submit a written application or an equivalent form to the  
31 third-party administrator indicating his or her preferred

1 | distribution date and selecting an authorized method of  
2 | distribution as provided in paragraph (c). The participant may  
3 | defer receipt of benefits until he or she chooses to make such  
4 | application, subject to federal requirements.

5 |         (c) Upon receipt by the third-party administrator of a  
6 | properly executed application for distribution of benefits,  
7 | the total accumulated benefit shall be payable to the  
8 | participant, as:

9 |             1. A lump-sum distribution to the participant;

10 |            2. A lump-sum direct rollover distribution whereby all  
11 | accrued benefits, plus interest and investment earnings, are  
12 | paid from the participant's account directly to the custodian  
13 | of an eligible retirement plan, as defined in s. 402(c)(8)(B)  
14 | of the Internal Revenue Code, on behalf of the participant; or

15 |             3. Periodic distributions, as authorized by the state  
16 | board.

17 |         (2) DISABILITY RETIREMENT BENEFITS.--Benefits provided  
18 | under this subsection are payable in lieu of the benefits  
19 | which would otherwise be payable under the provisions of  
20 | subsection (1). Such benefits shall be funded entirely from  
21 | employer contributions made under s. 121.571, transferred  
22 | participant funds accumulated pursuant to paragraph (a), and  
23 | interest and earnings thereon. Pursuant thereto:

24 |             (a) Transfer of funds.--To qualify to receive monthly  
25 | disability benefits under this subsection:

26 |             1. All moneys accumulated in the participant's Public  
27 | Employee Optional Retirement Program accounts, including  
28 | vested and nonvested accumulations as described in s.  
29 | 121.4501(6), shall be transferred from such individual  
30 | accounts to the Division of Retirement for deposit in the  
31 | disability account of the Florida Retirement System Trust



1 Fund. Such moneys shall be separately accounted for. Earnings  
2 shall be credited on an annual basis for amounts held in the  
3 disability accounts of the Florida Retirement System Trust  
4 Fund based on actual earnings of the Florida Retirement System  
5 Trust Fund.

6           2. If the participant has retained retirement credit  
7 he or she had earned under the defined benefit program of the  
8 Florida Retirement System as provided in s. 121.4501(3)(b), a  
9 sum representing the actuarial present value of such credit  
10 within the Florida Retirement System Trust Fund shall be  
11 reassigned by the Division of Retirement from the defined  
12 benefit program to the disability program as implemented under  
13 this subsection and shall be deposited in the disability  
14 account of the Florida Retirement System Trust Fund. Such  
15 moneys shall be separately accounted for.

16           (b) Disability retirement; entitlement.--

17           1. A participant of the Public Employee Optional  
18 Retirement Program who becomes totally and permanently  
19 disabled, as defined in s. 121.091(4)(b), after completing 8  
20 years of creditable service, or a participant who becomes  
21 totally and permanently disabled in the line of duty  
22 regardless of his or her length of service, shall be entitled  
23 to a monthly disability benefit as provided herein.

24           2. In order for service to apply toward the 8 years of  
25 service required to vest for regular disability benefits, or  
26 toward the creditable service used in calculating a  
27 service-based benefit as provided for under paragraph (g), the  
28 service must be creditable service as described below:

29           a. The participant's period of service under the  
30 Public Employee Optional Retirement Program will be considered  
31 creditable service, except as provided in subparagraph d.

1           b. If the participant has elected to retain credit for  
2 his or her service under the defined benefit program of the  
3 Florida Retirement System as provided under s. 121.4501(3)(b),  
4 all such service will be considered creditable service.

5           c. If the participant has elected to transfer to his  
6 or her participant accounts a sum representing the present  
7 value of his or her retirement credit under the defined  
8 benefit program as provided under s. 121.4501(3)(c), the  
9 period of service under the defined benefit program

10 represented in the present value amounts transferred will be  
11 considered creditable service for purposes of vesting for  
12 disability benefits, except as provided in subparagraph d.

13           d. Whenever a participant has terminated employment  
14 and has taken distribution of his or her funds as provided in  
15 subsection (1), all creditable service represented by such  
16 distributed funds is forfeited for purposes of this  
17 subsection.

