

1 chair and secretary to sign drafts drawn on the
2 trust fund and prescribing qualifications for
3 such persons; providing severability; providing
4 an effective date.

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

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8 Section 1. Paragraph (a) of subsection (8) of section
9 175.032, Florida Statutes, is amended to read:

10 175.032 Definitions.--For any municipality, special
11 fire control district, chapter plan, local law municipality,
12 local law special fire control district, or local law plan
13 under this chapter, the following words and phrases have the
14 following meanings:

15 (8)(a) "Firefighter" means any person employed solely
16 by a constituted fire department of any municipality or
17 special fire control district who is certified as a
18 firefighter as a condition of employment in accordance with
19 the provisions of s. 633.35 and whose duty it is to extinguish
20 fires, to protect life, or to protect property. The term
21 includes all certified supervisory and command personnel whose
22 duties include, in whole or in part, the supervision,
23 training, guidance, and management responsibilities of
24 full-time firefighters, part-time firefighters, or auxiliary
25 firefighters, but does not include part-time firefighters or
26 auxiliary firefighters. However, for purposes of this chapter
27 only, "firefighter" also includes public safety officers who
28 are responsible for performing both police and fire services,
29 who are certified as police officers or firefighters, and who
30 are certified by their employers to the Chief Financial
31 Officer as participating in this chapter prior to October 1,

1 1979. Effective October 1, 1979, public safety officers who
2 have not been certified as participating in this chapter shall
3 be considered police officers for retirement purposes and
4 shall be eligible to participate in chapter 185. Any plan may
5 provide that the fire chief shall have an option to
6 participate, or not, in that plan.

7 Section 2. Paragraph (a) of subsection (1) of section
8 175.061, Florida Statutes, is amended to read:

9 175.061 Board of trustees; members; terms of office;
10 meetings; legal entity; costs; attorney's fees.--For any
11 municipality, special fire control district, chapter plan,
12 local law municipality, local law special fire control
13 district, or local law plan under this chapter:

14 (1) In each municipality and in each special fire
15 control district there is hereby created a board of trustees
16 of the firefighters' pension trust fund, which shall be solely
17 responsible for administering the trust fund. Effective
18 October 1, 1986, and thereafter:

19 (a) The membership of the board of trustees for a
20 chapter plan shall consist of five members, two of whom,
21 unless otherwise prohibited by law, shall be legal residents
22 of the municipality or special fire control district, who
23 shall be appointed by the governing body of the municipality
24 or special fire control district, and two of whom shall be
25 full-time firefighters as defined in s. 175.032 who shall be
26 elected by a majority of the active firefighters who are
27 members of such plan. With respect to any chapter plan or
28 local law plan that, on January 1, 1997, allowed retired
29 firefighters to vote in such elections, retirees may continue
30 to vote in such elections. The fifth member shall be chosen by
31 a majority of the previous four members as provided for

1 herein, and such person's name shall be submitted to the
2 governing body of the municipality or special fire control
3 district. Upon receipt of the fifth person's name, the
4 governing body of the municipality or special fire control
5 district shall, as a ministerial duty, appoint such person to
6 the board of trustees as its fifth member. The fifth member
7 shall have the same rights as each of the other four members
8 appointed or elected as herein provided, shall serve as
9 trustee for a period of 2 years, and may succeed himself or
10 herself in office. Each resident member shall serve as
11 trustee for a period of 2 years, unless sooner replaced by the
12 governing body at whose pleasure he or she shall serve, and
13 may succeed himself or herself as a trustee. Each firefighter
14 member shall serve as trustee for a period of 2 years, unless
15 he or she sooner leaves the employment of the municipality or
16 special fire control district as a firefighter, whereupon a
17 successor shall be chosen in the same manner as an original
18 appointment. Each firefighter may succeed himself or herself
19 in office. Effective upon this act becoming a law, the terms
20 of office of the appointed and elected members of the board
21 may be amended by municipal ordinance, special act of the
22 Legislature, or resolution adopted by the governing body of
23 the special fire control district to extend the terms of
24 office from 2 years to 4 years. The length of the terms of
25 office must be the same for all board members.

26 Section 3. Subsection (1) of section 175.071, Florida
27 Statutes, is amended to read:

28 175.071 General powers and duties of board of
29 trustees.--For any municipality, special fire control
30 district, chapter plan, local law municipality, local law
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1 special fire control district, or local law plan under this
2 chapter:

3 (1) The board of trustees, subject to the fiduciary
4 standards in ss. 112.656, 112.661, and 518.11 and the Code of
5 Ethics in ss. 112.311-112.3187, may:

6 (a) Invest and reinvest the assets of the
7 firefighters' pension trust fund in annuity and life insurance
8 contracts of life insurance companies in amounts sufficient to
9 provide, in whole or in part, the benefits to which all of the
10 participants in the firefighters' pension trust fund shall be
11 entitled under the provisions of this chapter and pay the
12 initial and subsequent premiums thereon.

