

Bill No. SB 2744

Barcode 044572

CHAMBER ACTION

Senate

House

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The Committee on Education Pre-K - 12 (Carlton) recommended  
the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause

and insert:

Section 1. Paragraphs (a) and (b) of subsection (13)  
of section 121.091, Florida Statutes, are amended to read:

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

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1 required information or documents are not received.

2 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general,  
3 and subject to the provisions of this section, the Deferred  
4 Retirement Option Program, hereinafter referred to as the  
5 DROP, is a program under which an eligible member of the  
6 Florida Retirement System may elect to participate, deferring  
7 receipt of retirement benefits while continuing employment  
8 with his or her Florida Retirement System employer. The  
9 deferred monthly benefits shall accrue in the System Trust  
10 Fund on behalf of the participant, plus interest compounded  
11 monthly, for the specified period of the DROP participation,  
12 as provided in paragraph (c). Upon termination of employment,  
13 the participant shall receive the total DROP benefits and  
14 begin to receive the previously determined normal retirement  
15 benefits. Participation in the DROP does not guarantee  
16 employment for the specified period of DROP. Participation in  
17 the DROP by an eligible member beyond the initial 60-month  
18 period as authorized in this subsection shall be on an annual  
19 contractual basis for all participants.

20 (a) Eligibility of member to participate in the  
21 DROP.--All active Florida Retirement System members in a  
22 regularly established position, and all active members of  
23 either the Teachers' Retirement System established in chapter  
24 238 or the State and County Officers' and Employees'  
25 Retirement System established in chapter 122 which systems are  
26 consolidated within the Florida Retirement System under s.  
27 121.011, are eligible to elect participation in the DROP  
28 provided that:

- 29 1. The member is not a renewed member of the Florida  
30 Retirement System under s. 121.122, or a member of the State  
31 Community College System Optional Retirement Program under s.

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1 121.051, the Senior Management Service Optional Annuity  
2 Program under s. 121.055, or the optional retirement program  
3 for the State University System under s. 121.35.

4       2. Except as provided in subparagraph 6., election to  
5 participate is made within 12 months immediately following the  
6 date on which the member first reaches normal retirement date,  
7 or, for a member who reaches normal retirement date based on  
8 service before he or she reaches age 62, or age 55 for Special  
9 Risk Class members, election to participate may be deferred to  
10 the 12 months immediately following the date the member  
11 attains 57, or age 52 for Special Risk Class members. For a  
12 member who first reached normal retirement date or the  
13 deferred eligibility date described above prior to the  
14 effective date of this section, election to participate shall  
15 be made within 12 months after the effective date of this  
16 section. A member who fails to make an election within such  
17 12-month limitation period shall forfeit all rights to  
18 participate in the DROP. The member shall advise his or her  
19 employer and the division in writing of the date on which the  
20 DROP shall begin. Such beginning date may be subsequent to the  
21 12-month election period, but must be within the 60-month or,  
22 with respect to members who are charter school instructional  
23 personnel with students who are funded through the Florida  
24 Education Finance Program and who have received authorization  
25 from the board of the charter school to participate in DROP  
26 beyond 60 months, who are instructional personnel employed by  
27 the Florida School for the Deaf and the Blind and who have  
28 received authorization by the Board of Trustees of the Florida  
29 School for the Deaf and the Blind to participate in the DROP  
30 beyond 60 months, or who are instructional personnel as  
31 defined in s. 1012.01(2)(a)-(d) in grades K-12 or

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1 prekindergarten classroom teachers with students who are  
2 funded through the Florida Education Finance Program and who  
3 have received authorization by the district school  
4 superintendent to participate in the DROP beyond 60 months,  
5 the 96-month limitation period as provided in subparagraph  
6 (b)1. When establishing eligibility of the member to  
7 participate in the DROP for the 60-month or, with respect to  
8 members who are charter school instructional personnel with  
9 students who are funded through the Florida Education Finance  
10 Program and who have received authorization from the board of  
11 the charter school to participate in DROP beyond 60 months,  
12 who are instructional personnel employed by the Florida School  
13 for the Deaf and the Blind and who have received authorization  
14 by the Board of Trustees of the Florida School for the Deaf  
15 and the Blind to participate in the DROP beyond 60 months, or  
16 who are instructional personnel as defined in s.  
17 1012.01(2)(a)-(d) in grades K-12 or prekindergarten classroom  
18 teachers with students who are funded through the Florida  
19 Education Finance Program and who have received authorization  
20 by the district school superintendent to participate in the  
21 DROP beyond 60 months, the 96-month maximum participation  
22 period, the member may elect to include or exclude any  
23 optional service credit purchased by the member from the total  
24 service used to establish the normal retirement date. A member  
25 with dual normal retirement dates shall be eligible to elect  
26 to participate in DROP within 12 months after attaining normal  
27 retirement date in either class.

28           3. The employer of a member electing to participate in  
29 the DROP, or employers if dually employed, shall acknowledge  
30 in writing to the division the date the member's participation  
31 in the DROP begins and the date the member's employment and

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1 DROP participation will terminate.