18           (c) Disability retirement effective date.--The  
19 effective retirement date for a participant who applies and is  
20 approved for disability retirement shall be established as  
21 provided under s. 121.091(4)(a)2. and 3.

22           (d) Total and permanent disability.--A participant  
23 shall be considered totally and permanently disabled if, in  
24 the opinion of the division, he or she is prevented, by reason  
25 of a medically determinable physical or mental impairment,  
26 from rendering useful and efficient service as an officer or  
27 employee.

28           (e) Proof of disability.--The division, before  
29 approving payment of any disability retirement benefit, shall  
30 require proof that the participant is totally and permanently  
31 disabled in the same manner as provided for members of the

1 defined benefit program of the Florida Retirement System under  
2 s. 121.091(4)(c).

3 (f) Disability retirement benefit.--Upon the  
4 disability retirement of a participant under this subsection,  
5 the participant shall receive a monthly benefit that shall  
6 begin to accrue on the first day of the month of disability  
7 retirement, as approved by the division, and shall be payable  
8 on the last day of that month and each month thereafter during  
9 his or her lifetime and continued disability. All disability  
10 benefits payable to such member shall be paid out of the  
11 disability account of the Florida Retirement System Trust Fund  
12 established under this subsection.

13 (g) Computation of disability retirement benefit.--The  
14 amount of each monthly payment shall be calculated in the same  
15 manner as provided for members of the defined benefit program  
16 of the Florida Retirement System under s. 121.091(4)(f). For  
17 such purpose, creditable service under both the defined  
18 benefit program and the Public Employee Optional Retirement  
19 Program of the Florida Retirement System shall be applicable  
20 as provided under paragraph (b).

21 (h) Reapplication.--A participant whose initial  
22 application for disability retirement has been denied may  
23 reapply for disability benefits in the same manner, and under  
24 the same conditions, as provided for members of the defined  
25 benefit program of the Florida Retirement System under s.  
26 121.091(4)(g).

27 (i) Membership.--Upon approval of an application for  
28 disability benefits under this subsection, the applicant shall  
29 be transferred to the defined benefit program of the Florida  
30 Retirement System, effective upon his or her disability  
31 retirement effective date.

1           (j) Option to cancel.--Any participant whose  
2 application for disability benefits is approved may cancel his  
3 or her application for disability benefits, provided that the  
4 cancellation request is received by the division before a  
5 disability retirement warrant has been deposited, cashed, or  
6 received by direct deposit. Upon such cancellation:

7           1. The participant's transfer to the defined benefit  
8 program under paragraph (i) shall be nullified;

9           2. The participant shall be retroactively reinstated  
10 in the Public Employee Optional Retirement Program without  
11 hiatus;

12           3. All funds transferred to the Florida Retirement  
13 System Trust Fund under paragraph (a) shall be returned to the  
14 participant accounts from which such funds were drawn; and

15           4. The participant may elect to receive the benefit  
16 payable under the provisions of subsection (1) in lieu of  
17 disability benefits as provided under this subsection.

18           (k) Recovery from disability.--

19           1. The division may require periodic reexaminations at  
20 the expense of the disability program account of the Florida  
21 Retirement System Trust Fund. Except as otherwise provided in  
22 subparagraph 2., the requirements, procedures, and  
23 restrictions relating to the conduct and review of such  
24 reexaminations, discontinuation or termination of benefits,  
25 reentry into employment, disability retirement after reentry  
26 into covered employment, and all other matters relating to  
27 recovery from disability shall be the same as are set forth  
28 under s. 121.091(4)(h).

29           2. Upon recovery from disability, any recipient of  
30 disability retirement benefits under this subsection shall be  
31 a compulsory member of the Public Employee Optional Retirement

1 Program of the Florida Retirement System. The net difference  
2 between the recipient's original account balance transferred  
3 to the Florida Retirement System Trust Fund, including  
4 earnings, under paragraph (a) and total disability benefits  
5 paid to such recipient, if any, shall be determined as  
6 provided in sub-subparagraph a.

