

CHAMBER ACTION

1 The Local Government Council recommends the following:

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3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the Florida Retirement System; amending
7 s. 121.021, F.S.; redefining the term "compensation" to
8 include certain supplementary payments made to
9 firefighters, paramedics, and emergency medical
10 technicians and to certain employer-reported retirement
11 contributions; providing a finding of important state
12 interest; providing an effective date.

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

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16 Section 1. Paragraph (a) of subsection (22) of section
17 121.021, Florida Statutes, is amended to read:

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

21 (22) "Compensation" means the monthly salary paid a member
22 by his or her employer for work performed arising from that
23 employment.

24 (a) Compensation shall include:

25 1. Overtime payments paid from a salary fund.

26 2. Accumulated annual leave payments.

27 3. Payments in addition to the employee's base rate of pay

28 if all the following apply:

29 a. The payments are paid according to a formal written

30 policy that applies to all eligible employees equally;

31 b. The policy provides that payments shall commence no

32 later than the 11th year of employment;

33 c. The payments are paid for as long as the employee

34 continues his or her employment; and

35 d. The payments are paid at least annually.

36 4. Amounts withheld for tax sheltered annuities or

37 deferred compensation programs, or any other type of salary

38 reduction plan authorized under the Internal Revenue Code.

39 5. Payments made in lieu of a permanent increase in the

40 base rate of pay, whether made annually or in 12 or 26 equal

41 payments within a 12-month period, when the member's base pay is

42 at the maximum of his or her pay range. When a portion of a

43 member's annual increase raises his or her pay range and the

44 excess is paid as a lump sum payment, such lump sum payment

45 shall be compensation for retirement purposes.

46 6. Effective July 1, 2002, salary supplements made

47 pursuant to s. 1012.72 requiring a valid National Board for

48 Professional Standards certificate, notwithstanding the

49 provisions of subparagraph 3.

50 7. Effective July 1, 2005, salary supplements made to

51 firefighters, paramedics, or emergency medical technicians for

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52 the successful completion of employer-approved educational
53 training or for additional job-related duties and
54 responsibilities, notwithstanding the provisions of subparagraph
55 3. For all periods prior to July 1, 2005, employer-reported
56 retirement contributions on these supplemental payments shall be
57 compensation.

58 Section 2. The Legislature finds that a proper and
59 legitimate state purpose is served when employees and retirees
60 of the state and of its political subdivisions, and the
61 dependents, survivors, and beneficiaries of such employees and
62 retirees, are extended the basic protections afforded by
63 governmental retirement systems that provide fair and adequate
64 benefits that are managed, administered, and funded in an
65 actuarially sound manner, as required by s. 14, Art. X of the
66 State Constitution and part VII of chapter 112, Florida
67 Statutes. Therefore, the Legislature determines and declares
68 that this act fulfills an important state interest.

69 Section 3. This act shall take effect July 1, 2005.