

By the Committee on Governmental Oversight and Productivity;  
and Senators Smith, Lynn and Lawson

585-2342-05

1   A bill to be entitled

2           An act relating to retirement; providing

3           legislative intent; amending s. 121.091, F.S.;

4           revising provisions relating to benefits

5           payable for total and permanent disability for

6           certain Special Risk Class members of the

7           Florida Retirement System who are injured in

8           the line of duty; providing for contribution

9           rate increases to fund benefits provided in s.

10          121.091, F.S., as amended; directing the

11          Division of Statutory Revision to adjust

12          contribution rates set forth in s. 121.71,

13          F.S.; amending s. 112.363, F.S.; defining the

14          term "the member begins drawing retirement

15          benefits" for purposes of determining

16          eligibility for the subsidy; revising the

17          method of calculating the subsidy amount for

18          certain retirees and beneficiaries; providing

19          an effective date.

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

23           Section 1. The Legislature declares that firefighters,

24 emergency medical technicians, paramedics, law enforcement

25 officers, correctional officers, and correctional probation

26 officers, as defined in this act, perform state and municipal

27 functions; that it is their duty to protect life and property

28 at their own risk and peril; that it is their duty to

29 continuously instruct school personnel, public officials, and

30 private citizens about safety; and that their activities are

31 vital to the public safety. Therefore, the Legislature

1 declares that it is a proper and legitimate state purpose to  
2 provide a uniform retirement system for the benefit of  
3 firefighters, emergency medical technicians, paramedics, law  
4 enforcement officers, correctional officers, and correctional  
5 probation officers, as defined in this act, and intends, in  
6 implementing the provisions of Section 14, Article X of the  
7 State Constitution as they relate to municipal and special  
8 district pension trust fund systems and plans, that such  
9 retirement systems or plans be managed, administered,  
10 operated, and funded in such manner as to maximize the  
11 protection of pension trust funds. Pursuant to Section 18,  
12 Article VII of the State Constitution, the Legislature  
13 determines and declares that this act fulfills an important  
14 state interest.

15           Section 2. Paragraph (b) of subsection (4) of section  
16 121.091, Florida Statutes, is amended to read:

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

30           (4) DISABILITY RETIREMENT BENEFIT.--  
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1           (b) Total and permanent disability.--A member shall be  
2 considered totally and permanently disabled if, in the opinion  
3 of the administrator, he or she is prevented, by reason of a  
4 medically determinable physical or mental impairment, from  
5 rendering useful and efficient service as an officer or  
6 employee. A Special Risk Class member who is an officer as  
7 defined in s. 943.10(1), (2), or (3); a firefighter as defined  
8 in s. 633.30(1); an emergency medical technician as defined in  
9 s. 401.23(11); or a paramedic as defined in s. 401.23(17) who  
10 is catastrophically injured as defined in s. 121.091(4) in the  
11 line of duty shall be considered totally and permanently  
12 disabled and unable to render useful and efficient service as  
13 an officer, unless the administrator can provide documented  
14 competent medical evidence that the officer is able to render  
15 useful and efficient service as an officer. For purposes of  
16 this subsection, the term "officer" includes law enforcement  
17 officers, correctional officers, and correctional probation  
18 officers as defined in s. 943.10(1), (2), and (3) and  
19 firefighters, emergency medical technicians, and paramedics.

20           Section 3. Effective July 1, 2005, in order to fund  
21 the benefits provided in section 121.091, Florida Statutes, as  
22 amended by this act:

23           (1) The contribution rate that applies to the Special  
24 Risk Class of the defined benefit program of the Florida  
25 Retirement System shall be increased by 0.03 percentage  
26 points.

27           (2) The contribution rate that applies to the Special  
28 Risk Administrative Support Class of the defined benefit  
29 program of the Florida Retirement System shall be increased by  
30 0.20 percentage points.

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1 These increases shall be in addition to all other changes to  
2 such contribution rates which may be enacted into law to take  
3 effect on that date. The Division of Statutory Revision is  
4 directed to adjust accordingly the contribution rates set  
5 forth in section 121.71, Florida Statutes.

6 Section 4. Paragraph (b) of subsection (2) of section  
7 112.363, Florida Statutes, is amended, and paragraph (f) is  
8 added to subsection (3) of that section, to read:

9 112.363 Retiree health insurance subsidy.--

10 (2) ELIGIBILITY FOR RETIREE HEALTH INSURANCE  
11 SUBSIDY.--

12 (b) For purposes of this section, a person is deemed  
13 retired from a state-administered retirement system when he or  
14 she terminates employment with all employers participating in  
15 the Florida Retirement System as described in s. 121.021(39)  
16 and:

17 1. For a participant of the Public Employee Optional  
18 Retirement Program established under part II of chapter 121,  
19 the participant meets the age or service requirements to  
20 qualify for normal retirement as set forth in s. 121.021(29).

21 2. For a member of the Florida Retirement System  
22 defined benefit program, or any employee who maintains  
23 creditable service under both the defined benefit program and  
24 the Public Employee Optional Retirement Program, the member  
25 begins drawing retirement benefits from the defined benefit  
26 program of the Florida Retirement System. As used in this  
27 subparagraph, the term "the member begins drawing retirement  
28 benefits" means that the retired member has received his or  
29 her monthly retirement benefit at a place of his or her  
30 choosing.

31 (3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.--

1           (f) Beginning January 1, 2006, each eligible retiree  
2 of the defined benefit program of the Florida Retirement  
3 System or, if the retiree is deceased, his or her beneficiary  
4 who is receiving a monthly benefit from such retiree's account  
5 and who is a spouse, or a person who meets the definition of  
6 joint annuitant in s. 121.021(28), shall receive a monthly  
7 retiree health insurance subsidy payment equal to the number  
8 of years of creditable service, as defined in s. 121.021(17),  
9 completed at the time of retirement, in addition to a maximum  
10 of 60 months the retiree participated in DROP, multiplied by  
11 \$5; however, no eligible retiree or beneficiary may receive a  
12 subsidy payment of more than \$150 or less than \$30. If there  
13 are multiple beneficiaries, the total payment must not be  
14 greater than the payment to which the retiree was entitled.  
15 The health insurance subsidy amount payable to any person  
16 receiving the retiree health insurance subsidy payment on July  
17 1, 2001, may not be reduced solely by operation of this  
18 paragraph.

19           Section 5. This act shall take effect January 1, 2006.  
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1                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2                                   COMMITTEE SUBSTITUTE FOR  
3   Senate Bill 992  
4                   Modifies directory language to create a new subsection.  
5                   Changes effective date to January 1, 2006.  
6                   Provides an important state interest clause.  
7                   Provides that certain officers in the special risk class who  
8                   are catastrophically injured in the line of duty be considered  
9                   totally and permanently disabled and unable to render useful  
10                  and efficient service, unless the administrator can provide  
11                  documented competent medical evidence that the officer is able  
12                  to render useful and efficient service as an officer.  
13                  Increases the contribution rate that applies to the Special  
14                  Risk Class of the defined benefit program of the FRS by 0.03  
15                  percentage points and the contribution rate that applies to  
16                  the Special Risk Administrative Support Class of the defined  
17                  benefit program of the FRS by 0.20 percentage points.  
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