7       a. An amount equal to the total benefits paid shall be  
8 subtracted from that portion of the transferred account  
9 balance consisting of vested accumulations as described under  
10 s. 121.4501(6), if any, and an amount equal to the remainder  
11 of benefit amounts paid, if any, shall then be subtracted from  
12 any remaining portion consisting of nonvested accumulations as  
13 described under s. 121.4501(6).

14       b. Amounts subtracted under sub-subparagraph a. shall  
15 be retained within the disability account of the Florida  
16 Retirement System Trust Fund. Any remaining account balance  
17 shall be transferred to the third-party administrator for  
18 disposition as provided under sub-subparagraph c. or  
19 sub-subparagraph d., as appropriate.

20       c. If the recipient returns to covered employment,  
21 transferred amounts shall be deposited in individual accounts  
22 under the Public Employee Optional Retirement Program, as  
23 directed by the participant. Vested and nonvested amounts  
24 shall be separately accounted for as provided in s.  
25 121.4501(6).

26       d. If the recipient fails to return to covered  
27 employment upon recovery from disability:

28           (I) Any remaining vested amount shall be deposited in  
29 individual accounts under the Public Employee Optional  
30 Retirement Program, as directed by the participant, and shall  
31 be payable as provided in subsection (1).

1           (II) Any remaining nonvested amount shall be held in a  
2 suspense account and shall be forfeitable after 5 years as  
3 provided in s. 121.4501(6).

4           3. If present value was reassigned from the defined  
5 benefit program to the disability program of the Florida  
6 Retirement System as provided under subparagraph (a)2., the  
7 full present value amount shall be returned to the defined  
8 benefit account within the Florida Retirement System Trust  
9 Fund and the affected individual's associated retirement  
10 credit under the defined benefit program shall be reinstated  
11 in full. Any benefit based upon such credit shall be  
12 calculated as provided in s. 121.091(4)(h)1.

13           (1) Nonadmissible causes of disability.--A participant  
14 shall not be entitled to receive a disability retirement  
15 benefit if the disability results from any injury or disease  
16 sustained or inflicted as described in s. 121.091(4)(i).

17           (m) Disability retirement of justice or judge by order  
18 of Supreme Court.--

19           1. If a participant is a justice of the Supreme Court,  
20 judge of a district court of appeal, circuit judge, or judge  
21 of a county court who has served for 6 years or more as an  
22 elected constitutional judicial officer, including service as  
23 a judicial officer in any court abolished pursuant to Art. V  
24 of the State Constitution, and who is retired for disability  
25 by order of the Supreme Court upon recommendation of the  
26 Judicial Qualifications Commission pursuant to the provisions  
27 of Art. V of the State Constitution, the participant's Option  
28 1 monthly disability benefit amount as provided in s.  
29 121.091(6)(a)1. shall be two-thirds of his or her monthly  
30 compensation as of the participant's disability retirement  
31 date. Such a participant may alternatively elect to receive

1 an actuarially adjusted disability retirement benefit under  
2 any other option as provided in s. 121.091(6)(a), or to  
3 receive the normal benefit payable under the Public Employee  
4 Optional Retirement Program as set forth in subsection (1).

5         2. If any justice or judge who is a participant of the  
6 Public Employee Optional Retirement Program of the Florida  
7 Retirement System is retired for disability by order of the  
8 Supreme Court upon recommendation of the Judicial  
9 Qualifications Commission pursuant to the provisions of Art. V  
10 of the State Constitution and elects to receive a monthly  
11 disability benefit under the provisions of this paragraph:

12         a. Any present value amount that was transferred to  
13 his or her program account and all employer contributions made  
14 to such account on his or her behalf, plus interest and  
15 earnings thereon, shall be transferred to and deposited in the  
16 disability account of the Florida Retirement System Trust  
17 Fund; and

18         b. The monthly benefits payable under this paragraph  
19 for any affected justice or judge retired from the Florida  
20 Retirement System pursuant to Art. V of the State Constitution  
21 shall be paid from the disability account of the Florida  
22 Retirement System Trust Fund.

23         (n) Death of retiree or beneficiary.--Upon the death  
24 of a disabled retiree or beneficiary thereof who is receiving  
25 monthly benefits under this subsection, the monthly benefits  
26 shall be paid through the last day of the month of death and  
27 shall terminate, or be adjusted, if applicable, as of that  
28 date in accordance with the optional form of benefit selected  
29 at the time of retirement. The Department of Management  
30 Services may adopt rules necessary to administer this  
31 paragraph.

