

CHAMBER ACTION

1 The Governmental Operations Committee recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to deferred compensation programs;
7 amending s. 112.215, F.S.; revising the term "employee"
8 and defining the term "governmental entity"; authorizing
9 governmental entities, by ordinance, contract agreement,
10 or other documentation, to participate in the deferred
11 compensation plan of the state and specifying
12 responsibility of the Chief Financial Officer with respect
13 thereto; amending s. 20.121, F.S., relating to the
14 Department of Financial Services, to conform; providing
15 effective dates.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Paragraph (d) of subsection (2) of section
20 20.121, Florida Statutes, is amended to read:

21 20.121 Department of Financial Services.--There is created
22 a Department of Financial Services.

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

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

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

32 20.121 Department of Financial Services.--There is created
33 a Department of Financial Services.

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

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

40 Section 3. Subsection (2), paragraphs (a) and (d) of
41 subsection (4), and subsections (5), (6), and (12) of section
42 112.215, Florida Statutes, are amended to read:

43 112.215 Government employees; deferred compensation
44 program.--

45 (2)(a) For the purposes of this section, the term
46 "employee" means any person, whether appointed, elected, or
47 under contract, providing services for a governmental entity the
48 ~~state; any state agency or county or other political subdivision~~
49 ~~of the state; any municipality; any state university board of~~
50 ~~trustees; or any constitutional county officer under s. 1(d),~~

51 ~~Art. VIII of the State Constitution~~ for which compensation or
52 statutory fees are paid.

53 (b) "Governmental entity" means the state; any state
54 agency or county or other political subdivision of the state;
55 any municipality; any state university board of trustees; or any
56 constitutional county officer under s. 1(d), Art. VIII of the
57 State Constitution.

58 (4)(a) The Chief Financial Officer, with the approval of
59 the State Board of Administration, shall establish such plan or
60 plans of deferred compensation for ~~state~~ employees of
61 governmental entities, including all such investment vehicles or
62 products incident thereto, as may be available through, or
63 offered by, qualified companies or persons, and may approve one
64 or more such plans for implementation by and on behalf of
65 governmental entities ~~the state and their its agencies and~~
66 employees.

67 (d) In accordance with such approved plan, and upon
68 contract or agreement with an eligible employee, deferrals of
69 compensation may be accomplished by payroll deductions made by
70 the appropriate officer or officers of the governmental entity
71 ~~state~~, with such funds being thereafter held and administered in
72 accordance with the plan.

73 (5) Any county, municipality, or other political
74 subdivision of the state may by ordinance, and any
75 constitutional county officer under s. 1(d), Art. VIII of the
76 State Constitution of 1968 may by contract agreement or other
77 documentation constituting approval, for itself and its
78 employees:

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79 (a) Adopt and establish ~~for itself and its employees~~ a
 80 deferred compensation program. The ordinance shall designate an
 81 appropriate official of the county, municipality, or political
 82 subdivision to approve and administer a deferred compensation
 83 plan or otherwise provide for such approval and administration.
 84 The ordinance shall also designate a public official or body to
 85 make the determinations provided for in paragraph (6)(b). If a
 86 constitutional county officer elects to adopt and establish for
 87 that office and its employees a deferred compensation program,
 88 the constitutional county officer shall be the appropriate
 89 official to make the determinations provided for in this
 90 subsection and in paragraph (6)(b);-

91 (b) Adopt the deferred compensation program of the state;
 92 or

93 (c) Both adopt and establish a deferred compensation
 94 program and adopt the state's deferred compensation program.

95 (6)(a) No deferred compensation plan of the state shall
 96 become effective until approved by the State Board of
 97 Administration and the Chief Financial Officer is satisfied by
 98 opinion from such federal agency or agencies as may be deemed
 99 necessary that the compensation deferred thereunder, ~~and/or~~ the
 100 investment products purchased pursuant to the plan, or both will
 101 not be included in the employee's taxable income under federal
 102 or state law until it is actually received by such employee
 103 under the terms of the plan, and that such compensation will
 104 nonetheless be deemed compensation at the time of deferral for
 105 the purposes of social security coverage, for the purposes of

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106 | the state retirement system, or ~~and~~ for any other retirement,
107 | pension, or benefit program established by law.

108 | (b) No deferred compensation plan adopted and established
109 | by ~~of~~ a county, municipality, other political subdivision, or
110 | constitutional county officer shall become effective until the
111 | appropriate official or body designated under subsection (5) is
112 | satisfied by opinion from such federal agency or agencies as may
113 | be deemed necessary that the compensation deferred thereunder,
114 | ~~and/or~~ the investment products purchased pursuant to the plan,
115 | or both will not be included in the employee's taxable income
116 | under federal or state law until it is actually received by such
117 | employee under the terms of the plan, and that such compensation
118 | will nonetheless be deemed compensation at the time of deferral
119 | for the purposes of social security coverage, for the purposes
120 | of the retirement system of the appropriate county,
121 | municipality, political subdivision, or constitutional county
122 | officer, and for any other retirement, pension, or benefit
123 | program established by law.

124 | (12) The Chief Financial Officer may adopt any rule
125 | necessary to administer and implement this act with respect to
126 | deferred compensation plans for ~~state~~ employees of governmental
127 | entities that have adopted the state's plan.

128 | Section 4. Except as otherwise provided herein, this act
129 | shall take effect upon becoming a law.