13 (b) Invest and reinvest the assets of the
14 firefighters' pension trust fund in:

15 1. Time or savings accounts of a national bank, a
16 state bank insured by the Bank Insurance Fund, or a savings,
17 building, and loan association insured by the Savings
18 Association Insurance Fund which is administered by the
19 Federal Deposit Insurance Corporation or a state or federal
20 chartered credit union whose share accounts are insured by the
21 National Credit Union Share Insurance Fund.

22 2. Obligations of the United States or obligations
23 guaranteed as to principal and interest by the government of
24 the United States.

25 3. Bonds issued by the State of Israel.

26 4. Bonds, stocks, or other evidences of indebtedness
27 issued or guaranteed by a corporation organized under the laws
28 of the United States, any state or organized territory of the
29 United States, or the District of Columbia, provided:

30 a. The corporation is listed on any one or more of the
31 recognized national stock exchanges or on the National Market

1 System of the NASDAQ Stock Market and, in the case of bonds
2 only, holds a rating in one of the three highest
3 classifications by a major rating service; and

4 b. The board of trustees shall not invest more than 5
5 percent of its assets in the common stock or capital stock of
6 any one issuing company, nor shall the aggregate investment in
7 any one issuing company exceed 5 percent of the outstanding
8 capital stock of that company or the aggregate of its
9 investments under this subparagraph at cost exceed 50 percent
10 of the assets of the fund.

11
12 This paragraph shall apply to all boards of trustees and
13 participants. However, in the event that a municipality or
14 special fire control district has a duly enacted pension plan
15 pursuant to, and in compliance with, s. 175.351, and the
16 trustees thereof desire to vary the investment procedures
17 herein, the trustees of such plan shall request a variance of
18 the investment procedures as outlined herein only through a
19 municipal ordinance, special act of the Legislature, or
20 resolution by the governing body of the special fire control
21 district; where a special act, or a municipality by ordinance
22 adopted prior to July 1, 1998, permits a greater than
23 50-percent equity investment, such municipality shall not be
24 required to comply with the aggregate equity investment
25 provisions of this paragraph. Notwithstanding any other
26 provision of law to the contrary, nothing in this section may
27 be construed to take away any preexisting legal authority to
28 make equity investments that exceed the requirements of this
29 paragraph. The board of trustees may invest up to 20 ~~10~~
30 percent of plan assets in foreign securities.
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1 (c) Issue drafts upon the firefighters' pension trust
2 fund pursuant to this act and rules and regulations prescribed
3 by the board of trustees. All such drafts shall be
4 consecutively numbered, be signed by the chair and secretary
5 or by two individuals designated by the board who are subject
6 to the same fiduciary standards as required for the board of
7 trustees under this subsection, and state upon their faces the
8 purpose for which the drafts are drawn. The treasurer or
9 depository of each municipality or special fire control
10 district shall retain such drafts when paid, as permanent
11 vouchers for disbursements made, and no money shall be
12 otherwise drawn from the fund.

13 (d) Convert into cash any securities of the fund.

14 (e) Keep a complete record of all receipts and
15 disbursements and of the board's acts and proceedings.

16 Section 4. Paragraph (a) of subsection (1) of section
17 185.05, Florida Statutes, is amended to read:

18 185.05 Board of trustees; members; terms of office;
19 meetings; legal entity; costs; attorney's fees.--For any
20 municipality, chapter plan, local law municipality, or local
21 law plan under this chapter:

22 (1) In each municipality described in s. 185.03 there
23 is hereby created a board of trustees of the municipal police
24 officers' retirement trust fund, which shall be solely
25 responsible for administering the trust fund. Effective
26 October 1, 1986, and thereafter:

27 (a) The membership of the board of trustees for
28 chapter plans shall consist of five members, two of whom,
29 unless otherwise prohibited by law, shall be legal residents
30 of the municipality, who shall be appointed by the legislative
31 body of the municipality, and two of whom shall be police

1 officers as defined in s. 185.02 who shall be elected by a
2 majority of the active police officers who are members of such
3 plan. With respect to any chapter plan or local law plan that,
4 on January 1, 1997, allowed retired police officers to vote in
5 such elections, retirees may continue to vote in such
6 elections. The fifth member shall be chosen by a majority of
7 the previous four members, and such person's name shall be
8 submitted to the legislative body of the municipality. Upon
9 receipt of the fifth person's name, the legislative body of
10 the municipality shall, as a ministerial duty, appoint such
11 person to the board of trustees as its fifth member. The
12 fifth member shall have the same rights as each of the other
13 four members appointed or elected as herein provided, shall
14 serve as trustee for a period of 2 years, and may succeed
15 himself or herself in office. Each resident member shall serve
16 as trustee for a period of 2 years, unless sooner replaced by
17 the legislative body at whose pleasure the member shall serve,
18 and may succeed himself or herself as a trustee. Each police
19 officer member shall serve as trustee for a period of 2 years,
20 unless he or she sooner leaves the employment of the
21 municipality as a police officer, whereupon the legislative
22 body of the municipality shall choose a successor in the same
23 manner as an original appointment. Each police officer may
24 succeed himself or herself in office. Effective upon this act
25 becoming a law, the terms of office of the appointed and
26 elected members of the board may be amended by municipal
27 ordinance or special act of the Legislature to extend the
28 terms of office from 2 years to 4 years. The length of the
29 terms of office must be the same for all board members.

