

By the Committee on Education Pre-K - 12; and Senator Alexander

581-2369-07

1 A bill to be entitled

2 An act relating to instructional personnel;

3 amending s. 121.091, F.S.; revising eligibility

4 criteria for persons employed as instructional

5 personnel in district schools to participate in

6 the Deferred Retirement Option Program beyond

7 60 months; authorizing instructional personnel

8 in grades prekindergarten through 12 who are

9 employed by charter schools to participate in

10 the Deferred Retirement Option Program for up

11 to 96 months if authorized by those schools'

12 governing boards; providing an effective date.

13

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

15

16 Section 1. Paragraphs (a) and (b) of subsection (13)

17 of section 121.091, Florida Statutes, are amended to read:

18 121.091 Benefits payable under the system.--Benefits

19 may not be paid under this section unless the member has

20 terminated employment as provided in s. 121.021(39)(a) or

21 begun participation in the Deferred Retirement Option Program

22 as provided in subsection (13), and a proper application has

23 been filed in the manner prescribed by the department. The

24 department may cancel an application for retirement benefits

25 when the member or beneficiary fails to timely provide the

26 information and documents required by this chapter and the

27 department's rules. The department shall adopt rules

28 establishing procedures for application for retirement

29 benefits and for the cancellation of such application when the

30 required information or documents are not received.

31

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

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

28 1. The member is not a renewed member of the Florida
29 Retirement System under s. 121.122, or a member of the State
30 Community College System Optional Retirement Program under s.
31 121.051, the Senior Management Service Optional Annuity

1 Program under s. 121.055, or the optional retirement program
2 for the State University System under s. 121.35.

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

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

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

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

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

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

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

20 c. The new employer shall acknowledge, in writing, the
21 participant's DROP termination date, which may be extended but
22 not beyond the original 60-month or, with respect to members
23 who are charter school instructional personnel with students
24 who are funded through the Florida Education Finance Program
25 and who have received authorization from the board of the
26 charter school to participate in DROP beyond 60 months, who
27 are instructional personnel employed by the Florida School for
28 the Deaf and the Blind and who have received authorization by
29 the Board of Trustees of the Florida School for the Deaf and
30 the Blind to participate in the DROP beyond 60 months, or who
31 are instructional personnel as defined in s. 1012.01(2)(a)-(d)

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

10 6. Effective July 1, 2001, for instructional personnel
11 as defined in s. 1012.01(2), election to participate in the
12 DROP shall be made at any time following the date on which the
13 member first reaches normal retirement date. The member shall
14 advise his or her employer and the division in writing of the
15 date on which the Deferred Retirement Option Program shall
16 begin. When establishing eligibility of the member to
17 participate in the DROP for the 60-month or, with respect to
18 members who are charter school instructional personnel with
19 students who are funded through the Florida Education Finance
20 Program and who have received authorization from the board of
21 the charter school to participate in DROP beyond 60 months,
22 who are instructional personnel employed by the Florida School
23 for the Deaf and the Blind and who have received authorization
24 by the Board of Trustees of the Florida School for the Deaf
25 and the Blind to participate in the DROP beyond 60 months, or
26 who are instructional personnel as defined in s.
27 1012.01(2)(a)-(d) in grades K-12 or prekindergarten classroom
28 teachers with students who are funded through the Florida
29 Education Finance Program and who have received authorization
30 by the district school superintendent to participate in the
31 DROP beyond 60 months, the 96-month maximum participation

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

7 | (b) Participation in the DROP.--

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

1 who are charter school instructional personnel with students
2 who are funded through the Florida Education Finance Program
3 and who have received authorization from the board of the
4 charter school to participate in DROP beyond 60 months, who
5 are instructional personnel employed by the Florida School for
6 the Deaf and the Blind and who have received authorization by
7 the Board of Trustees of the Florida School for the Deaf and
8 the Blind to participate in the DROP beyond 60 months, or who
9 are instructional personnel as defined in s. 1012.01(2)(a)-(d)
10 in grades K-12 or prekindergarten classroom teachers with
11 students who are funded through the Florida Education Finance
12 Program and who have received authorization by the district
13 school superintendent to participate in the DROP beyond 60
14 calendar months, 96 calendar months immediately following the
15 effective date of the DROP, except a member of the Special
16 Risk Class who has reached normal retirement date prior to the
17 effective date of the DROP and whose total accrued value
18 exceeds 75 percent of average final compensation as of his or
19 her effective date of retirement shall be eligible to
20 participate in the DROP for no more than 36 calendar months
21 immediately following the effective date of the DROP.

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

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

3 d. Any other information required by the division.

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

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

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

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

29 c. An elected officer who is dually employed and
30 elects to participate in DROP shall be required to satisfy the
31 definition of termination within the 60-month or, with respect

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

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

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 2744

This committee substitute removes the amendment to s. 1012.01,(2) F.S., which expanded the definition of "instructional personnel" to include prekindergarten teachers.

In addition, the committee substitute expands the Deferred Retirement Option Program extension to charter school education paraprofessionals as defined in s. 1012.01(2)(e), F.S.