

By Senators Sebesta, Lee and Crist

16-945-05

See HB

1 A bill to be entitled
2 An act relating to the City of Tampa,
3 Hillsborough County; amending chapter 23559,
4 Laws of Florida, 1945, as amended; revising the
5 definition of "salaries or wages" to provide
6 for an employer pickup so that the employees in
7 Division A may make pension contributions on a
8 pre-tax basis; revising longevity retirement
9 provisions to provide for a multiplier of 1.15
10 percent for employees in Division B; providing
11 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 (A) of section 4 of chapter
16 23559, Laws of Florida, 1945, as last amended by chapter
17 2000-490, Laws of Florida, is amended to read:

18 Section 4. Definitions.

19 (A) Salaries or Wages. Salaries or Wages for the
20 purpose of this act shall be the base amounts earned by the
21 Employee, plus regular longevity bonuses, overtime, and shift
22 premiums, but exclusive of other premiums, allowances, or
23 special payments or any casual nonrecurring or unpredictable
24 bonuses. In addition to other applicable limitations set forth
25 in the Plan, and notwithstanding any other provision of the
26 Plan to the contrary, for Plan Years beginning on or after
27 January 1, 1996, the annual Salaries or Wages of each Employee
28 taken into account under the Plan shall not exceed the annual
29 compensation limit provided for in the Omnibus Budget
30 Reconciliation Act of 1993 (the "OBRA 1993 Annual Compensation
31 Limit"). The OBRA 1993 Annual Compensation Limit is \$150,000,

1 as adjusted by the Commissioner of the Internal Revenue
2 Service for increases in the cost-of-living in accordance with
3 Section 401(a)(17)(B) of the Internal Revenue Code of 1986, as
4 amended (the "Code"). The cost-of-living adjustment in effect
5 for a calendar year applies to any period, not exceeding 12
6 months, over which Salaries or Wages are determined
7 (determination period) beginning in such calendar year. If a
8 determination period consists of fewer than 12 months, the
9 OBRA 1993 Annual Compensation Limit will be multiplied by a
10 fraction, the numerator of which is the number of months in
11 the determination period, and the denominator of which is 12.
12 For Plan Years beginning on or after January 1, 1996, any
13 reference in this Plan to the limitation under Section
14 401(a)(17) of the Code shall mean the OBRA 1993 Annual
15 Compensation Limit set forth in this provision. The limitation
16 on Salaries or Wages for an "eligible Employee" shall not be
17 less than the amount which was allowed to be taken into
18 account hereunder as in effect on July 1, 1993. "Eligible
19 Employee" is an individual who was a participant in the Plan
20 before the first Plan Year beginning after December 31, 1995.
21 Commencing for earnings paid the first pay date after October
22 1, 2005, all mandatory Employee Contributions to the Fund
23 shall be picked up and paid by the City. Such contributions,
24 although designated as Employee Contributions, shall be paid
25 by the City in lieu of contributions by the Employee. The
26 contributions so assumed shall be treated as tax-deferred
27 Employer "pickup" contributions pursuant to Section 414(h) of
28 the Internal Revenue Code. Members shall not have the option
29 of receiving the contributed amounts directly instead of
30 having such contributions paid by the City to the Fund.
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1 Section 2. Section 8 of chapter 23559, Laws of
2 Florida, 1945, as last amended by chapter 81-497, Laws of
3 Florida, is amended to read:

4 Section 8. Longevity Retirement Benefits.

5 (A) Division A Employees: An Employee in Division A
6 whose employment terminates on or after his or her Normal
7 Retirement Date shall receive a monthly pension benefit equal
8 to 2 percent of his or her Average Monthly Salary multiplied
9 by his or her Service, plus an additional .5 percent of his or
10 her Average Monthly Salary for each additional year of Service
11 for employment after 15 years for years served on or after
12 January 1, 1975, until a maximum of 30 years of Service is
13 reached.

14 (B) Division B ~~Employees~~ Employee:

15 1. An Employee in Division B whose employment
16 terminates on or after his or her Normal Retirement Date shall
17 receive a monthly pension benefit equal to 1.15 ~~1.1~~ percent of
18 his or her Average Monthly Salary multiplied by his or her
19 Service.

20 2. An Employee in Division B who was previously a
21 member of Division A whose employment terminates on or after
22 his or her Normal Retirement Date shall receive a pension
23 calculated as in subsection (B) 1. of this section subject to
24 the following minimum benefits: said Employee shall not
25 receive less than his or her Accrued Pension in Division A
26 (calculated as in (A) ~~1.—above~~), plus 1.15 ~~1.1~~ percent of his
27 or her Average Monthly Salary multiplied by his or her Service
28 after his or her Date of Election. For the purposes of
29 determining an Employee's Accrued Pension in Division A under
30 this subsection, his or her Average Monthly Salary shall be
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1 | calculated as of the Date of Election and his or her Service
2 | shall be Service prior to the Date of Election.

3 | Section 3. This act shall take effect October 1, 2005.
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