

CHAMBER ACTION

1 The Local Government Council 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. 20.121, F.S., relating to the Department of
8 Financial Services, to conform; amending s. 112.215, F.S.;
9 revising the term "employee" and defining the term
10 "governmental entity"; providing duties of the State Board
11 of Administration; authorizing governmental entities, by
12 ordinance, contract agreement, or other documentation, to
13 participate in the deferred compensation plan of the state
14 and specifying responsibility of the Chief Financial
15 Officer with respect thereto; providing an effective date.

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. Subsection (2), paragraphs (a) and (d) of
30 subsection (4), and subsections (5), (6), and (12) of section
31 112.215, Florida Statutes, are amended to read:

32 112.215 Government employees; deferred compensation
33 program.--

34 (2) (a) For the purposes of this section, the term
35 "employee" means any person, whether appointed, elected, or
36 under contract, providing services for a governmental entity ~~the~~
37 ~~state; any state agency or county or other political subdivision~~
38 ~~of the state; any municipality; any state university board of~~
39 ~~trustees; or any constitutional county officer under s. 1(d),~~
40 ~~Art. VIII of the State Constitution~~ for which compensation or
41 statutory fees are paid.

42 (b) "Governmental entity" means the state; any state
43 agency or county or other political subdivision of the state;
44 any municipality; any state university board of trustees; or any
45 constitutional county officer under s. 1(d), Art. VIII of the
46 State Constitution.

47 (4) (a) The Chief Financial Officer, ~~with the approval of~~
48 ~~the State Board of Administration,~~ shall establish such plan or
49 plans of deferred compensation for ~~state~~ employees of
50 governmental entities, including all such investment vehicles or

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51 products incident thereto, as may be available through, or
52 offered by, qualified companies or persons, and may approve one
53 or more such plans for implementation by and on behalf of
54 governmental entities ~~the state and their its agencies and~~
55 employees. The State Board of Administration shall approve the
56 initial establishment of any deferred compensation plan for
57 state employees administered by the Chief Financial Officer,
58 including all investment products or vehicles. Any county,
59 municipality, or other political subdivision of the state shall
60 approve the establishment of any plan and investment vehicles or
61 products for their employees. Once a plan for state employees is
62 established, the State Board of Administration shall assist the
63 Chief Financial Officer by reviewing and commenting on changes
64 to the plan and investment products offered to state employees;
65 however, the Chief Financial Officer, or his or her designee,
66 shall solely retain the responsibility for making decisions with
67 respect to all plan matters. At the request of the Chief
68 Financial Officer, the State Board of Administration shall
69 supply such assistance, consistent with State Board of
70 Administration rules and a mutually executed agreement between
71 the parties which sets out services and fees.

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

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

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

96 (b) Adopt the plan or plans of deferred compensation for
 97 employees of governmental entities established pursuant to
 98 subsection (4); or

99 (c) Both adopt and establish a deferred compensation
 100 program and adopt the plan or plans of deferred compensation for
 101 employees of governmental entities established pursuant to
 102 subsection (4).

103 (6) (a) No deferred compensation plan of the state shall
 104 become effective until approved by the State Board of
 105 Administration and the Chief Financial Officer is satisfied by

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106 opinion from such federal agency or agencies as may be deemed
107 necessary that the compensation deferred thereunder, ~~and/or~~ the
108 investment products purchased pursuant to the plan, or both will
109 not be included in the employee's taxable income under federal
110 or state law until it is actually received by such employee
111 under the terms of the plan, and that such compensation will
112 nonetheless be deemed compensation at the time of deferral for
113 the purposes of social security coverage, for the purposes of
114 the state retirement system, or ~~and~~ for any other retirement,
115 pension, or benefit program established by law.

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

132 (12) The Chief Financial Officer may adopt any rule
133 necessary to administer and implement this act with respect to

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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134 | deferred compensation plans for ~~state~~ employees of governmental
135 | entities that have adopted the state's plan.

136 | Section 3. This act shall take effect upon becoming a law.