2           4. Simultaneous employment of a participant by  
3 additional Florida Retirement System employers subsequent to  
4 the commencement of participation in the DROP shall be  
5 permissible provided such employers acknowledge in writing a  
6 DROP termination date no later than the participant's existing  
7 termination date or the 60-month limitation period as provided  
8 in subparagraph (b)1.

9           5. A DROP participant may change employers while  
10 participating in the DROP, subject to the following:

11           a. A change of employment must take place without a  
12 break in service so that the member receives salary for each  
13 month of continuous DROP participation. If a member receives  
14 no salary during a month, DROP participation shall cease  
15 unless the employer verifies a continuation of the employment  
16 relationship for such participant pursuant to s.  
17 121.021(39)(b).

18           b. Such participant and new employer shall notify the  
19 division on forms required by the division as to the identity  
20 of the new employer.

21           c. The new employer shall acknowledge, in writing, the  
22 participant's DROP termination date, which may be extended but  
23 not beyond the original 60-month or, with respect to members  
24 who are charter school instructional personnel with students  
25 who are funded through the Florida Education Finance Program  
26 and who have received authorization from the board of the  
27 charter school to participate in DROP beyond 60 months, who  
28 are instructional personnel employed by the Florida School for  
29 the Deaf and the Blind and who have received authorization by  
30 the Board of Trustees of the Florida School for the Deaf and  
31 the Blind to participate in the DROP beyond 60 months, or who

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1 are instructional personnel as defined in s. 1012.01(2)(a)-(d)  
 2 in grades K-12 or prekindergarten classroom teachers with  
 3 students who are funded through the Florida Education Finance  
 4 Program and who have received authorization by the district  
 5 school superintendent to participate in the DROP beyond 60  
 6 months, the 96-month period provided in subparagraph (b)1.,  
 7 shall acknowledge liability for any additional retirement  
 8 contributions and interest required if the participant fails  
 9 to timely terminate employment, and shall be subject to the  
 10 adjustment required in sub-subparagraph (c)5.d.

11           6. Effective July 1, 2001, for instructional personnel  
 12 as defined in s. 1012.01(2), election to participate in the  
 13 DROP shall be made at any time following the date on which the  
 14 member first reaches normal retirement date. The member shall  
 15 advise his or her employer and the division in writing of the  
 16 date on which the Deferred Retirement Option Program shall  
 17 begin. When establishing eligibility of the member to  
 18 participate in the DROP for the 60-month or, with respect to  
 19 members who are charter school instructional personnel with  
 20 students who are funded through the Florida Education Finance  
 21 Program and who have received authorization from the board of  
 22 the charter school to participate in DROP beyond 60 months,  
 23 who are instructional personnel employed by the Florida School  
 24 for the Deaf and the Blind and who have received authorization  
 25 by the Board of Trustees of the Florida School for the Deaf  
 26 and the Blind to participate in the DROP beyond 60 months, or  
 27 who are instructional personnel as defined in s.  
 28 1012.01(2)(a)-(d) in grades K-12 or prekindergarten classroom  
 29 teachers with students who are funded through the Florida  
 30 Education Finance Program and who have received authorization  
 31 by the district school superintendent to participate in the

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1 DROP beyond 60 months, the 96-month maximum participation  
 2 period, as provided in subparagraph (b)1., the member may  
 3 elect to include or exclude any optional service credit  
 4 purchased by the member from the total service used to  
 5 establish the normal retirement date. A member with dual  
 6 normal retirement dates shall be eligible to elect to  
 7 participate in either class.

8 (b) Participation in the DROP.--

9 1. An eligible member may elect to participate in the  
 10 DROP for a period not to exceed a maximum of 60 calendar  
 11 months or, with respect to members who are charter school  
 12 instructional personnel with students who are funded through  
 13 the Florida Education Finance Program and who have received  
 14 authorization from the board of the charter school to  
 15 participate in DROP beyond 60 months, who are instructional  
 16 personnel employed by the Florida School for the Deaf and the  
 17 Blind and who have received authorization by the Board of  
 18 Trustees of the Florida School for the Deaf and the Blind to  
 19 participate in the DROP beyond 60 months, or who are  
 20 instructional personnel as defined in s. 1012.01(2)(a)-(d) in  
 21 grades K-12 or prekindergarten classroom teachers with  
 22 students who are funded through the Florida Education Finance  
 23 Program and who have received authorization by the district  
 24 school superintendent to participate in the DROP beyond 60  
 25 calendar months, 96 calendar months immediately following the  
 26 date on which the member first reaches his or her normal  
 27 retirement date or the date to which he or she is eligible to  
 28 defer his or her election to participate as provided in  
 29 subparagraph (a)2. However, a member who has reached normal  
 30 retirement date prior to the effective date of the DROP shall  
 31 be eligible to participate in the DROP for a period of time