1           (3) DEATH BENEFITS.--Under the Public Employee  
2 Optional Retirement Program:

3           (a) Survivor benefits shall be payable in accordance  
4 with the following terms and conditions:

5           1. To the extent vested, benefits shall be payable  
6 only to a participant's beneficiary or beneficiaries as  
7 designated by the participant as provided in s. 121.4501(20).  
8 ~~If a participant designates a primary beneficiary other than~~  
9 ~~the participant's spouse, the participant's spouse shall be~~  
10 ~~notified of the designation. This requirement shall not apply~~  
11 ~~to the designation of one or more contingent beneficiaries to~~  
12 ~~receive any benefits remaining upon the death of the primary~~  
13 ~~beneficiary or beneficiaries.~~

14           2. Benefits shall be paid by the third-party  
15 administrator or designated approved providers in accordance  
16 with the law, the contracts, and any applicable board rule or  
17 policy.

18           3. To receive benefits under this subsection, the  
19 participant must be deceased.

20           (b) In the event of a participant's death, all vested  
21 accumulations as described in s. 121.4501(6), less withholding  
22 taxes remitted to the Internal Revenue Service, shall be  
23 distributed, as provided in paragraph (c) or as described in  
24 s. 121.4501(20), ~~to the participant's designated beneficiary~~  
25 ~~or beneficiaries, or to the participant's estate~~, as if the  
26 participant retired on the date of death. No other death  
27 benefits shall be available for survivors of participants  
28 under the Public Employee Optional Retirement Program, except  
29 for such benefits, or coverage for such benefits, as are  
30 otherwise provided by law or are separately afforded by the  
31 employer, at the employer's discretion.



1           (c) Upon receipt by the third-party administrator of a  
2 properly executed application for distribution of benefits,  
3 the total accumulated benefit shall be payable by the  
4 third-party administrator to the participant's surviving  
5 beneficiary or beneficiaries, as:

6           1. A lump-sum distribution payable to the beneficiary  
7 or beneficiaries, or to the deceased participant's estate;

8           2. An eligible rollover distribution on behalf of the  
9 surviving spouse of a deceased participant, whereby all  
10 accrued benefits, plus interest and investment earnings, are  
11 paid from the deceased participant's account directly to the  
12 custodian of an eligible retirement plan, as described in s.  
13 402(c)(8)(B) of the Internal Revenue Code, on behalf of the  
14 surviving spouse; or

15           3. A partial lump-sum payment whereby a portion of the  
16 accrued benefit is paid to the deceased participant's  
17 surviving spouse or other designated beneficiaries, less  
18 withholding taxes remitted to the Internal Revenue Service,  
19 and the remaining amount is transferred directly to the  
20 custodian of an eligible retirement plan, as described in s.  
21 402(c)(8)(B) of the Internal Revenue Code, on behalf of the  
22 surviving spouse. The proportions must be specified by the  
23 participant or the surviving beneficiary.

24  
25 This paragraph does not abrogate other applicable provisions  
26 of state or federal law providing for payment of death  
27 benefits.

28           (4) LIMITATION ON LEGAL PROCESS.--The benefits payable  
29 to any person under the Public Employee Optional Retirement  
30 Program, and any contributions accumulated under such program,  
31 are not subject to assignment, execution, attachment, or any

1 legal process, except for qualified domestic relations orders  
2 by a court of competent jurisdiction, income deduction orders  
3 as provided in s. 61.1301, and federal income tax levies.

4 Section 6. Paragraph (k) is added to subsection (2) of  
5 section 215.47, Florida Statutes, to read:

6 215.47 Investments; authorized securities; loan of  
7 securities.--Subject to the limitations and conditions of the  
8 State Constitution or of the trust agreement relating to a  
9 trust fund, moneys available for investments under ss.  
10 215.44-215.53 may be invested as follows:

11 (2) With no more than 25 percent of any fund in:

12 (k) Asset-backed securities not otherwise authorized  
13 by this section.

14 Section 7. This act shall take effect July 1, 2005.  
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