30 Section 5. Subsection (1) of section 185.06, Florida
31 Statutes, is amended to read:

1 185.06 General powers and duties of board of
2 trustees.--For any municipality, chapter plan, local law
3 municipality, or local law plan under this chapter:

4 (1) The board of trustees, subject to the fiduciary
5 standards in ss. 112.656, 112.661, and 518.11 and the Code of
6 Ethics in ss. 112.311-112.3187, may:

7 (a) Invest and reinvest the assets of the retirement
8 trust fund in annuity and life insurance contracts of life
9 insurance companies in amounts sufficient to provide, in whole
10 or in part, the benefits to which all of the participants in
11 the municipal police officers' retirement trust fund shall be
12 entitled under the provisions of this chapter, and pay the
13 initial and subsequent premiums thereon.

14 (b) Invest and reinvest the assets of the retirement
15 trust fund in:

16 1. Time or savings accounts of a national bank, a
17 state bank insured by the Bank Insurance Fund, or a savings
18 and loan association insured by the Savings Association
19 Insurance Fund which is administered by the Federal Deposit
20 Insurance Corporation or a state or federal chartered credit
21 union whose share accounts are insured by the National Credit
22 Union Share Insurance Fund.

23 2. Obligations of the United States or obligations
24 guaranteed as to principal and interest by the United States.

25 3. Bonds issued by the State of Israel.

26 4. Bonds, stocks, or other evidences of indebtedness
27 issued or guaranteed by a corporation organized under the laws
28 of the United States, any state or organized territory of the
29 United States, or the District of Columbia, provided:

30 a. The corporation is listed on any one or more of the
31 recognized national stock exchanges or on the National Market

1 System of the NASDAQ Stock Market and, in the case of bonds
2 only, holds a rating in one of the three highest
3 classifications by a major rating service; and

4 b. The board of trustees shall not invest more than 5
5 percent of its assets in the common stock or capital stock of
6 any one issuing company, nor shall the aggregate investment in
7 any one issuing company exceed 5 percent of the outstanding
8 capital stock of the company or the aggregate of its
9 investments under this subparagraph at cost exceed 50 percent
10 of the fund's assets.

11
12 This paragraph shall apply to all boards of trustees and
13 participants. However, in the event that a municipality has a
14 duly enacted pension plan pursuant to, and in compliance with,
15 s. 185.35 and the trustees thereof desire to vary the
16 investment procedures herein, the trustees of such plan shall
17 request a variance of the investment procedures as outlined
18 herein only through a municipal ordinance or special act of
19 the Legislature; where a special act, or a municipality by
20 ordinance adopted prior to July 1, 1998, permits a greater
21 than 50-percent equity investment, such municipality shall not
22 be required to comply with the aggregate equity investment
23 provisions of this paragraph. Notwithstanding any other
24 provision of law to the contrary, nothing in this section may
25 be construed to take away any preexisting legal authority to
26 make equity investments that exceed the requirements of this
27 paragraph. The board of trustees may invest up to 20 ~~10~~
28 percent of plan assets in foreign securities.

29 (c) Issue drafts upon the municipal police officers'
30 retirement trust fund pursuant to this act and rules and
31 regulations prescribed by the board of trustees. All such

1 drafts shall be consecutively numbered, be signed by the chair
2 and secretary or by two individuals designated by the board
3 who are subject to the same fiduciary standards as required
4 for the board of trustees under this subsection, and state
5 upon their faces the purposes for which the drafts are drawn.
6 The city treasurer or other depository shall retain such
7 drafts when paid, as permanent vouchers for disbursements
8 made, and no money shall otherwise be drawn from the fund.

9 (d) Finally decide all claims to relief under the
10 board's rules and regulations and pursuant to the provisions
11 of this act.

12 (e) Convert into cash any securities of the fund.

13 (f) Keep a complete record of all receipts and
14 disbursements and of the board's acts and proceedings.

15 Section 6. If any provision of this act or its
16 application to any person or circumstance is held invalid, the
17 invalidity does not affect other provisions or applications of
18 the act which can be given effect without the invalid
19 provision or application, and to this end the provisions of
20 this act are severable.

21 Section 7. This act shall take effect upon becoming a
22 law.

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25 SENATE SUMMARY

26 Redefines the term "firefighter" for purposes of
27 firefighter pensions. Authorizes the extension of the
28 terms of office of members of the board of trustees of a
29 firefighters' pension trust fund or a municipal police
30 officers' retirement trust fund. Requires such boards to
31 perform their functions subject to statutory requirements
relating to fiduciary standards and the Code of Ethics.
Increases the amount of fund assets which may be invested
in foreign securities. Authorizes a board of trustees to
designate persons other than the chair and secretary who
meet specified qualifications to sign drafts drawn on the
trust fund.