

1 A bill to be entitled
 2 An act relating to deferred compensation programs;
 3 amending s. 112.215, F.S.; authorizing counties by
 4 ordinance to participate in the deferred compensation plan
 5 of the state and specifying responsibility of the Chief
 6 Financial Officer with respect thereto; amending s.
 7 20.121, F.S., relating to the Department of Financial
 8 Services, to conform; providing effective dates.

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

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12 Section 1. Paragraph (d) of subsection (2) of section
 13 20.121, Florida Statutes, is amended to read:

14 20.121 Department of Financial Services.--There is created
 15 a Department of Financial Services.

16 (2) DIVISIONS.--The Department of Financial Services shall
 17 consist of the following divisions:

18 (d) The Division of Treasury, which shall include a Bureau
 19 of Deferred Compensation responsible for administering the
 20 Government Employees Deferred Compensation Plan as provided in
 21 ~~established under s. 112.215 for state employees.~~

22 Section 2. Effective October 1, 2005, paragraph (d) of
 23 subsection (2) of section 20.121, Florida Statutes, as amended
 24 by chapter 2004-301, Laws of Florida, is amended to read:

25 20.121 Department of Financial Services.--There is created
 26 a Department of Financial Services.

27 (2) DIVISIONS.--The Department of Financial Services shall
 28 consist of the following divisions:

29 (d) The Division of Treasury, which shall include a Bureau
 30 of Deferred Compensation responsible for administering the
 31 Government Employees Deferred Compensation Plan as provided in
 32 ~~established under s. 112.215 for state employees.~~

33 Section 3. Subsections (4), (5), (6), and (12) of section
 34 112.215, Florida Statutes, are amended to read:

35 112.215 Government employees; deferred compensation
 36 program.--

37 (4)(a) The Chief Financial Officer, with the approval of
 38 the State Board of Administration, shall establish such plan or
 39 plans of deferred compensation for state employees and, at the
 40 county's option under subsection (5), county employees,
 41 including all such investment vehicles or products incident
 42 thereto, as may be available through, or offered by, qualified
 43 companies or persons, and may approve one or more such plans for
 44 implementation by and on behalf of the state and its agencies
 45 and employees and on behalf of participating counties and their
 46 employees.

47 (b) If the Chief Financial Officer deems it advisable, he
 48 or she shall have the power, with the approval of the State
 49 Board of Administration, to create a trust or other special
 50 funds for the segregation of funds or assets resulting from
 51 compensation deferred at the request of employees of the state
 52 or its agencies or of a participating county and for the
 53 administration of such program.

54 (c) The Chief Financial Officer, with the approval of the
 55 State Board of Administration, may delegate responsibility for
 56 administration of the plan to a person the Chief Financial

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57 Officer determines to be qualified, compensate such person, and,
58 directly or through such person or pursuant to a collective
59 bargaining agreement, contract with a private corporation or
60 institution to provide such services as may be part of any such
61 plan or as may be deemed necessary or proper by the Chief
62 Financial Officer or such person, including, but not limited to,
63 providing consolidated billing, individual and collective
64 recordkeeping and accountings, asset purchase, control, and
65 safekeeping, and direct disbursement of funds to employees or
66 other beneficiaries. The Chief Financial Officer may authorize a
67 person, private corporation, or institution to make direct
68 disbursement of funds under the plan to an employee or other
69 beneficiary.

70 (d) In accordance with such approved plan, and upon
71 contract or agreement with an eligible employee, deferrals of
72 compensation may be accomplished by payroll deductions made by
73 the appropriate officer or officers of the state or
74 participating county, with such funds being thereafter held and
75 administered in accordance with the plan.

76 (e) The administrative costs of the deferred compensation
77 plan must be wholly or partially self-funded. Fees for such
78 self-funding of the plan shall be paid by investment providers
79 and may be recouped from their respective plan participants.
80 Such fees shall be deposited in the Deferred Compensation Trust
81 Fund.

82 (5) Any county, municipality, or other political
83 subdivision of the state may by ordinance, and any
84 constitutional county officer under s. 1(d), Art. VIII of the

85 State Constitution of 1968 may by contract agreement or other
 86 documentation constituting approval, adopt and establish for
 87 itself and its employees a deferred compensation program,
 88 including for any county, a deferred compensation program of the
 89 state. The ordinance shall designate an appropriate official of
 90 the county, municipality, or political subdivision to approve
 91 and administer a deferred compensation plan or otherwise provide
 92 for such approval and administration. The ordinance shall also
 93 designate a public official or body to make the determinations
 94 provided for in paragraph (6)(b). If a county adopts and
 95 establishes for itself and its employees a deferred compensation
 96 plan of the state, its ordinance shall designate the Chief
 97 Financial Officer as the official responsible for approval and
 98 administration of the plan in accordance with subsection (4) and
 99 paragraph (6)(a). If a constitutional county officer elects to
 100 adopt and establish for that office and its employees a deferred
 101 compensation program, the constitutional county officer shall be
 102 the appropriate official to make the determinations provided for
 103 in this subsection and in paragraph (6)(b).

104 (6)(a) No deferred compensation plan of the state shall
 105 become effective until approved by the State Board of
 106 Administration and the Chief Financial Officer is satisfied by
 107 opinion from such federal agency or agencies as may be deemed
 108 necessary that neither the compensation deferred thereunder nor
 109 any and/or the investment product ~~products~~ purchased pursuant to
 110 the plan will ~~not~~ be included in the employee's taxable income
 111 under federal or state law until it is actually received by such
 112 employee under the terms of the plan, and that such compensation

113 will nonetheless be deemed compensation at the time of deferral
 114 for the purposes of social security coverage, for the purposes
 115 of the state retirement system, and for any other retirement,
 116 pension, or benefit program established by law.

117 (b) No deferred compensation plan of a county,
 118 municipality, other political subdivision, or constitutional
 119 county officer shall become effective until the appropriate
 120 official or body designated under subsection (5) is satisfied by
 121 opinion from such federal agency or agencies as may be deemed
 122 necessary that neither the compensation deferred thereunder nor
 123 any ~~and/or the~~ investment product ~~products~~ purchased pursuant to
 124 the plan will ~~not~~ be included in the employee's taxable income
 125 under federal or state law until it is actually received by such
 126 employee under the terms of the plan, and that such compensation
 127 will nonetheless be deemed compensation at the time of deferral
 128 for the purposes of social security coverage, for the purposes
 129 of the retirement system of the appropriate county,
 130 municipality, political subdivision, or constitutional county
 131 officer, and for any other retirement, pension, or benefit
 132 program established by law.

133 (12) The Chief Financial Officer may adopt any rule
 134 necessary to administer and implement this act with respect to
 135 deferred compensation plans for state and participating county
 136 employees.

137 Section 4. Except as otherwise provided herein, this act
 138 shall take effect upon becoming a law.