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1 not to exceed 60 calendar months or, with respect to members  
 2 who are charter school instructional personnel with students  
 3 who are funded through the Florida Education Finance Program  
 4 and who have received authorization from the board of the  
 5 charter school to participate in DROP beyond 60 months, who  
 6 are instructional personnel employed by the Florida School for  
 7 the Deaf and the Blind and who have received authorization by  
 8 the Board of Trustees of the Florida School for the Deaf and  
 9 the Blind to participate in the DROP beyond 60 months, or who  
 10 are instructional personnel as defined in s. 1012.01(2)(a)-(d)  
 11 in grades K-12 or prekindergarten classroom teachers with  
 12 students who are funded through the Florida Education Finance  
 13 Program and who have received authorization by the district  
 14 school superintendent to participate in the DROP beyond 60  
 15 calendar months, 96 calendar months immediately following the  
 16 effective date of the DROP, except a member of the Special  
 17 Risk Class who has reached normal retirement date prior to the  
 18 effective date of the DROP and whose total accrued value  
 19 exceeds 75 percent of average final compensation as of his or  
 20 her effective date of retirement shall be eligible to  
 21 participate in the DROP for no more than 36 calendar months  
 22 immediately following the effective date of the DROP.

- 23       2. Upon deciding to participate in the DROP, the  
 24 member shall submit, on forms required by the division:
- 25       a. A written election to participate in the DROP;
  - 26       b. Selection of the DROP participation and termination
  - 27 dates, which satisfy the limitations stated in paragraph (a)
  - 28 and subparagraph 1. Such termination date shall be in a
  - 29 binding letter of resignation with the employer, establishing
  - 30 a deferred termination date. The member may change the
  - 31 termination date within the limitations of subparagraph 1.,



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1 but only with the written approval of his or her employer;

2 c. A properly completed DROP application for service  
3 retirement as provided in this section; and

4 d. Any other information required by the division.

5 3. The DROP participant shall be a retiree under the  
6 Florida Retirement System for all purposes, except for  
7 paragraph (5)(f) and subsection (9) and ss. 112.3173, 112.363,  
8 121.053, and 121.122. However, participation in the DROP does  
9 not alter the participant's employment status and such  
10 employee shall not be deemed retired from employment until his  
11 or her deferred resignation is effective and termination  
12 occurs as provided in s. 121.021(39).

13 4. Elected officers shall be eligible to participate  
14 in the DROP subject to the following:

15 a. An elected officer who reaches normal retirement  
16 date during a term of office may defer the election to  
17 participate in the DROP until the next succeeding term in that  
18 office. Such elected officer who exercises this option may  
19 participate in the DROP for up to 60 calendar months or a  
20 period of no longer than such succeeding term of office,  
21 whichever is less.

22 b. An elected or a nonelected participant may run for  
23 a term of office while participating in DROP and, if elected,  
24 extend the DROP termination date accordingly, except, however,  
25 if such additional term of office exceeds the 60-month  
26 limitation established in subparagraph 1., and the officer  
27 does not resign from office within such 60-month limitation,  
28 the retirement and the participant's DROP shall be null and  
29 void as provided in sub-subparagraph (c)5.d.

30 c. An elected officer who is dually employed and  
31 elects to participate in DROP shall be required to satisfy the

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1 definition of termination within the 60-month or, with respect  
2 to members who are charter school instructional personnel with  
3 students who are funded through the Florida Education Finance  
4 Program and who have received authorization from the board of  
5 the charter school to participate in DROP beyond 60 months,  
6 who are instructional personnel employed by the Florida School  
7 for the Deaf and the Blind and who have received authorization  
8 by the Board of Trustees of the Florida School for the Deaf  
9 and the Blind to participate in the DROP beyond 60 months, or  
10 who are instructional personnel as defined in s.  
11 1012.01(2)(a)-(d) in grades K-12 or prekindergarten classroom  
12 teachers with students who are funded through the Florida  
13 Education Finance Program and who have received authorization  
14 by the district school superintendent to participate in the  
15 DROP beyond 60 months, the 96-month limitation period as  
16 provided in subparagraph 1. for the nonelected position and  
17 may continue employment as an elected officer as provided in  
18 s. 121.053. The elected officer will be enrolled as a renewed  
19 member in the Elected Officers' Class or the Regular Class, as  
20 provided in ss. 121.053 and 121.122, on the first day of the  
21 month after termination of employment in the nonelected  
22 position and termination of DROP. Distribution of the DROP  
23 benefits shall be made as provided in paragraph (c).

24 Section 2. This act shall take effect upon becoming a  
25 law.

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28 ===== T I T L E A M E N D M E N T =====

29 And the title is amended as follows:

30 Delete everything before the enacting clause

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1 and insert:

2                                   A bill to be entitled  
3           An act relating to instructional personnel;  
4           amending s. 121.091, F.S.; revising eligibility  
5           criteria for persons employed as instructional  
6           personnel in district schools to participate in  
7           the Deferred Retirement Option Program beyond  
8           60 months; authorizing instructional personnel  
9           in grades prekindergarten through 12 who are  
10          employed by charter schools to participate in  
11          the Deferred Retirement Option Program for up  
12          to 96 months if authorized by those schools'  
13          governing boards; providing an effective date.

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